



SAHYADRITM

Indian. Innovative. Iconic.

CREATING BUILDING TRANSFORMING



ANNUAL REPORT 2016-17

THE
VISION
TO SEE THE
FUTURE.
THE
STRENGTH
TO MAKE
IT HAPPEN.



What a year it has been! All through 2016-2017, change has been the only constant. De-monetisation, RERA and now GST are the kind of transformational changes that are designed to build a solid future.

Sahyadri Industries Ltd, has stood steadfast through it all. Building on the strong brand heritage of Swastik roofs, Cemply and Swachalay and planning ahead for a new energized EcoPro.





EcoPro multi-use Fibre Cement Boards greatly simplify construction and designing based applications. It is also affordable, highly energy efficient, durable and weather resistant and easy to use. Making it of great value to the end consumer.

EcoPro combines aesthetics and technology, ideal for building or renovating, including external cladding, interiors and use in wet areas. It can be used to conceal all external conduit pipes, AC ducts, Sanitary pipes etc. and helps in providing natural light, good ventilation and privacy to the occupants.



Sahyadri Industries Ltd is truly proud of this versatile product. Constantly innovating, creating and testing new uses across a wide range of problems like false- ceilings, partition walls, kitchen ottas and cabinets, finishing walls and more.

**2017-18 is already here.
Sahyadri Industries Ltd is
future ready!**

**BOARD OF DIRECTORS**

Mr. J.P. Patel	Executive Chairman	
Mr. S.V. Patel	Managing Director	
Ms. S. J. Kotasthane	Director	
Adv. S. B. Malegaonkar	Director	Appointed w.e.f. 7 th August, 2017
Mr. P. L. Patel	Whole time Director	Retired w.e.f. 30 th June, 2017
Mr. V. L. Patel	Whole time Director	Retired w.e.f. 30 th June, 2017
Mr. S. U. Joshi	Director	Retired w.e.f. 7 th August, 2017
Mr. J. G. Awate	Director	Retired w.e.f. 7 th August, 2017
Mr. S. Y. Mestri	Director	Retired w.e.f. 7 th August, 2017

CHIEF FINANCIAL OFFICER

Mr. M. K. Sharma

COMPANY SECRETARY

Ms. Y. U. Agashe

AUDITORS

M/s. Parag Patawa & Associates, Chartered Accountants, Pune.

SECRETARIAL AUDITORS

M/s. P. L. Shettigar, Company Secretary, Pune

REGISTERED OFFICE

39/D, Swastik House,
J. N. Road, Gultekdi, Pune 411037
W: www.silworld.in E: info@silworld.in
T: +20 2644 4625/26/27
F: +20 2644 4624/2645/8888
CIN: L26956PN1994PLC078941

BANKERS

Cosmos Co- Op Bank Limited
Corporation Bank
HDFC Bank Limited
Indian Overseas Bank
Standard Chartered Bank
ICICI Bank Limited

REGISTERED TRANSFER AGENT

M/s Sharex Dynamics (India) Private Limited
Unit no. , Luthra Industries Premises , Safed Pool,
Andheri (E) , Mumbai -
Phone No (022) – 28851560604/44
Fax No (022) 28512885

INFORMATION TO SHAREHOLDERS

Annual General Meeting
Day & Date : Thursday 28th September 2017
Time : 3.30 PM
Venue: Plot No. 39, Block No. D-III,
MIDC, Chinchwad, Pune.
Date of Book Closure : 22nd September 2017
to 28th September 2017.
(Both days Inclusive)

CONTENTS

Notice
Board's Report
Management Discussion & Analysis
Report on Corporate Governance
Auditors' Report
Financial Statements



NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of Sahyadri Industries Limited will be held on Thursday, 28th September, 2017 at 3.30 PM at Plot No. 39, Block No. D-III, MIDC, Chinchwad, Pune - 411 019, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Report of the Auditors' and Board of Directors thereon.
2. To re-appoint Mr. S.V. Patel (DIN:00131344), as Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] be and are hereby appointed as Statutory Auditors of the Company, in place of retiring Auditors M/s. Parag Patwa and Associates, Chartered Accountants, Pune to hold the office from the conclusion of this Twenty Third (23rd Annual General Meeting (AGM) till the conclusion of the Twenty Eighth (28th) AGM of the Company (subject to ratification of their appointment at every AGM) at such remuneration plus applicable tax, out of pocket and travelling expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit Committee."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to recommendation of Nomination and remuneration Committee

and in accordance with the provisions of Section 196, 197 and all other applicable provisions, if any and schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the re-appointment of Mr. J. P. Patel (DIN:00131517) as Executive Chairman of the Company for a period 3 years effective from 1st July 2017."

"RESOLVED FURTHER THAT in supersession of the earlier resolution passed by the members of the Company at the Extra Ordinary General Meeting held on 28th March, 2015 and Annual General Meeting held on 30th September 2016 and in accordance with the recommendations of Nomination & Remuneration Committee of the Company and in terms of the provisions of Sections 196, 197, 198 and all other applicable provisions, if any, and Schedule V to the Companies Act, 2013 (including any amendments thereto or re-enactments thereof), and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the members be and is hereby accorded to appoint Mr. J. P. Patel (DIN:00131517) and revise the remuneration mentioned below as minimum remuneration in case of inadequacy or absence of profits, for a period 3 years with effect from 1st July 2017:

a) Basic Salary:

₹2,00,000/- (₹ Two Lac only) per month in the grade of ₹ 2,00,000-40,000 -4,00,000.

b) Allowances:

- i) House rent: House rent allowance of ₹80,000/- (Eighty thousand only) per month.
- ii) Leave travel allowance: Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.
- iii) Medical expenses: At Actual

c) Perquisites:

- i) Payment of Bonus/ex-gratia amount as may be declared by the Company.
- ii) Contribution to Provident Fund and Superannuation fund or Annuity fund in accordance with the Rules of the Company.



- iii) Free use of car with driver for business of the Company.
- iv) Free telephone facility at residence for official purpose.
- v) Gratuity in accordance with the Rules of the Company. For the purpose of calculation of gratuity; Mr. J. P. Patel shall be deemed to be in the continuous employment of the Company from the date of his originally joining the Company. The nature of employment is contractual.
- vi) Mediclaim Insurance coverage for self and family as per the Rules of the Company.
- vii) Group Personal Accident Insurance cover as per the Rules of the Company.
- Viii) Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
- ix) Yearly fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees."

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

"RESOLVED THAT pursuant to recommendation of Nomination and remuneration Committee and in accordance with the provisions of Section 196, 197 and all other applicable provisions, if any and schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the re-appointment of Mr. S.V. Patel (DIN:00131344) as Managing Director of the Company for a period 3 years effective from 1st July 2017."

"RESOLVED FURTHER THAT in supersession of the earlier resolution passed by the members of the Company at the Extra Ordinary General Meeting held on 28th March, 2015 and Annual General Meeting held on 30th September 2016 and in accordance with the recommendations of Nomination & Remuneration Committee of the Company and in terms of the provisions of Sections 196, 197, 198 and all other

applicable provisions, if any, and Schedule V to the Companies Act, 2013 (including any amendments thereto or re-enactments thereof), and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the members be and is hereby accorded to appoint Mr. S.V. Patel (DIN:00131344) and revise the a remuneration mentioned below as minimum remuneration in case of inadequacy or absence of profits, for a period 3 years effective from 1st July 2017:

a) Basic Salary:

₹2,00,000/- (₹ Two Lac only) per month in the grade of ₹ 2,00,000-40,000 -4,00,000.

b) Allowances:

i) House rent: House rent allowance of ₹80,000/- (Eighty thousand only) per month.

ii) Leave travel allowance: Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.

iii) Medical expenses: At Actual

c) Perquisites:

i) Payment of Bonus/ex-gratia amount as may be declared by the Company.

ii) Contribution to Provident Fund and Superannuation fund or Annuity fund in accordance with the Rules of the Company.

iii) Free use of car with driver for business of the Company.

iv) Free telephone facility at residence for official purpose.

v) Gratuity in accordance with the Rules of the Company. For the purpose of calculation of gratuity, Mr. S. V. Patel shall be deemed to be in the continuous employment of the Company from the date of his originally joining the Company. The nature of employment is contractual.

vi) Mediclaim Insurance coverage for self and family as per the Rules of the Company.



- vii) Group Personal Accident Insurance cover as per the Rules of the Company.
 - Viii) Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
 - ix) Yearly fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees."
6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Adv S. B. Malegoankar (DIN 07901434), Director of the Company who was appointed as an additional director, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years w.e.f 7th August 2017."

"RESOLVED FURTHER that pursuant to the provisions of Sections 149, 197 and any

other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Adv S. B. Malegaonkar be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors M/s. Nimkar Mohani & Associates, Pune appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

"RESOLVED FURTHER THAT Mr. J. P. Patel, Executive Chairman or Mr. S.V. Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

11th August 2017

Regd. Office: 39/D, Swastik House,
J. N. Road, Gultekdi, Pune 411037

W: www.silworld.in E: info@silworld.in

T: +20 2644 4625/26/27

F: +20 2644 4624/2645/8888

CIN No: L26956PN1994PLC078941

**On Behalf of the Board of the Directors
FOR SAHYADRI INDUSTRIES LIMITED**

Jayesh Patel
Chairman
(DIN: 00131517)

Satyen Patel
Managing Director
(DIN: 00131344)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy should, however be deposited at the registered office of the Company not less 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. A corporate members intending to depute their authorised representatives to attend the Meeting are requested to lodge with the Company well in advance a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2017 to 28th September, 2017 (both dates inclusive)
4. Members are requested to promptly notify any change in their address to the Company's Registrar & Transfer Agent namely, Sharex Dynamic (India) Pvt. Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri (E), Mumbai - 400 072. Shareholders holding shares in dematerialized form shall inform any change in their details, address and other to their respective Depository Participants only.
5. Members desiring any information about the Company's working are requested to write to the Company at an early date so as to enable the Company to reply at the Annual General Meeting.
6. The Annual Report of the Company circulated to the members will be made available on the Company's website at www.silworld.in
7. Copies of the Annual Report 2017 are being sent by electronic mode only to those members whose email addresses are registered with

the Company / Depository Participant(s) for communication purposes. Any member may request for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2017 are being sent by the permitted mode. However such members are requested to register their respective e-mail address with the Company/ Depository Participant.

8. Pursuant to the provisions of Section 123 of the Companies Act 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any such claims by the Fund. Unclaimed dividend amount in respect of final dividend declared during financial year 2009-10 will be transferred to Investor Education & Protection Fund on or before 29th September 2017. Members who have not yet encashed their dividend warrant(s) for the financial years 2009-2010 are requested to make their claims to the Company without any delay.

The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2008-09, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (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 30th (date of last Annual General Meeting) on the website of the Company (www.silworld.in), as also on the website of the Ministry of Corporate Affairs

9. Members are requested to bring their attendance slip along with the copy of Annual Report to the meeting.
10. Additional information pursuant to the Listing Regulations with SEBI (LODR), 2015 in respect of the Directors seeking appointment / re-appointment at the AGM is enclosed and forms a part of the Notice.
11. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility



to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on close of business hours on 21st September, 2017 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 25th September, 2017 (9.00 AM) and will end at 27th September, 2017 (5.00 PM). The Company has appointed Mr. P. L. Shettigar, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e- voting given hereinafter.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2017 at 9.00 AM and ends on 27th September, 2017 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (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.
- (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> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (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 Sahyadri Industries 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be 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.

- (xviii) 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.

STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No 4 & 5:

The term of appointment of Mr. J. P. Patel, Executive Chairman and Mr. S. V. Patel, Managing Director was upto 30th June 2017. It is desired to reappoint them for further period of 3 years w.e.f 1st July 2017 till. The Board of Directors in their Board meeting held on 20th May 2017 as per recommendation of Nomination & remuneration Committee and subject to approval of the shareholders has decided to re-appoint them on the terms, conditions and remuneration as contained in resolution no 4 & 5.

In the 20th Annual general Meeting held on 8th August 2014 Mr. J. P. Patel (DIN: 00131517), Mr. S. V. Patel (DIN: 00131344), were appointed as Executive Chairman & Managing Director respectively for the period of 3 years w.e.f 1st July 2014. Their remuneration was revised by special resolution in the Extra Ordinary General Meeting held on 28th March 2015 and Annual general Meeting held on 30th September 2016.

The Nomination and Remuneration committee in its meeting held on 19th May 2017 and the Board of Directors at their meeting held on 20th May 2017 have approved the said appointment of the Executive Directors in terms of schedule V of the Companies Act, 2013, w.e.f. 1st July 2017 for the period of 3 years.

Mr. J. P. Patel and Mr. S. V. Patel are interested in their respective resolutions set out at Item No.4 & 5 of the Notice.

Other relatives of Mr. J. P. Patel and Mr. S. V. Patel may be shareholders of the Company. The interest in the resolutions of these related parties co-exists to the extent of the interest of the concerned Director to whom they are related. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions.

The Directors recommend the resolution set out in



item no. 4 & 5 for approval of the members by way of Special Resolutions.

Item No. 6

Adv S. B. Malegaonkar (DIN 07901434) is an Additional Director (Independent Director for the purpose of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) with effect from 7th August 2017 till the ensuing Annual General Meeting.

Adv S. B. Malegaonkar (DIN 07901434) ceases to be an Additional Director at the ensuing Annual General Meeting in terms of Section 161 and any other applicable provisions of the Companies Act, 2013, being eligible offers himself for appointment, is proposed to be appointed as an Independent Director for a term of 5 consecutive years. A notice has been received from a Member proposing Mr Adv S. B. Malegaonkar (DIN 07901434) as a candidate for the office of the Director of the Company.

In the opinion of the Board, Adv S. B. Malegaonkar (DIN 07901434) fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively. Copy of the draft letter of appointment of Adv S. B. Malegaonkar (DIN 07901434) as an Independent Director setting out the terms and conditions would be available for inspection by the Members at the Registered Office of the Company during normal business hours.

The Board considers that his association would be an immense benefit to the Company and it is desirable to continue to avail services of Adv S. B. Malegaonkar (DIN 07901434) as an Independent Director. The Board recommends the resolution in relation to the appointment of Adv S. B. Malegaonkar (DIN 07901434) as an Independent Director, for the approval of the Members of the Company. Under the Companies Act, 2013, Independent Directors can only receive fees under the provisions of Section 197(5) and profit related commission as may be approved by the Members. Accordingly, approval of Members is also being sought for the purposes of payment of fees and profit related commission,

which amounts may be decided by the Board / Nomination and Remuneration Committee, from time to time subject to the limit prescribed under the Companies Act, 2013 and as may be prescribed under the rules that are passed or may be passed from time to time.

Currently, Adv S. B. Malegaonkar (DIN 07901434) does not hold any shares in the Company. Adv S. B. Malegaonkar (DIN 07901434) is not related to any other director on the Board of the Company. None of the Directors or Key Managerial Personnel or their relatives other than Adv S. B. Malegaonkar (DIN 07901434) are concerned or interested, financial or otherwise, in the resolution set out at an Item No. 6.

This explanatory statement may also be regarded as disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No 7:

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of ₹ 30,000 /- (Rupees Thirty Thousand) of the Cost Auditor M/s. Nimkar Mohani & Associates, Pune to conduct the audit of the cost records maintained by the Company in respect of production of Cement Products & Power Generation of the Company for the Financial Year 2017-18.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for consent to the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

**On Behalf of the Board of the Directors
FOR SAHYADRI INDUSTRIES LIMITED**

Jayesh Patel
Chairman
(DIN: 00131517)

Satyen Patel
Managing Director
(DIN: 00131344)

11th August 2017
Regd. Office: 39/D, Swastik House,
J. N. Road, Gultekdi, Pune 411037
W: www.silworld.in E: info@silworld.in
T: +20 2644 4625/26/27
F: +20 2644 4624/2645/8888
CIN No: L26956PN1994PLC078941



Details of Directors seeking appointment or reappointment in the Annual General Meeting fixed on 30th September, 2017.

Name of the Director	Mr. J.P. Patel	Mr. S. V. Patel	Adv. S. B. Malegaonkar
Date of Birth	9 th January 1969	17 th March 1977	12 th May, 1967
Date of Appointment	15 th January 1999	1 st August 1998	27 th January, 2015
Expertise in specific function areas	Overall Strategy & Planning	Overall Strategy & Planning	Mr. S. B. Malegaonkar is a professional Advocate with experience of over 25 years in Finance, Accounts, setting up operations and MIS reporting.
List of outside Directorships held in other Companies	Poonam Roofing Products Private Limited	Poonam Roofing Products Private Limited	Nil
Chairman of the Committees of the Board of the Company	Chairman - Finance Committee	Chairman - Corporate Social Responsibility, Risk management Committee Committee,	Chairman - Nomination & Remuneration Committee
Member of the Committees of the Board of the Company	Member - Audit Committee, Nomination & Remuneration Committee, Risk management Committee, Corporate Social Responsibility Committee	Member - Finance Committee, Stakeholder Relationship Committee.	Member- Audit Committee, Stakeholder Relationship Committee, Corporate Social Responsibility, Risk management Committee
Chairman/Member of the Committees of the Board of other Companies	Nil	Nil	Nil
Shareholding	579,350 Equity shares	294,326 Equity shares	Nil

11th August 2017

Regd. Office: 39/D, Swastik House,

J. N. Road, Gultekdi, Pune 411037

W: www.silworld.in E: info@silworld.in

T: +20 2644 4625/26/27

F: +20 2644 4624/2645/8888

CIN No: L26956PN1994PLC078941

**On Behalf of the Board of the Directors
FOR SAHYADRI INDUSTRIES LIMITED**

Jayesh Patel
Chairman
(DIN: 00131517)

Satyen Patel
Managing Director
(DIN: 00131344)



Annexure-I

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT.

Sr. No.	General Information																																									
I	1) Nature of Industry	The Company is mainly engaged in the business of manufacture and sale of fibre cement corrugated sheets as also boards. The Company is also manufacturing non asbestos Cement Boards and products for different applications of non-asbestos boards. The Company is collectively operating 31 windmills in Maharashtra, Tamil Nadu and Rajasthan.																																								
	2) Date or Expected date of commencement of commercial production	The Company is an existing company and is in operation since 1994.																																								
	3) In case of new company, expected date of commencement of activity as per project approved by the financial institutions appearing in the prospectus	Not applicable as the Company is an existing company.																																								
	4) Financial performance based on given indicators (₹ In lakhs)																																									
	<table><tr><th>Particulars</th><th>March 31, 2017</th><th>March 31, 2016</th><th>March 31, 2015</th></tr><tr><td>Sales & Other Income</td><td>26,230.61</td><td>36,392.69</td><td>43,875.78</td></tr><tr><td>Profit Before Tax</td><td>463.34</td><td>(1,898.47)</td><td>1,092.53</td></tr><tr><td>Provision for Tax</td><td>145.20</td><td>(821.08)</td><td>380.92</td></tr><tr><td>Profit after Tax</td><td>318.14</td><td>(1,089.84)</td><td>711.61</td></tr><tr><td>Balance of Profit brought forward from previous Year</td><td>7,403.47</td><td>8,493.31</td><td>8,152.28</td></tr><tr><td>Profit Available for Appropriation</td><td>7,721.61</td><td>7,403.47</td><td>8,863.89</td></tr><tr><td>Dividend (Including Dividend Distribution Tax)</td><td>0</td><td>0</td><td>172.62</td></tr><tr><td>Transfer to General Reserve</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Profit Carried to Balance-Sheet</td><td>7,721.61</td><td>7,403.47</td><td>8,493.31</td></tr></table>	Particulars	March 31, 2017	March 31, 2016	March 31, 2015	Sales & Other Income	26,230.61	36,392.69	43,875.78	Profit Before Tax	463.34	(1,898.47)	1,092.53	Provision for Tax	145.20	(821.08)	380.92	Profit after Tax	318.14	(1,089.84)	711.61	Balance of Profit brought forward from previous Year	7,403.47	8,493.31	8,152.28	Profit Available for Appropriation	7,721.61	7,403.47	8,863.89	Dividend (Including Dividend Distribution Tax)	0	0	172.62	Transfer to General Reserve	0	0	0	Profit Carried to Balance-Sheet	7,721.61	7,403.47	8,493.31	
Particulars	March 31, 2017	March 31, 2016	March 31, 2015																																							
Sales & Other Income	26,230.61	36,392.69	43,875.78																																							
Profit Before Tax	463.34	(1,898.47)	1,092.53																																							
Provision for Tax	145.20	(821.08)	380.92																																							
Profit after Tax	318.14	(1,089.84)	711.61																																							
Balance of Profit brought forward from previous Year	7,403.47	8,493.31	8,152.28																																							
Profit Available for Appropriation	7,721.61	7,403.47	8,863.89																																							
Dividend (Including Dividend Distribution Tax)	0	0	172.62																																							
Transfer to General Reserve	0	0	0																																							
Profit Carried to Balance-Sheet	7,721.61	7,403.47	8,493.31																																							
	5) Foreign investments or collaborations, if any	The Company has neither made any Foreign Investment nor has entered into any foreign collaboration during the previous year.																																								



II	Information about the appointees:	
	<p>1) Background Details:</p> <p>a) Mr. Jayesh P. Patel</p> <p>Mr. J. P. Patel, 48 years, is the Executive Chairman of the Company, has inherited the mantle in 2011. After graduating in commerce from Pune University followed it up with Masters in Business Administration from Middlesex University, UK. Endowed with great negotiation skills and ample exposure to sales, finance, raw material outsourcing and manufacturing, he brings with him a wealth of experience. Being strategic thinker and extremely system oriented person, he has also ensured smooth transition of the Company to that of a very progressive organisation from traditional one. He has more than 19 years of diverse business experience in the field of fiber, cement industry, real estate and power generation.</p> <p>b) Mr. Satyen V. Patel</p> <p>Mr. S. V. Patel, 40 years of age, is the Managing Director of the Company . A commerce background and MBA from Pune University, has been exposed to every department of the Company before donning to the mantle of Managing Director. Extremely astute and forward thinking, he is responsible for the Company to be SAP enabled one. He posses very good experience in sales, marketing, business strategies and have good exposure to accounts, finance activities of the Company. He has more than 19 years of business experience in the field of fiber, cement industry, real estate and power generation.</p>	
	2) Past Remuneration:	During the financial year ended March 31, 2017, a total sum of ₹ 67.34 Lakhs was paid as remuneration to Mr. S. V. Patel, Mr. J. P. Patel. Details are available in 23 rd Annual Report of the Company.
	3) Recognition or Awards:	Nil
	4) Job profile and Suitability :	The Board considers that educational background, experience and knowledge of the Working Directors will continue to strengthen the business activities of the Company. The terms of remuneration, as set out in the resolution are considered to be just, fair and reasonable and are in accordance with the remuneration paid to other similarly placed executives in the industry.
	5) Remuneration Proposed: (as minimum remuneration)	As stated in Item No. 4 & 5 of the Notice.
	6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	In tandem with scale of the operation of Company and the industry in which it operates.
	7) Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel, if any:	Relatives of, Mr. J. P. Patel and Mr. S. V. Patel may be shareholders of the Company. The interest in the resolutions of these related parties co-exists to the extent of the interest of the concerned Director to whom they are related. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions.



III.	Other Information:	
	1) Steps taken or proposed to be taken for improvement:	The Company has taken steps to reduce the various costs. Many of the depots of the Company are closed, strength of employees, where ever possible, has been reduced. The Company is also closely monitoring the interest cost and freight cost very minutely. Company Has paid special attention to reduction of debt and tight management of working capital.
	2) Expected increase in productivity and profits in measurable terms:	The Company is lays particular emphasis on optimum productivity. Reasonable gains are expected to accrue from it.
IV.	Disclosures:	The information and disclosures of the remuneration package of the respective Working Directors have been given in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2017 of the 23 rd Annual Report' as well in the Notice of the 23 rd Annual General Meeting.

11th August 2017

Regd. Office: 39/D, Swastik House,

J. N. Road, Gultekdi, Pune 411037

W: www.silworld.in E: info@silworld.in

T: +20 2644 4625/26/27

F: +20 2644 4624/2645/8888

CIN No: L26956PN1994PLC078941

**On Behalf of the Board of the Directors
FOR SAHYADRI INDUSTRIES LIMITED**

Jayesh Patel
Chairman
(DIN: 00131517)

Satyen Patel
Managing Director
(DIN: 00131344)



BOARDS REPORT

To
The Members,

Your Directors have pleasure in presenting their Twenty-Third Annual Report together with the audited statement of accounts for the Financial Year ended March 31, 2017.

1. RESULTS OF OPERATIONS

	(₹ In Lakhs)	
Particulars	March 31, 2017	March 31, 2016
Sales & Other Income	26,230.61	36,392.69
Profit Before Tax	463.34	(1,898.47)
Provision for Tax	145.2	(808.64)
Profit after Tax	318.14	(1,089.84)
Balance of Profit brought forward from previous Year	7,403.47	8,493.31
Profit Available for Appropriation	7,721.61	7,403.47
Dividend (Including Dividend Distribution Tax)	NIL	NIL

2. BUSINESS PERFORMANCE/STATE OF COMPANY AFFAIRS

The sales and other income for the year ended 31st March 2017 were ₹ 26,230.61 lacs as against ₹ 36,392.69 lacs in the previous year. The operating Profit amounted to ₹ 463.34 lacs as against loss of ₹ 1,898.48 lacs in the previous year. The net profit after tax was ₹ 318.14 lacs as against loss of ₹ 1,089.84 lacs in the previous year.

The Company is facing stiff competition in the market. Your Directors are taking serious efforts to improve the bottom line performance of the Company.

3. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

4. DIVIDEND

In order to conserve the resources, the Board of Directors does not recommend any dividend for the year ended March 31, 2017.

5. RESERVES

The Board of Directors does not propose to transfer any amount to the reserves.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. S.V.Patel, Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

Mr. P.L. Patel and Mr. V. L. Patel cease to be Whole Time Directors w.e.f 30th June 2017. Mr. J. P. Patel and Mr. S. V. Patel whose tenure as Executive Chairman and Managing Director respectively was upto 30th June 2017 were reappointed w.e.f 1st July 2017 subject to approval of members, enabling resolution is proposed at the ensuing Annual General Meeting.

During the year under review, Mr. J. G. Awate, Mr. S. Y. Mestry and Mr. S. U. Joshi were Independent Director who were appointed on 8th August 2015 for period of 2 years ceases to director w.e.f 7th August 2017. Ms. Sarita Kotasthane continues to be Independent Director for 5 years from 1st October, 2016.

Adv. S. B. Malegaonkar was appointed as Additional (Non executive director) in the Board meeting held on 11th August 2017 and necessary resolution for regularization and appointment as Independent Director is proposed at the ensuing Annual General Meeting.

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



During the year under review, Mr. Rohan Nirgudkar resigned as a Company Secretary of the Company w.e.f. 4th June 2016 and Ms. Priyanka Sonje was appointed as Company Secretary & Compliance Officer w.e.f. 10th August 2016, she resigned w.e.f. 12th February 2017.

Ms. Yashodhara Agashe was appointed as Company Secretary & Compliance Officer w.e.f. 15th April 2017.

7. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors has carried out an annual performance evaluation of its own performance and that of the Directors and Committees, internally.

It included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was led by the Chairman of Nomination and Remuneration Committee along with an Independent Director. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience, performance of duties and governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution, independent judgment and guidance and support provided to the management.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors.

8. NOMINATION AND REMUNERATION POLICY

The Board of Directors on the recommendation of the Nomination & Remuneration Committee has framed a Policy for Directors, Key Managerial Personnel and other Senior Managerial Personnel of the Company, in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Policy is stated in the Corporate Governance Report. The same has also been uploaded on the website of the company under the weblink viz, <http://www.silworld.in/index.php/about-us/investors-room/policy>.

9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

During the year Four Board Meetings, Four Audit Committee Meetings, Two Nomination and Remuneration Committee Meetings, One Stakeholder Relationship Committee Meeting, One Corporate Social Responsibility Committee Meeting and One Independent Directors Meeting and was convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



11. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Further there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. All Related Party Transactions are placed before the Audit Committee as also the Board of Directors for approval. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. The form AOC-2 is annexed herewith as "Annexure A".

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

13. AUDITORS

a. Statutory Auditor's

The Company's Auditors, M/s Parag Patwa and Associates, Chartered Accountants, Pune who retire at the ensuing Annual General Meeting of the Company.

The Board of Directors in Board meeting held 20th May 2017 have appointed M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] as Statutory Auditors of the Company, in place of retiring Auditors M/s. Parag Patwa and Associates, Chartered Accountants, Pune to hold the office from the conclusion of this Twenty Third (23rd) Annual General Meeting (AGM) till the conclusion of the Twenty Eighth (28th) AGM of the Company for the Financial Year from 2017-18 to 2021- 2022 (subject to ratification of their appointment at every AGM) subject to approval of members, enabling resolution is proposed at the ensuing Annual General Meeting.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company.

b. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of production of Cement Products & Power generation are required to be audited.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee has appointed M/s Nimkar Mohini & Associates to audit the cost accounts of the Company for the financial year 2017-18 on a remuneration of ₹ 30,000/- plus Good and service Tax as applicable. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s Nimkar Mohini and Associates., Cost Auditors is included at Item No. 7 of the Notice convening the Annual General Meeting.

c. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. P. L. Shettigar, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report is included as "Annexure B" and forms an integral part of this Report.

Mr. Suvir G. Saraf, Company Secretary in Practice has been appointed to undertake the Secretarial Audit of the Company for the Financial Year 2017-18.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure C".



15. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as required under section 92 of the Companies Act, 2013 is included in this Report as "Annexure D" and forms an integral part of this Report.

16. DEPOSITS

The Company has not accepted any fixed deposits from public and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

17. RISK MANAGEMENT POLICY

The Company has adopted the Risk Management Policy after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Risk Management Policy has been uploaded on the website of company under the weblink <http://www.silworld.in/index.php/about-us/investors-room/policy>.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board on recommendation of CSR Committee had approved the CSR policy. The CSR Committee consists of Mr. S. V. Patel-Chairman, Mr. J. P. Patel-Member and Mr. S. U. Joshi-Member. The CSR policy is uploaded on Company's website under the <http://www.silworld.in/index.php/about-us/investors-room/policy>. The Report on CSR Activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure E" forming part of this Report.

19. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annual Report as "Annexure F" which forms a part of this Report.

20. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS.

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise

with the Company's procedures and practices.

21. INTERNAL FINANCIAL CONTROLS

The Company has put in place an adequate system of internal financial controls with respect to the financial statement and commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of business. No reportable material weakness in the operation was observed.

22. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The Whistle Blower Policy is uploaded on the website of the Company under the weblink <http://www.silworld.in/index.php/about-us/investors-room/whistle-blower-policy>.

23. AUDIT COMMITTEE

The composition of the Audit Committee is provided in Corporate Governance Report and forms a part of this Annual Report. There has been no instance of non acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

24. LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan to or provided any guarantee or security in favour of other parties. The Company has also not made any investment of its fund with any other party.

25. ACKNOWLEDGMENT

We thank our customers, vendors, investors and bankers for their continued support during the year. We are grateful to the various state governments & local authorities for their continued co operation. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

**On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED**

Sd/-
Jayesh Patel
Chairman
(DIN: 00131517)

Sd/-
Satyen Patel
Managing Director
(DIN: 00131344)

Pune, August 11, 2017



ANNEXURE A

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2016-17.
2. Details of material contracts or arrangement or transactions at arm's length basis: The Company has not entered into material contract or arrangement or transaction with its related parties during financial year 2016-17.

**On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED**

Sd/-
Jayesh Patel
Chairman
(DIN: 00131517)

Sd/-
Satyen Patel
Managing Director
(DIN: 00131344)

Pune, August 11, 2017



ANNEXURE B

SECRETARIAL AUDIT REPORT

Form No.MR-3

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 Members,
SAHYADRI INDUSTRIES LIMITED,
Swastik House,
39/D, Gultekdi, J.N. Road,
Pune-411037

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sahyadri Industries Limited (Corporate Identification Number L26956PN1994PLC078941 (hereinafter called the Company) having its Registered Office at "Swastik House", 36/D, Gultekdi, J.N. Road, Pune-411037. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I 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 (Listing Obligation and Disclosure Requirements), Regulations, 2015.
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange of Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period);
- (e) The Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the audit period);
- (f) The Securities Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 (Not applicable during the audit period);
- (g) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period) and
- (i) The Securities and Exchange Board of



India (Buy Back of Securities) Regulations, 1988 (Not applicable during the audit period)

(vi) Based on the representation made by the Management of the Company, the following laws are specifically applicable to the Company:

- (a) Factories Act, 1948 and the relevant Rules made thereunder and the Rules framed by the States of Maharashtra, Gujarat, Andhra Pradesh and Tamil Nadu relating to handling and processing of any article of asbestos and any other process of manufacture or otherwise in which asbestos is used in any form.
- (b) The Environment Protection Act, 1986
- (c) Indian Boilers Act, 1923
- (d) Trade Marks Act, 1999
- (e) Patents Act, 1970
- (f) Copyright Act, 1957
- (g) Design Act, 2000

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

- (i) Secretarial Standards with respect to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India; and
- (ii) the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulations ;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, as mentioned above.

I further report that the compliances by the Company of applicable financial laws like direct and indirect tax laws have not been reviewed in this Audit since the same are subject to review by statutory financial audit.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. None of the Directors have sought at the beginning of the financial year, for which this report is related, seeking attendance at the Board Meetings through Video Conferencing or by Audio Visual Means.

The Company has sent notices of Board Meetings / Committee Meetings to all the Directors by means of physical delivery, minimum 7 (seven) days before the meeting and also sent intimation of meetings through e-mail to all Directors who have furnished their e-mail addresses.

As per the Minutes of the meetings recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views of the Directors have been noticed in the Minutes.

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

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

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

P. L. SHETTIGAR
Company Secretary
FCS 3816/C.P.NO.2917

Place : Pune

Date: 25th June 2017

**ANNEXURE C****Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:****(a) Conservation of energy:****(i) Steps taken or impact on conservation energy**

Use of energy efficient LED lights at office area, street light and shop floor and parking areas at all Plants and Head Office.

Avoiding use of Elevators to conserve Electric energy.

(ii) Steps taken by the company for utilizing alternate source of energy

Out of energy Consumption of power worth of ₹ 1308.18 Lacs Company has used non- conventional source of energy generated by own windmills of worth of ₹ 363.93 Lacs (27.82%).

(b) Technology absorption:**(i) The efforts made towards technology absorption**

No technology has been imported. The in house technology is continuously upgraded to improve overall performance of the Company.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

In respect of Building Material, we have explored the possibilities to increase in productivity and reduction in cost.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

No technology has been imported during previous three financial year.

(iv) the expenditure incurred on Research and Development

No expenditure exclusively on R&D has been incurred during the year.

(c) Foreign exchange earnings and outgo

Earning in Foreign Currency: ₹ 2,847.7 Lakh

Foreign Currency Outgo: ₹ 4,458.23

**On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED**

Sd/-	Sd/-
Jayesh Patel	Satyen Patel
Chairman	Managing Director
(DIN: 00131517)	(DIN: 00131344)

Pune, August 11, 2017



ANNEXURE D

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN**as on the Financial Year ended on 31st March 2017

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L26956PN1994PLC078941
ii)	Name of the Company	SAHYADRI INDUSTRIES LIMITED
iii)	Date of Registration	13 TH JUNE 1994
iv)	Category / Sub-Category of the Company	Company Limited by Shares, Non-Govt Company
v)	Address of the Registered office and contact details	39/D, SWASTIK HOUSE, GULTEKDI, J.N.MARG, PUNE-411037. T: +91 20 2644 4625/26/27 F: +91 20 2644 4624, 2645 8888 E-mail: info@silworld.in, Website: www.silworld.in
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri (E), Mumbai - 400 072 Phone No (022) – 28515606/44 Fax No (022) 28512885 www.sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Fibre Cement Products	23959	95

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

#	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
NOT APPLICABLE					



D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders"	No. of Shares held at the beginning of the year 01-04-2016				No. of Shares held at the end of the year 31-03-2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1). INDIAN									
(a). Individual	6319089	0	6319089	66.089	6319089	0	6319089	66.089	0
(b). Central Govt.		0				0			0
(c). State Govt(s).		0				0			0
(d). Bodies Corporates	33602	0	33602	0.351	33602	0	33602	0.351	0
(e). FIINS / BANKS.		0				0			0
(f). Any Other		0				0			0
Sub-total (A) (1):-	6352691	0	6352691	66.44	6352691	0	6352691	66.44	0
(2). FOREIGN									
(a). Individual NRI / For Ind		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FII		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other (Specify)		0				0			0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	6352691	0	6352691	66.440	6352691	0	6352691	66.440	0
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds		0				0			0.000
(b). Banks / FI	1200	0	1200	0.013	1000	0	1000	0.010	-0.003
(c). Central Govt.		0				0			0.000
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIIs		0				0			0.000
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (Specify)		0				0			0.000
Sub-total (B)(1):-	1200	0	1200	0.013	1000	0	1000	0.01	-0.003



Category of Shareholders"	No. of Shares held at the beginning of the year 01-04-2016				No. of Shares held at the end of the year 31-03-2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	360730	6600	367330	3.842	345871	6600	352471	3.686	-0.156
(ii). Overseas		0				0			0.000
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh	1901109	138308	2039417	21.329	1674851	136708	1811559	18.946	-2.383
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	645689	0	645689	6.753	914406	0	914406	9.563	2.810
(c). Other (specify)									
Non Resident Indians	101063	0	101063	1.057	42308	0	42308	0.442	-0.615
Overseas Corporate Bodies		0				0			0
Foreign Nationals		0				0			0
Clearing Members	54110	0	54110	0.566	87065	0	87065	0.911	0.345
Trusts		0				0			0
Foreign Boodies - D R		0				0			0
Sub-total (B)(2):-	3062701	144908	3207609	33.547	3064501	143308	3207809	33.548	0.001
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3063901	144908	3208809	33.560	3065501	143308	3208809	33.558	-0.002
C. Shares held by Custodian for GDRs & ADRs		0				0			0.000
Grand Total (A+B+C)	9416592	144908	9561500	100.00	9418192	143308	9561500	100.00	-0.002

Shareholding of promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			ShareHolding at the end of 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	% changes in share holding during the year
1	PATEL JAYESH PURUSHOTTAM	579350	6.059	0	579350	6.059	0	0
2	TRILOCHANA VIPUL PATEL	578250	6.048	0	578250	6.048	0	0
3	PATEL CHETAN PURUSHOTTAM	574323	6.007	0	574323	6.007	0	0
4	SHILPA J PATEL	564150	5.9	0	564150	5.9	0	0

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			ShareHolding at the end of 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	% changes in share holding during the year
5	PATEL PURNA CHETAN	520000	5.438	0	520000	5.438	0	0
6	PATEL HARSHA JAYESH	515400	5.39	0	515400	5.39	0	0
7	VALLABBHAI LALJIBHAI PATEL	500371	5.233	0	500371	5.233	0	0
8	GEETA S PATEL	475000	4.968	0	475000	4.968	0	0
9	PATEL PARVATI VALLABHBHAI	419803	4.391	0	419803	4.391	0	0
10	PATEL BHARATIBEN PURUSHOTTAM	348125	3.641	0	348125	3.641	0	0
11	SATYEN PATEL	294326	3.078	0	294326	3.078	0	0
12	PATEL PURUSHOTTAM LALJIBHAI (HUF)	291300	3.047	0	291300	3.047	0	0
13	PURUSHOTTAMBHAI LALJIBHAI PATEL	283996	2.97	0	283996	2.97	0	0
14	VIPUL VALLABH PATEL	141008	1.475	0	141008	1.475	0	0
15	JIGNESH PATEL	133300	1.394	0	133300	1.394	0	0
16	PATEL VALLABHBHAI LALJIBHAI (HUF)	74300	0.777	0	74300	0.777	0	0
17	POONAM ROOFING PRODUCTS LTD	33602	0.351	0	33602	0.351	0	0
18	MALVI JAYESH PATEL	13500	0.141	0	13500	0.141	0	0
19	RASHMI GUNVANT PATEL	9687	0.101	0	9687	0.101	0	0
20	PATEL HITENDRA MANUBHAI	2900	0.03	0	2900	0.03	0	0

Change in Promoter's Shareholding(Please specify,if there is no change)- NIL

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			
		No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	% of total Shares of the company
	NIL							



Shareholding pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):

Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
1	NIRBHAY MAHAWAR	20200	0.211	04-11-2016				
				25-11-2016	64800	Buy	85000	0.889
				13-01-2017	15000	Buy	100000	1.046
				10-02-2017	40000	Buy	140000	1.464
	-Closing Balance			31-03-2017			140000	1.464
2	DHEERAJ KUMAR LOHIA	19234	0.201	01-04-2016				
				19-08-2016	10248	Buy	29482	0.308
				26-08-2016	3000	Buy	32482	0.34
				09-09-2016	1647	Buy	34129	0.357
				16-09-2016	1000	Buy	35129	0.367
				23-09-2016	19639	Buy	54768	0.573
				30-09-2016	8615	Buy	63383	0.663
				07-10-2016	23438	Buy	86821	0.908
				14-10-2016	4196	Buy	91017	0.952
				21-10-2016	5889	Buy	96906	1.014
	-Closing Balance			31-03-2017			96906	1.014
3	MAHESH KUMAR SINGHI	92023	0.962	01-04-2016				
	-Closing Balance			31-03-2017	-1064	Sold	90959	0.951
4	O P CHUGH	14100	0.147	01-04-2016				
				21-10-2016	15090	Buy	29190	0.305
				28-10-2016	4150	Buy	33340	0.349
				04-11-2016	19850	Buy	53190	0.556
				13-01-2017	15517	Buy	68707	0.719
				10-02-2017	1363	Buy	70070	0.733
				24-02-2017	8000	Buy	78070	0.817
	-Closing Balance			31-03-2017			78070	0.817
5	CAMEL FOODS PVT LTD.	1180	0.012	28-10-2016				
				18-11-2016	8858	Buy	10038	0.105
				13-01-2017	17251	Buy	27289	0.285
				20-01-2017	1528	Buy	28817	0.301
				27-01-2017	1000	Buy	29817	0.312
				03-02-2017	6467	Buy	36284	0.379
				10-02-2017	17153	Buy	53437	0.559



Sr. No	Name	No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No.Of shares	% of total Shares of the company
				17-02-2017	2134	Buy	55571	0.581
				24-02-2017	1528	Buy	57099	0.597
	-Closing Balance			31-03-2017			57099	0.597
6	ADITYA BIRLA MONEY LIMITED	225	0.002	01-04-2016				
				08-04-2016	-125	Sold	100	0.001
				17-06-2016	100	Buy	200	0.002
				01-07-2016	200	Buy	400	0.004
				28-10-2016	-150	Sold	250	0.003
				04-11-2016	-101	Sold	149	0.002
				03-03-2017	29851	Buy	30000	0.314
				17-03-2017	18500	Buy	48500	0.507
				24-03-2017	100	Buy	48600	0.508
	-Closing Balance			31-03-2017	3245	Buy	51845	0.542
7	BIJAL KISHOR MADHANI	6214	0.065	13-01-2017				
				27-01-2017	6437	Buy	12651	0.132
				03-02-2017	-1386	Sold	11265	0.118
				10-02-2017	18735	Buy	30000	0.314
				03-03-2017	10000	Buy	40000	0.418
	-Closing Balance			31-03-2017			40000	0.418
8	RAJ KUMAR LOHIA	1460	0.015	13-05-2016				
				20-05-2016	13372	Buy	14832	0.155
				24-06-2016	4964	Buy	19796	0.207
				30-09-2016	16266	Buy	36062	0.377
	-Closing Balance			31-03-2017			36062	0.377
9	SONAL N DADIA	32900	0.344	01-04-2016				
	-Closing Balance			31-03-2017		No Change	32900	0.344
10	SHARAD KANAYALAL SHAH	28000	0.293	15-07-2016				
	-Closing Balance			31-03-2017		No Change	28000	0.293
11	NARESH B SHAH	26206	0.274	01-04-2016				



Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
	-Closing Balance			31-03-2017		No Change	26206	0.274
12	SANCHAY FINCOM LIMITED	26001	0.272	01-04-2016				
	-Closing Balance			31-03-2017		No Change	26001	0.272
13	ANJU GOEL	65216	0.682	01-04-2016				
				21-10-2016	-4910	Sold	60306	0.631
				28-10-2016	-15000	Sold	45306	0.474
				23-12-2016	-10306	Sold	35000	0.366
				13-01-2017	-5000	Sold	30000	0.314
				03-02-2017	-8000	Sold	22000	0.23
	-Closing Balance			31-03-2017			22000	0.23
14	SUNNY PORINJU	45572	0.477	01-04-2016				
				08-07-2016	-6572	Sold	39000	0.408
				30-09-2016	-19000	Sold	20000	0.209
				07-10-2016	-2716	Sold	17284	0.181
				23-12-2016	-944	Sold	16340	0.171
	-Closing Balance			31-03-2017			16340	0.171
15	UAL INDUSTRIES LTD.	30000	0.314	01-04-2016				
				30-12-2016	-3000	Sold	27000	0.282
				03-03-2017	-7000	Sold	20000	0.209
				17-03-2017	-10000	Sold	10000	0.105
	-Closing Balance			31-03-2017			10000	0.105
16	SHRI PARASRAM HOLDINGS PVT.LTD.	34040	0.356	01-04-2016				
				08-04-2016	-150	Sold	33890	0.354
				15-04-2016	-497	Sold	33393	0.349
				22-04-2016	100	Buy	33493	0.35
				29-04-2016	-100	Sold	33393	0.349
				10-06-2016	165	Buy	33558	0.351
				17-06-2016	50	Buy	33608	0.351
				24-06-2016	100	Buy	33708	0.353
				08-07-2016	900	Buy	34608	0.362
				15-07-2016	-1100	Sold	33508	0.35



Sr. No	Name	No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No.Of shares	% of total Shares of the company
				16-09-2016	-3143	Sold	30365	0.318
				21-10-2016	100	Buy	30465	0.319
				28-10-2016	100	Buy	30565	0.32
				04-11-2016	-75	Sold	30490	0.319
				18-11-2016	-17875	Sold	12615	0.132
				25-11-2016	100	Buy	12715	0.133
				02-12-2016	-350	Sold	12365	0.129
				09-12-2016	-4375	Sold	7990	0.084
				16-12-2016	-5275	Sold	2715	0.028
				23-12-2016	50	Buy	2765	0.029
				06-01-2017	240	Buy	3005	0.031
				13-01-2017	527	Buy	3532	0.037
				20-01-2017	229	Buy	3761	0.039
				27-01-2017	-50	Sold	3711	0.039
				03-02-2017	70	Buy	3781	0.04
				10-02-2017	-270	Sold	3511	0.037
				17-02-2017	574	Buy	4085	0.043
				03-03-2017	-680	Sold	3405	0.036
				17-03-2017	20450	Buy	23855	0.249
				24-03-2017	-18895	Sold	4960	0.052
	-Closing Balance			31-03-2017	-1885	Sold	3075	0.032
17	MINI DEVIS	35000	0.366	01-04-2016				
	-Closing Balance			28-10-2016	-35000	Sold	0	0
18	KALPATHY VISWANATH NARAYANMURTI	25000	0.261	01-04-2016				
				20-05-2016	-1293	Sold	23707	0.248
				27-05-2016	-1906	Sold	21801	0.228
				24-06-2016	-4925	Sold	16876	0.176
				30-06-2016	-10575	Sold	6301	0.066
				01-07-2016	-1355	Sold	4946	0.052
	-Closing Balance			08-07-2016	-4946	Sold	0	0



(v) Shareholding of Directors and Key Managerial Personnel:

#	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 st April 2016)		Cumulative Shareholding during the year (31 st March 2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Satyen Patel (Managing Director & KMP)	2,94,326	3.078	2,94,326	3.078
2.	Jayesh Patel (Executive Chairman & KMP)	5,79,350	6.059	5,79,350	6.059
3.	Purushottambhai Patel (Whole-time Director & KMP)	2,83,996	2.970	2,83,996	2.970
4.	Vallabhbhai Patel (Whole-time Director & KMP)	5,00,371	5.233	5,00,371	5.233
5.	Suresh Joshi (Independent Director)	1,865	0.020	1,865	0.020
6.	Jaykumar Awate (Independent Director)	NIL	NIL	NIL	NIL
7.	Suresh Mestry (Independent Director)	NIL	NIL	NIL	NIL
8.	Sarita Kotasthane (Independent Director)	NIL	NIL	NIL	NIL
9.	Mahendra Kumar Sharma (KMP)	NIL	NIL	NIL	NIL
10.	Rohan Nirgudkar (KMP)	NIL	NIL	NIL	NIL
11.	Priyanka Sonje (KMP)	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,459.16	4,736.43	NIL	15,195.59
ii) Interest due but not paid	NIL	43.93	NIL	43.93
iii) Interest accrued but not due	(68.18)	NIL	NIL	68.18
Total (i+ii+iii)	10,527.34	4,780.36	NIL	15,307.70
Change in Indebtedness during the financial year				
Addition	NIL	226.13	NIL	226.13
Reduction	(3,982.89)	(90.37)	NIL	(4,073.26)
Net Change	(3,982.89)	135.76	NIL	(3,847.13)
Indebtedness at the end of the financial year				
i) Principal Amount	6,476.27	4,872.18	NIL	11,348.45
ii) Interest due but not paid	NIL	437.20	NIL	437.20
iii) Interest accrued but not due	12.68		NIL	12.68
Total (i+ii+iii)	6,488.95	5,309.38	NIL	11,798.33


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

Amount (₹ in Lakh)

#	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. J. P. Patel (WTD)	Mr. S. V. Patel (MD)	Mr. P. L. Patel (WTD)	Mr. V. L. Patel (WTD)	
1.	Gross Salary	33.67	33.67	21.67	21.67	110.68
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	NIL	NIL	NIL	NIL	
3.	Sweat Equity	NIL	NIL	NIL	NIL	
4.	Commission					
	As % of Profit					
	Others, Specify					
5.	Others, Specify					
	Total (A)	33.67	33.67	21.67	21.67	110.68*

Remuneration paid to Executive Directors is within ceiling as per the Companies Act- 2013*

B. Remuneration to other directors:

Amount (₹)

#	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S. U. Joshi	Mr. J. G. Awate	Mr. S. Y. Mestry	Ms. Sarita Kotasthane	
	Independent Directors					
	Fee for attending board / committee Meetings	20,000	10,000	2,000	16,000	48,000
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	TOTAL (1)	20,000	10,000	2,000	16,000	48,000
	Other Non Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board / committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	TOTAL (2)	NIL	NIL	NIL	NIL	NIL
	TOTAL (B)=(1)+(2)	20,000	10,000	2,000	16,000	48,000*
	Total Managerial Remuneration					

Sitting Fees paid to Non - Executive Directors is within ceiling as per the Companies Act- 2013*



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

Amount (₹ in Lakh)

#	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20.00	4.05	24.05
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission			
	As % of Profit	NIL	NIL	NIL
	Others, specify	NIL	NIL	NIL
5	Others, Specify	NIL	NIL	NIL
	Total	20.00	4.05*	24.05

Remuneration paid to Mr. Rohan Nirgudkar for the period from 1st April 2016 to 4th June 2016 ₹ 127,452/- and Ms. Priyanka Sonje for the period 10th August 2016 to 12th February 2017 ₹ 277,915/-*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED

Sd/- Jayesh Patel Chairman (DIN: 00131517)	Sd/- Satyen Patel Managing Director (DIN: 00131344)
---	--

Pune, August 11, 2017



ANNEXURE E

REPORT ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes.

The Company has its CSR Policy within broad scope laid down in Schedule VII to the Act. The policy is duly approved by the Board of Directors and has been uploaded on Company Website. The Weblink is <http://www.silworld.in/index.php/about-us/investors-room/policy>.

The companies CSR initiative is known as Swastik Disha. The Company has constituted a team of executive to administer Swastik Disha. The CSR activities are executed by Swastik Disha Team.

2. The composition of the CSR Committee:

The Company has formed Corporate Social Responsibility Committee as per the requirement of section 135 of the Companies Act, 2013. The Composition of the CSR Committee is as follows:

1. Mr. S .V. Patel - Managing Director as Chairman
2. Mr. J. P. Patel-Executive Chairman as Member
3. Mr. S. U. Joshi-Independent Director as Member
3. Average Net Profit/ (Loss) of the Company for last 3 Financial Years ₹ (236.68 lakhs)
4. Prescribed CSR expenditure (2% of amount):
₹ (4.73 lakhs)
5. Details of CSR activities/projects undertaken during the year:
 - a) Total amount to be spent for the financial year ₹ Nil
 - b) Amount un-spent, if any ₹ Nil
 - c) Manner in which the amount spent during financial year, is detailed below:

Amount (₹ in Lakh)

#	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programme 1.Local area/ others-2.specify the state / district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay(budget) project/ programme wise	Amount spent on the project/ programme Sub-heads: 1.Direct expenditure on project/ programme 2. Overheads:	Cumulative spend up to the reporting period	Amount spent: Direct/ through implementing agency*
1	Education Sector	Promoting education	Pune	₹ 6.75	₹ 6.75	₹6.75	Direct
	TOTAL			₹ 6.75	₹ 6.75	₹ 6.75	

6. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report:

For Financial Year 2016-17 there was no obligation on the Company to spend on CSR as average profit for past three years was in negative however, the Company has provided scholarship to SSC



toppers of Palem School; the Company has constructed Cooking Room for Narshingh Roa School Dispensary and provided grocery items to Matimanda Vidyalaya.

7. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Policy) Rules, 2014, Mr. S. V. Patel Managing Director and, Chairman of CSR Committee, do confirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.

**On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED**

**Sd/-
Jayesh Patel
Chairman
(DIN: 00131517)**

**Sd/-
Satyen Patel
Managing Director
(DIN: 00131344)**

Pune, August 11, 2017



ANNEXURE F

DISCLOSURE PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

Information as per Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Executive Directors	Ratio to Median Remuneration
Mr. S. V. Patel	30.74
Mr. J. P. Patel	30.74
Mr. V. L. Patel	19.76
Mr. P. L. Patel	19.76
Non Executive Directors	Ratio to Median Remuneration
Mr. S. U. Joshi	0.18
Mr. S. Y. Mestry	0.02
Mr. J. G. Awate	0.09
Ms. S. J. Kotasthane	0.15

- (b) The percentage increase in remuneration of each Working Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager (Collectively called Key Managerial Personnel) if any, in the financial year

Name of the Person	% Increase / (Decrease) in remuneration
Mr. S. V. Patel	(61.12)
Mr. J. P. Patel	(61.12)
Mr. V. L. Patel	(65.87)
Mr. P. L. Patel	(65.87)
Mr. M. K. Sharma-CFO	0
Mr. Rohan Nirgudkar-CS	Not Applicable as the tenure was for part of the year
Ms. Priyanka Sonje	Not Applicable as the tenure was for part of the year

Non executive directors are paid only sitting fees

- (c) The percentage Increase in the median remuneration of employees in the financial year
-14.13%.
- (d) The number of permanent employees on the rolls of company as on 31st March 2017.
485 Nos.



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

The average percentage Increase in salaries of employees other than managerial personnel in 2016-17 was (2.91). Percentage Increase in the managerial remuneration for the year was (63.13). The remuneration decrease as the promoter Director opted for downword revision of their remuneration considering low profitability in the past year.

- (f) Affirmation that the remuneration is as per the remuneration policy of the Company

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**On Behalf of the Board of Directors of
SAHYADRI INDUSTRIES LIMITED**

Sd/-	Sd/-
Jayesh Patel	Satyen Patel
Chairman	Managing Director
(DIN: 00131517)	(DIN: 00131344)

Pune, August 11, 2017



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW:

GLOBAL ECONOMY:

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade, (World Economic Outlook- IMF). World growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. Stronger activity, expectations of more robust global demand, reduced deflationary pressures, and optimistic financial markets are all upside developments.

Growth in Middle East economies was subdued at 3.2% in 2016 due to low oil prices. Prospects too are subdued due to budget cuts on spending, regional conflicts etc. However the adverse effect of low oil prices on exports is more than offset by positive impact it has on overall economy of oil importing countries (including India).

INDIAN ECONOMY:

Indian economy continues to be best performing economy, better than China. Growth is projected to be 7.2 in 2017 up from 6.8 in 2016. Projections are upbeat at 7.5 and 7.8 % in 2018 and 2019.

India is most sought after investment destination with robust FDI & portfolio investments.

With structural reforms like GST , better governance in all spheres, more pragmatic government policies and demonetization, it is turning out to be historical moment in the growth trajectory of the country. Higher government spending on rural upliftment and poverty reduction is going to help economy.

Pradhan Mantri Awas Yojana for rural poor as also “Housing for all by 2022” are two flagship programmes which are going to benefit construction activity. RERA too will bring much needed transparency in this sector.

Swachh Bharat Abhiyan is another important programme of the government. Government aims to achieve open defecation free (ODF) India by 2nd October 2019 by constructing 12 million toilets at a cost of ₹1.96 lac crore Each household below BPL is being provided subsidy of ₹15000 for toilet construction Ecopro Boards manufactured by company provides a perfect solution for toilets as also doors.

ROOFING INDUSTRY:

Fiber cement sheets accounts for around 11% of roofing market and is mainstay of the rural poor. More than 50% rural population still lives in kuchha houses. Cement sheet is the first choice while upgrading to pucca house because of its clear price advantage. At the same time, cement sheets compares favourably on almost all counts i.e long life span (more than 50 years), non corrosive, fire retardant, better accoutstic qualities and better rain/wind noise absorption.

FINANCIAL PERFORMANCE:

Your company has been through a rough patch for last few years. Last financial year can be termed as year of consolidation and turnaround. Topline declined from ₹363.92 to ₹262.31 crores. The year saw good monsoon but third quarter sales were adversely affected due to demonetization

We devoted last two years towards streamlining processes and systems, making the organization more lean, reduction of borrowing, inventory control and control over working capital. The determined focus was shifted to contribution and bottom line. We are glad to share that efforts have brought positive fruits. Company generated profit of ₹318.14 lacs against loss of ₹1089.84 lacs in previous year even though top line declined by 28% approximately.

**WAY AHEAD:**

Your company is concentrating on expansion of dealer network, filling the distribution gaps and brand building to regain the market share. There is sufficient spare capacity and therefore there is no need of further investments. Focus shall continue on consolidation and maximum capacity utilization. Outlook is very positive with good monsoon, upbeat economy, higher government spending and structural reforms.

SEGMENTS:**BUILDING MATERIAL:**

95% of business is generated from building material division. This division comprises roofing sheets (75 to 80%) and flat boards made of asbestos and non asbestos fibers. Boards find applications in partitions, mezzanine floors, facades, false ceilings etc.

Sizeable quantity of non asbestos boards is exported. Exports however have declined during the year due to budget cuts in importing countries. GCC economies are going to have subdued growth in coming year too. Efforts are being made to expand domestic network and offset the loss in volume.

WINDMILL DIVISION:

In the FY 2016-17 we had 31 windmills during the year with 23.2 MW capacities. Part of generation is used by us for self consumption and the rest sold to state utilities. The year saw stable revenue earnings and performance. However this segment faces hiccups in the form of not very positive attitudes of state utilities and abnormal delays in payments. We therefore sold Tamilnadu windmill undertaking consisting of two windmills of 1.6 MW in the month of June 2017.

RISKS AND CONCERNS:

Cement sheet market is largely dependent upon rural income which in turn depends upon uncertain agriculture income based on monsoon. The risk is partly offset by higher government spending, MNERGA has also other schemes of rural upliftment.

BAN ON ASBESTOS: Manufacturers of substitute products are working towards ban on asbestos. Modern technology ensures that there is no human exposure in the whole manufacturing process right from receipt of the material in sealed containers to the final consumption in the sheet. Your company is constantly working on reducing % of asbestos fiber by using alternative fibers. Industry in India uses only Chrysotile (white asbestos) which is considered safe. In India, asbestos-cement industry strictly implements the provisions and recommendations of International Labour Organization's Convention No. 162 titled "Safety in the Use of Asbestos" to ensure safety in the use of asbestos.

Major raw material i.e cement is prone seasonal price variations. However excess cement manufacturing capacity vis a vis demand partly protects from possible losses.

Closure of mines of asbestos across the world is another risk. However your company secures its interests by way of yearly contracts and very good relations with key vendors.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

The Company has an adequate internal control system and management information systems which are focused towards achieving efficiency in operations, optimum utilization of resources, safeguarding of assets and compliance with the applicable laws, rules, regulations and policies.



In addition to the statutory auditors your Company's operations are audited by team of qualified internal auditors at corporate office, plants as well as all depots. The effectiveness of the internal control is regularly reviewed by the management and where ever required it takes steps to modify or enhance the scope of the system. The Audit Committee reviews the audit system and internal control from time to time.

CORPORATE SOCIAL RESPONSIBILITY:

Your company lays great emphasis on its corporate social responsibility. During the year focus was for contribution to the life around our new plant in village Narsimharao palem, Vijayawada (Andhra Pradesh). Contributions were made towards building up of dispensary for medical treatment, laying of a road for local people worth ₹ 0.49 lacs and scholarship to bright students worth ₹ 6.75. Total Expenditure during the year for the purpose of social cause was ₹ 7.24 lacs. (Legal obligation was Nil in view of past losses).

HUMAN RESOURCES:

The Management of your Company strongly believes in maintaining not only cordial but close relations with its employees, which creates feeling of being family member, a 'Sahyadri' family member. It draws strength from such dedicated and committed employee's members. The Company considers human resources to be an important valuable asset for the organization. The commitment and untiring efforts of employees at all levels have contributed immensely to the results achieved on various fronts. The Directors of your Company wish to place on record their appreciation for the hard work and dedication of its employees at all levels.

CAUTIONARY STATEMENT:

It may be noted that the statements in the Management Discussion and Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statements depending on circumstances.



CORPORATE GOVERNANCE REPORT

The Company believes that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence. The Company is committed to sound corporate practices based on transparency and accountability.

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. Our Code of Business Principles is an extension of our values and reflects our business practices and regulatory compliance.

To succeed, we believe, requires the global standards of corporate behavior towards everyone we work with, the communities we touch, and the environment on which we have an impact. This is our road to sustainable, profitable growth and creating long-term value for our shareholders, our people, and our business partners.

The Board of Directors of your Company is responsible and committed to sound principles of Corporate Governance in the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an active, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best governed company across the country.

Board of Directors

The Board of Directors (the Board) is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

As on 31st March 2017 the Board consists of 8 (Eight) Directors comprising 4 (Four) Executive Directors, and 4 (Four) Non-Executive Independent Directors. The Chairman of the Board is an Executive Director. The Board represents an optimal mix of professionalism, knowledge and experience.

Director	Category	No. of Board Meetings attended during FY 2016-17	Whether last AGM attended	Positions held in other public limited companies
Mr. J. P. Patel	Executive Chairman	4	Yes	Nil
Mr. S.V. Patel	Managing Director	4	Yes	Nil
Mr. P. L. Patel (Retired w.e.f 30-06-2017)	Whole time Director	4	No	Nil
Mr. V. L. Patel (Retired w.e.f 30-06-2017)	Whole time Director	2	Yes	Nil
Mr. S. U. Joshi (Retired w.e.f 07-08-2017)	Non-Executive Independent	4	Yes	Nil
Mr. J. G. Awate (Retired w.e.f 07-08-2017)	Non-Executive Independent	3	No	Nil
Mr. S. Y. Mestry (Retired w.e.f 07-08-2017)	Non-Executive Independent	1	Yes	Nil
Ms. S. J. Kotasthane	Non-Executive Independent	4	Yes	Nil



Board Meetings

The Board meets frequently to discuss and decide on Company/business policy and strategy apart from other Board business. The Board/Committee meetings held each year are pre-scheduled. However, in case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting.

The agenda for the Board/Committee meetings is circulated among the Directors in advance to facilitate discussion for taking an informed decision.

During the year 2016-17, Four Board Meetings were held on May 11th 2016, August 12th, 2016, November 14th 2016 and January 27th 2017.

Audit Committee

As of 31st March 2017 the Audit Committee comprised of Ms. S. J. Kotasthane, Mr. S. U. Joshi and Mr. P. L. Patel as its Members. All the members of the Committee have the relevant experience in financial matters.

The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information;
2. Ensuring compliance of internal control systems and action taken on internal audit reports.
3. Apprising the Board on the impact of accounting policies, accounting standards and legislation.
4. Holding periodical discussion with statutory auditors on the scope and content of the audit.
5. Reviewing the Company's financial and risk management policies.

During the year 2016-17, four Audit Committee meetings were held on May 11th 2016, August 12th 2016, November 14th 2016 and January 25th 2017.

The composition of Audit Committee and the details of the meetings attended by the members thereof are as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings Attended
Ms. Sarita Kotasthane	Chairman	Non-Executive, Independent Director	4	4
Mr. S. U. Joshi	Member	Non-Executive, Independent Director	4	4
Mr. P. L. Patel	Member	Whole-Time Director	4	3

Nomination and Remuneration Committee

As of 31st March 2017 Nomination & Remuneration Committee comprised of Mr. S. U. Joshi (Chairman), Mr. J. G. Awate, and Mr. J. P. Patel.

The terms of reference of the Nomination and Remuneration Committee are:

1. To identify persons who are qualified to become directors and who may be appointed as Key Managerial Personnel (KMP) or senior managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
3. To recommend to the Board a policy, relating to the remuneration of the directors, KMP and Senior Management Persons.
4. To formulate the criteria to carry out evaluation of every director's performance.



The details of remuneration paid to all Directors for the FY 2016-17 are as follows

Name of director	Relationship with other directors	Salary, Perquisites & Retirement benefits (₹)	Commission ₹	Sitting Fees ₹	Total ₹
Mr. P. L. Patel	Father of J. P. Patel,				
	Brother of V. L. Patel	21,67,000/-	Nil	Nil	21,67,000/-
Mr. V. L. Patel	Father of S. V. Patel,		Nil	Nil	
	Brother of P. L. Patel	21,67,000/-	Nil	Nil	21,67,000/-
Mr. J. P. Patel	Son of P. L. Patel	33,67,000/-	Nil	Nil	33,67,000/-
Mr. S. V. Patel	Son of V. L. Patel	33,67,000/-	Nil	Nil	33,67,000/-
Mr. S. U. Joshi	Nil	Nil	Nil	20,000/-	20,000/-
Mr. J. G. Awate	Nil	Nil	Nil	10,000/-	10,000/-
Mr. S. Y. Mestry	Nil	Nil	Nil	2,000/-	2,000/-
Ms. S. J. Kotasthane	Nil	Nil	Nil	16,000/-	16,000/-

The details of shares of the Company, held by the non-whole time Directors as on March 31, 2017 are set out in the following table:

Name of the Director	Instrument	No. of shares held
Mr. S. U. Joshi	Equity	1,865

The composition of Nomination and Remuneration Committee and the details of the meetings attended by the members thereof are as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings attended
Mr. S. U. Joshi	Chairman	Non-Executive Independent	2	2
Mr. J. G. Awate	Member	Non-Executive Independent	2	2
Mr. J. P. Patel	Member	Executive Director, Chairman of the Company	2	2

Nomination and Remuneration Policy

The Company has formulated Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management persons. The policy contains details such as criteria and qualification for appointment as Directors/KMP/senior management personnel of the company, structure of remuneration for the managing director, key managerial personnel and senior management personnel and evaluation etc. The policy is uploaded on the website. The weblink is <http://www.silworld.in/index.php/about-us/investors-room/policy>.

Stakeholders Relationship Committee

As at 31st March 2017, Stakeholders Relationship Committee comprised of Mr. S. U. Joshi (Chairman), Mr. V. L. Patel (Member), Mr. M. K. Sharma (Member). The committee is mandated to oversee share transfers, transmission and review and redress shareholders' complaints. During the year one meeting of the committee was held on June 2nd 2016.

During the year under review 1 (One) complaints was received from the shareholder for non receipt of dividend warrant, and non receipt of Annual Report. The complaints was attended and resolved by the Company, after making necessary enquiries on the subject matter.

Name of the Compliance Officer:

Ms. Yashodhara Agashe

Company Secretary

Phone: 020-26444625/26/27



Corporate Social Responsibility Committee

As at 31st March 2017 the Corporate Social Responsibility Committee comprises of Mr. S. V. Patel (Chairman), Mr. J. P. Patel (Members) and Mr. S. U. Joshi (Member). The committee is mandated to recommend the amount of expenditure to be incurred on the CSR activities and monitor implementation of the Corporate Social Responsibility Policy of the company from time to time.

During the year one meeting of the committee was held on June 2nd 2016.

Risk Management Committee

As per regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to constitute a Risk Management Committee.

Independent Director Meeting

A separate Meeting of Independent Directors was held on 11th May 2016 to review the performance of the Board (as a whole), the non-independent directors and the Chairman.

Details of General Body Meetings held during last three years

Date	Time	Special Resolution	Location	AGM/EGM
30.09.2016	3.30 p.m	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
07.08.2015	3.30 p.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
28.03.2015	11.30 a.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	EOGM
08.08.2014	3.30 p.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM

No resolutions were passed by postal ballot in the year 2016-17.

Disclosures

1. There has been no materially significant related party transactions that may have potential conflict with the interest of company at large.
2. The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/strictures were imposed on the Company during the last three years.
3. Whistle Blower Policy – As per the policy in force, no person irrespective of the status or level is denied access to the Audit Committee.
4. Matter of adoption of non mandatory requirements under Listing Regulations is being reviewed by the Board from time to time.
5. Management Discussion and Analysis Report forms a part of the Annual Report.

Means of Communication

Quarterly, annual results and notices are published in Free Press Journal & Navshakti. The results are displayed on the Company's website www.silworld.in

General Shareholders Information

Annual General Meeting (AGM)

Date and time: September 28th, 2017 at 3.30 P. M.

Venue: Plot No. 39, Block D-III, MIDC, Chinchwad, Pune - 411019

Financial Calendar

The Company follows April–March as its financial year. The results for every quarter beginning from April are declared within 45 days following the quarter except for the last quarter, for which the results are declared



within 60 days from the end of quarter which is permitted under the Listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dates of Book Closure

22nd September, 2017 to 28th September, 2017 (both days inclusive).

Dividend

Board of Directors has not recommended any dividend for the financial year ended 31st March 2017.

Listing on Stock Exchange and Stock Code

The Company's shares are listed on the Bombay Stock Exchange Limited.

Stock Code: 532841

ISIN: INE280H01015

Market Price Data BSE

The monthly High and Low Quotations of Shares traded on Bombay Stock Exchange Limited, Mumbai is as follows:

Months	Stock Market Price on BSE		BSE Sensex	
	High	Low	High	Low
April 2016	148.65	115.55	26007.3	24673.84
May 2016	57.95	52	26725.6	25101.73
June 2016	64.3	52.8	26999.72	26397.71
July 2016	72.5	64.35	28208.62	27126.9
August 2016	74.25	61.4	28343.01	27714.37
September 2016	75.15	66.25	29045.28	27827.53
October 2016	99.35	69.3	28334.55	27539.97
November 2016	99.25	68.6	27876.61	25765.14
December 2016	85.5	71.25	26747.18	25807.1
January 2017	90.2	81.25	27882.46	26595.45
February 2017	103.65	83.25	28892.97	28141.64
March 2017	115.1	90.55	29648.99	28743.32

Registrar and Transfer Agent:

Sharex Dynamic (India) Private Limited

Unit No 1, Luthra Industrial Premises,

Safed Pool, Andheri (E), Mumbai 400 072

Phone: 022-28515606/44, Fax : 022-28542885

Email : sharexindia@vsnl.com

Share Transfer System

The entire work relating to share transfers, transmission and dematerialization process of shares is handled by Registrar and Share Transfer Agent, Physical transfers are processed twice a month and demat transfers are processed in every eight day.

Shareholding Pattern as on 31st March 2017

Category	No of Shares Held	Percentage
Promoters & Promoter Group	63,52,691	66.44
Public	32,08,809	33.56
Total	95,61,500	100.00

Distribution of Shareholding as at 31st March 2017

No of Shares	No of Holders	Percentage	Total Shares	Percentage
1 to 100	3,387	60.07	2,51,419	2.63
101-200	686	12.17	123,869	1.30
201-500	781	13.85	297,258	3.11
501-1000	358	6.35	296,597	3.10
1001-5000	318	5.64	732,443	7.66
5001-10000	47	0.83	336,045	3.51
10001-100000	45	0.80	1,165,167	12.19
100001 & above	16	0.28	6,358,702	66.50
Total	5,638	100.00	9,561,500	100.00

Dematerialization of shares as at 31st March 2017

Categories	Position as on 31 st March 2017		Position as on 31 st March 2016		Net Change during 2016-17	
	No of Shares	% to total Shareholding	No of Shares	% to total Shareholding	No of Shares	% to total Shareholding
Physical	1,43,308	1.5	1,44,908	1.51	1,600	0.01
Demat						
1) NSDL	80,98,725	84.7	83,70,777	87.55	2,72,052	2.85
2) CDSL	13,19,467	13.8	10,45,815	10.94	2,73,652	2.86
Sub Total	94,18,192	98.5	94,16,592	98.49		0.01
Total	95,61,500	100	95,61,500	100	5,47,304	-

Outstanding GDRs/ADRs, Warrants or any convertible instruments

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of 31st March 2017.

Plant Locations:

Plant	Location
Chinchwad	Plot No 39, 44, 46 to 49, Block No. D III, MIDC, Chinchwad, Pune 411019
Kedgaon	Gat No 322/323, Village Kedgaon, Taluka: Daund, District : Pune
Perundurai	Plot No KK2(N) & KK2(S), SIPCOT Industrial Growth Center, Perundurai- 638052
Mahuvej	S. No 127, 128, 129, 186, 187, & 129/1/1, Block No. 88, 89, Village Mahuvej, Tal Mangrol, Dist. Surat, Gujarat
Vijaywada	Survey No.118, Narsimhama Palam,Veerulapadu Mandal,Krishna District, Vijaywada Andhra Pradesh,

Address for investor correspondence:

Sahyadri Industries Limited,
39/D, Swastik House, Gultekdi,
J.N.Marg, Pune- 411037
Phone (020) 26444625/6/7,
Fax: (020)26458888
Email: cs@silworld.in

On Behalf of the Board of the Directors
FOR SAHYADRI INDUSTRIES LIMITED

Sd/-
Jayesh Patel
Chairman
(DIN: 00131517)

Sd/-
Satyen Patel
Managing Director
(DIN: 00131344)

Pune, August 11, 2017

**Declaration by Chief Executive officer (CEO)**

I, Satyen Patel, Managing Director of Sahyadri Industries Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended 31st March 2017 compliance with the code of conduct of the company laid down for them.

Sd/-**Satyen Patel
Managing Director
(DIN: 00131344)**

Pune, August 11, 2017

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To,
The Members of
Sahyadri Industries Limited.

We have examined the compliance of conditions of Corporate Governance by Sahyadri Industries Limited (the Company) for the year ended on 31st March 2017, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring Compliance with the conditions of 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned provisions of LODR.

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

FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM REG. NO. 107387W
(CA P. I. PATWA)
Partner
Membership No.041529

PLACE: PUNE
DATE: 20th May, 2017

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) FOR THE YEAR 2016-17**

- A. We have reviewed Financial Statements and the Cash Flow statement for the financial year 2016-17 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-
S. V. PATEL
MANAGING DIRECTOR
(DIN 00131344)

Sd/-
M. K. SHARMA
CHIEF FINANCE OFFICER

Place: Pune

Date: 20th May 2017



INDEPENDENT AUDITOR'S REPORT

The Members of
Sahyadri Industries Limited.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of The Act, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2017, taken on record by the Board of Directors of the Company, none of the Directors of the Company are disqualified as on March 31, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditors' 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:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2017;
 2. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts;
 3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company; and
 4. The company has provided requisite disclosures in its financial statements in note No.45 as to holdings as well as dealings 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.

FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 107387W

(CA P. I. PATWA)
Partner
Membership No.041529

PLACE: PUNE
DATE: 20th May, 2017



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, the fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification adopted by the Company which, in our opinion is reasonable having regard to size of the Company and nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us the inventories have been physically verified by the Management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) 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 Act, with respect to loans, investments made and guarantees given.
- (v) The Company has not accepted any deposit from the public in accordance with the provisions of sections 73 to 76 of the Act and rules framed there under.
- (vi) We have broadly reviewed books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have however, not made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Sales Tax, Value Added Tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues as applicable to it, with appropriate authorities.
- (b) According to the information and explanations given to us during the year there are no undisputed amounts payable in respect of provident fund, employees' state insurance, Income Tax, Value Added Tax, Sales Tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues which have remained outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us there are no dues of Income Tax, provident fund, employees' state insurance, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:



Name of the statute	Nature of Dues	Amount Demanded (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Karnataka VAT Act	VAT & CST	4.24	2007-08	Joint Commissioner of Commercial Taxes, (Appeal) Karnataka
Karnataka VAT Act	VAT, Interest & Penalty	10.70	2008-09	Joint Commissioner of Commercial Taxes, (Appeal) Karnataka
Kerala VAT Act	VAT & Interest	9.16	2010-11	Asst. Commissioner, Commercial Taxes, Special Circle – II
West Bengal VAT Act	VAT & Penalty	45.30	2007-08	West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata
Gujarat VAT Act	VAT, Interest & Penalty	85.35	2010-11	Joint Commissioner of Commercial Tax, (Appeal), VADODARA
Gujarat VAT Act	CST, Interest & Penalty	1.52	2010-11	Joint Commissioner of Commercial Tax, (Appeal), VADODARA
Tamil Nadu VAT Act	VAT, Interest & Penalty	0.48	2007-08	The Joint Commissioner (CT) Salem Division
Tamil Nadu VAT Act	VAT, Interest & Penalty	152.95	2010-13	Appellate Deputy Commissioner (CT) (FAC) Erode
Maharashtra Sales Tax	VAT, Interest & Penalty	185.65	2011-12	Joint Commissioner of Sales Tax (Appeal), Pune
Maharashtra Sales Tax	CST, Interest & Penalty	65.61	2011-12	Joint Commissioner of Sales Tax (Appeal), Pune
Gujarat VAT Act	VAT, Interest & Penalty	46.89	2011-12	Joint Commissioner of Commercial Tax, (Appeal), VADODARA
Gujarat VAT Act	CST, Interest & Penalty	5.06	2011-12	Joint Commissioner of Commercial Tax, (Appeal), VADODARA
Andra Pradesh VAT Act	VAT, Interest & Penalty	1.39	02/06/14 to 30/09/15	Appellate Deputy Commissioner, Vijaywada
Maharashtra Sales Tax	VAT, Interest & Penalty	29.33	2010-11	Joint Commissioner of Sales Tax (Appeal), Pune
Maharashtra Sales Tax	VAT, Interest & Penalty	39.78	2012-13	Deputy Commissioner of Sales Tax, Pune



Maharashtra Sales Tax	CST, Interest & Penalty	19.96	2012-13	Deputy Commissioner of Sales Tax, Pune
Tamil Nadu VAT Act	CST, Interest & Penalty	30.89	2015-16	Assistant Commissioner(CT), Perundurai
Central Excise Act	Excise Dues	5.34	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	8.86	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	6.59	2010-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	4.96	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.11	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.02	2010-11	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.85	2011-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	26.26	2010-12	Commissioner of Central Excise (Appeals)
Central Excise Act	Excise Dues	27.08	2010-12	Commissioner of Central Excise (Appeals)
Central Excise Act	Excise Dues	20.12	2009-10 to 2013-14	Commissioner of Central Excise (Appeals)
Central Excise Act	Excise Dues	10.19	2007-2008	CESTAT (Chennai)
Amount deposited under dispute in respect of above demand totaling to ₹ 87.27				

- (viii) According to the information and explanations provided to us, the Company has not defaulted in repayment of dues to the banks. The Company did not have any outstanding dues to any financial institution or debentures holders during the year.
- (ix) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not availed or taken term loans from banks/financial institutions during the year.
- (x) According to the information and explanations given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 107387W

(CA P. I. PATWA)
Partner
Membership No.041529

PLACE: PUNE
DATE:20th May, 2017



“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE)

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls 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 ICAI. 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”

FOR PARAG PATWA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 107387W

(CA P. I. PATWA)
Partner
Membership No.041529

PLACE: PUNE
DATE: 20th May, 2017



BALANCE SHEET AS AT MARCH 31,2017			
PARTICULARS	NOTE	₹ in Lacs except as otherwise stated	
		As At March 31, 2017	As At March 31, 2016
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDER'S FUND</u>			
Share Capital	3	956.15	956.15
Reserves and Surplus	4	9,668.67	9,350.53
		10,624.82	10,306.68
<u>NON - CURRENT LIABILITIES</u>			
Long-term borrowings	5	8,168.62	9,253.24
Deferred tax liabilities (Net)	6	1,909.57	1,766.37
Other long term liabilities	7	577.09	0.00
Long Terms Provisions	8	61.58	125.63
		10,716.86	11,145.25
<u>CURRENT LIABILITIES</u>			
Short-term borrowings	9	1,662.18	3,808.90
Trade Payables	10	2,781.51	5,085.72
Other current liabilities	11	4,359.03	5,661.21
Short-term provisions	12	75.46	143.15
		8,878.18	14,698.98
Total :		30,219.86	36,150.90
<u>ASSETS</u>			
<u>NON - CURRENT ASSETS</u>			
<u>FIXED ASSETS</u>			
Tangible assets	13 (A)	18,189.22	20,459.63
Intangible assets	13 (B)	72.41	87.04
Capital work-in-progress	13 (C)	24.22	111.55
		18,285.85	20,658.22
<u>NON - CURRENT INVESTMENTS</u>	14	14.20	14.20
<u>LONG TERM LOANS & ADVANCES</u>	15	1,524.77	1,624.07
<u>OTHER NON - CURRENT ASSETS</u>	16	310.07	288.64
<u>CURRENT ASSETS</u>			
Inventories	17	4,392.65	8,720.00
Trade receivables	18	3,394.99	3,738.26
Cash and cash equivalents	19	177.36	160.39
Short-term loans and advances	20	1,750.49	605.70
Other current assets	21	369.48	341.42
		10,084.97	13,565.77
Total :		30,219.86	36,150.90
Significant accounting policies and notes to Financial statements 1 to 46			
The notes referred above forms an integral part of Balance Sheet			

As per our report of even date

For Parag Patwa And Associates

Chartered Accountants

FRN: 107387W

On behalf of Board of Directors

(CA P. I. Patwa)

Partner

(Mem No. 041529)

Place : Pune

Date : 20th May,2017

S. V. Patel

Managing Director

DIN 00131344

J. P. Patel

Chairman

DIN 00131517

M.K. Sharma

CFO

Yashodhara Agashe

Company Secretary

M.No. A 47947


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

₹ in Lacs except as otherwise stated

PARTICULARS	NOTE	As At March 31, 2017	As At March 31, 2016
<u>INCOME</u>			
Revenue from operations	22	26,155.68	36,302.30
Other Income	23	74.93	90.39
TOTAL REVENUE :		26,230.61	36,392.69
<u>EXPENDITURE</u>			
Cost of Materials Consumed	24	12,924.69	17,949.33
Purchase of Stock-in-Trade	25	0.00	54.80
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	1,811.46	2,856.37
Employee benefit expenses	27	1,623.53	2,506.18
Finance cost	28	1,599.75	1,965.32
Depreciation and Amortization expenses		2,324.15	2,901.52
Other expenses	29	5,483.68	10,063.49
Self Produced material capitalised		0.00	(5.85)
TOTAL EXPENSES :		25,767.27	38,291.16
PROFIT / (LOSS) BEFORE TAX		463.34	(1,898.47)
TAX EXPENSES			
Current Tax		6.89	0.00
Deferred Tax Expense / (Income)		143.19	(821.08)
Income Tax Pertaining to earlier period		(4.88)	12.45
PROFIT / (LOSS) FOR THE YEAR		318.14	(1,089.84)
Earning per equity share of Face value of ₹10 each:			
(1) Basic		3.33	(11.40)
(2) Diluted		3.33	(11.40)
Significant accounting policies and notes to Financial statements 1 to 46			
The notes referred above forms an integral part of statement of Profit And Loss			
As per our report of even date For Parag Patwa And Associates Chartered Accountants FRN: 107387W			
On behalf of Board of Directors			
(CA P. I. Patwa) Partner (Mem No. 041529) Place : Pune Date : 20 th May, 2017	S. V. Patel Managing Director DIN 00131344	J. P. Patel Chairman DIN 00131517	M.K. Sharma CFO Yashodhara Agashe Company Secretary M.No. A 47947



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

₹ in Lacs except as otherwise stated

PARTICULARS		Current Year ₹	Previous Year ₹
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/ (Loss) Before Tax and Extraordinary items	463.34	(1,898.48)
	Adjustment for		
	Provision for bad and doubtful debts	(98.78)	49.76
	Unrealised Foreign Exchange (Loss) / Gain (Net)	28.62	41.79
	Unrealised Foreign Exchange (Loss) / Gain of P.Y. now realised	(41.79)	20.49
	Depreciation / Amortization	2,324.15	2,901.52
	(Profit)/Loss on sale of Assets/ investment	(9.86)	(2.04)
	Adjustments relating to Earlier Years	(19.08)	(17.12)
	Interest paid	1,599.75	1,965.32
	Interest /Dividend Received	(38.27)	(35.39)
	Provision for Leave Encashment and Gratuity	(131.73)	14.91
	Operating Profit/(Loss) before Working capital changes	4,076.36	3,040.77
	Adjustments for		
	Sundry Debtors	421.87	459.75
	Other receivables (Current and Non current)	(1,026.70)	387.89
	Inventories	4,327.35	3,439.70
	Sundry Creditors	(2,298.16)	(606.51)
	Other Payable	86.47	(660.79)
	Cash generated from operations	5,587.19	6,060.81
	(Taxes Paid)/ Refund Received	(53.73)	19.42
	Prior Period Items	19.08	17.12
	NET CASH FROM OPERATING ACTIVITIES	(A) 5,552.54	6,097.35
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets(Net of earlier year Capital WIP if any)	36.16	(687.71)
	Adjustment for creditors relating to capital purchases	(201.24)	(286.67)
	Adjustment for advances relating to capital purchases	(0.56)	85.75
	Sale of fixed Assets	21.92	3.51
	Investments	0.00	0.00
	Interest/Dividend Received	46.72	28.51
	NET CASH FLOW FROM INVESTING ACTIVITIES	(B) (97.00)	(856.60)
C.	NET CASH FROM FINANCING ACTIVITIES		
	Total Secured loans raised during the year	0.00	1,412.16
	Less :-Total Repayment made during the year	3,013.48	1,996.42
	Secured Loans Long Term Accepted / (Repaid)	(3,013.48)	(584.26)
	Secured Loans Short Term	(959.40)	(5,430.50)
	Total Unsecured loans raised during the year	226.13	3,373.38
	Less :-Total Repayment made during the year	90.37	496.10
	Unsecured Loans Accepted / (Repaid)	135.76	2,877.28
	Dividend and Dividend Distribution Tax (including transferred to IPF)	(1.70)	(171.84)
	Interest paid	(1,599.75)	(1,965.32)
	NET CASH USED IN FINANCING ACTIVITIES	(C) (5,438.57)	(5,274.65)
D.	NET INCREASE IN CASH AND CASH EQUIVALENTS GENERATED DURING THE YEAR	(A)+(B)+(C) 16.97	(33.91)
	Cash and Cash Equivalents Opening Balance	160.39	194.30
	Cash and Cash Equivalents Closing Balance	177.36	160.39

As per our report of even date

For Parag Patwa And Associates

On behalf of Board of Directors

Chartered Accountants

FRN: 107387W

(CA P. I. Patwa)

S. V. Patel

J. P. Patel

M.K. Sharma

Yashodhara Agashe

Partner

Managing Director

Chairman

CFO

Company Secretary

(Mem No. 041529)

DIN 00131344

DIN 00131517

M.No. A 47947

Place : Pune

Date : 20th May, 2017



NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH, 2017

1. CORPORATE INFORMATION:

The company is engaged in the production of Cement Sheets and Accessories, trading of steel doors & in generation of wind power electricity . The company presently has five manufacturing units situated at Maharashtra, Tamilnadu, Gujarat and Andhra Pradesh. The company has set up Wind Turbine Generators in Maharashtra, Rajasthan & Tamilnadu.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respect with the accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 : SIGNIFICANT ACCOUNTING POLICIES FOLLOWED:

2.1.1 Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, non refundable duties and taxes, incidental expenses if any. Fixed assets exclude assets individually costing ₹ 15000 or less which are not capitalized except when they are part of a larger capital investment program.

2.1.2 Intangible assets:

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets exclude assets individually costing ₹ 15000 or less which are not capitalized except when they are part of a larger capital investment program.

2.1.3 Depreciation/ Amortization :

- i) Depreciation on fixed assets has been provided to the extent of depreciable assets on written down value method at the rates and in the manner prescribed in schedule II of the Companies Act, 2013 over their useful life except on fixed assets installed at Gujarat factory & Windmills installed at Chavaneshwar wherein depreciation is provided on straight line method in the manner prescribed in schedule II of Companies Act, 2013 over their useful life.
- ii) Lease hold land is amortized over the period of lease.
- iii) Computer software are amortized over period of 5 years.
- iv) Windmill rights are amortized over period of 10 years.

2.1.4 Provision for Taxation & Deferred Tax:

- i) Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year, net off Minimum Alternate Tax credit available u/s 115JB of the Income Tax Act, 1961.
- ii) Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for the tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income / expense using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



- iii) MAT Credit is recognized as an asset only when & to the extent there is convincing evidence that the Company will pay normal income tax during the specified years. In the year in which the Minimum Alternative Tax(MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Profit & Loss account & shown as MAT credit entitlement. The Company reviews the same at each balance Sheet date & drags down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

2.1.5 Retirement and other employees Benefits :

- i) Retirement benefit in the form of provident fund & super annuation /pension schemes, are defined contributions scheme and are charged to Profit & Loss account of the year when the contributions to the respective funds are due.
- ii) Gratuity Liability is a defined benefit obligation. The Company has taken an insurance policy under Group Gratuity Scheme with Life Insurance Corporation of India to cover the gratuity liability of the employees and amount paid / payable in respect of present value of liability for past services is charged to Profit & Loss account on the basis of actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated absences are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains / losses are immediately taken to Profit & Loss Account and are not deferred.

2.1.6 Investments :

Investments are stated at cost of acquisition less provision for diminution in value if any.

2.1.7 Foreign Currency Transactions :

- i) Foreign Currency transactions are accounted at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currency & outstanding at the balance sheet date are translated at the exchange rate prevailing on that date. In case of forward exchange contracts, the difference between the year end rate & rate on the date of the contract is recognised as exchange difference & the premium paid on forward contracts is recognised as expense over the life of the contract. Exchange differences arising on foreign currency transactions are accounted in the period in which they arise.

- ii) Derivative instruments & hedge accounting :

The company uses foreign currency forward contracts and currency options to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments : Recognition and Measurement" (AS 30).

The use of hedging instruments is governed by the Company's policy approved by the Board of Directors. The Company does not use Derivative financial instruments for speculative purposes.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in fair value of these derivatives that are designated and effective as hedges of future cash flow are recognized directly in shareholder's fund and the ineffective portion, if any is recognized immediately in the Profit and Loss Account.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the profit and loss account as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.



At the time for forecasted transaction any cumulative gain or loss on the hedging instrument recognized in shareholder's fund is retained there until, the forecasted transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss recognized in reserves is transferred to the Profit and Loss Account.

2.1.8 Borrowing Costs :-

The interest on working capital borrowed is charged against the profits for the year in which it is incurred. Interest on borrowing for capital asset is capitalized till the date of commencement of commercial use of the asset. Borrowing Cost also includes exchange differences arising from foreign currency borrowings to the extent that they are relating to interest component.

2.1.9 Valuation of Inventory :

- i) Raw material is valued at lower of moving weighted average cost(Net off Cenvat) & net realizable value. However material held for use in the production of inventories are not written down below cost, if the finished product in which they will be incorporated are expected to be sold at or above cost.
- ii) Work in Progress is valued at weighted average cost.
- iii) Finished goods are valued at lower of weighted average cost and net realizable value. Cost for this purpose includes direct cost, attributable overheads and excise duty. Doors are valued at moving weighted average cost or net realizable value whichever is lower. Pipes & other items meant for resale are valued at cost or net realizable value whichever is lower.
- iv) Stores & spares are valued at moving weighted average cost.
- v) In the opinion of the management the value of scrap and rejected material is nil and hence the same is not taken in inventories.

2.1.10 Revenue recognition

- i) Sale: The sale of product is accounted for net of Sales Tax but including excise duty recovered. The sale is accounted on transfer of title of goods to the customer.
- ii) Export incentive receivable are accounted as accrued as and when finally quantified by appropriate authorities.
- iii) Debit / Credit arising out of revisions in prices of supplies, breakages and other claims are accounted for, in the year of its acceptance.
- iv) Carbon credit entitlement :- In the process of generation of wind power the company also generate carbon emission reduction units which may be negotiated for price in international market under Clean Development Mechanism (CDM) subject to completing formalities and obtaining certificate of Carbon Emission Reduction (CER) as per Kyoto Protocol. In addition company also explore the possibilities of negotiating Voluntary Emission Reduction (VER) in respect of some of the Company's wind power generation projects. Revenue from CER and VER is accounted on its realization.

2.1.11 Government Grants and Subsidies

- a) The Company's Manufacturing facility at village Narsimhama Palam, Krishna District, Andhra Pradesh is eligible for Industrial Promotion – Incentives for the establishment of Industrial Enterprises in Andhra Pradesh under the New categories within the framework of the Industrial Development Policy (IDP) 2015-20.
- b) Government grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.
- c) Where the Government grants / subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related



costs/outflow, which they are intended to compensate. Government grants and subsidies receivable against an expense are deducted from such expense.

- d) Grants and subsidies receivable against a specific fixed asset is deducted from cost of the relevant fixed asset at the time of recognition.

2.1.12 Provisions :-

A provision is recognized when there is a present obligation as a result of past event & 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. These are reviewed at each Balance sheet date & adjusted to reflect the current best estimates.

2.1.13 Lease :-

Operating lease – Leases where lessor effectively retains substantially all the risks & benefits of ownership of the leased assets are classified as Operating leases. Operating lease charges are recognized as an expenses in the Profit & Loss account on a straight line basis over the lease term.

Finance lease – Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalized as fixed assets with corresponding amounts shown as lease liability. The principle component in the lease rentals is adjusted against lease liability and interest component is charged to Profit & Loss account.

2.1.14 Impairment of Assets :-

The carrying amount of assets are reviewed at each Balance Sheet date for impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.1.15 Use of Estimates :-

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates & assumptions that affect the reported amounts of assets & liabilities at the date of the financial statements and the reported amounts of revenues and the expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	As at March 31, 2017	As at March 31, 2016
3. SHARE CAPITAL		
Authorised Share Capital		
120,00,000 Equity Shares of ₹ 10/- each (120,00,000)	1,200.00	1,200.00
Issued, Subscribed and Paid Up		
95,61,500 Equity Shares of ₹ 10/- each fully paid up and issued at par (95,61,500)	956.15	956.15
Total :	956.15	956.15

3.1 Terms / rights attached to equity shares:

The company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.2 The details of shareholders holding more than 5% of equity shares

Name of the shareholders	% OF HOLDING	NUMBER	% OF HOLDING	NUMBER
Vallabh Lalaji Patel	5.23%	5,00,371	5.23%	5,00,371
Jayesh Purshottam Patel	6.06%	5,79,350	6.06%	5,79,350
Chetan Purshottam Patel	6.01%	5,74,323	6.01%	5,74,323
Shilpa Jignesh Patel	5.90%	5,64,150	5.90%	5,64,150
Trilochana Vipul Patel	6.05%	5,78,250	6.05%	5,78,250
Harsha Jayesh Patel	5.39%	5,15,400	5.39%	5,15,400
Purna Chetan Patel	5.44%	5,20,000	5.44%	5,20,000

4. RESERVES & SURPLUS

Capital Redemption Reserve

As per last Balance-sheet	375.00	375.00
---------------------------	--------	--------

General Reserve

Balance as per last Balance Sheet	1,572.06	1,572.06
Add :- Transferred from Profit and Loss Account	0.00	0.00
	1,572.06	1,572.06

Hedge Reserve

Balance as per last Balance Sheet	0.00	18.57
Add: Changes on re-measurement of Hedging instrument	0.00	(18.57)
	0.00	0.00

Profit and Loss A/c

Balance as per last Balance Sheet	7,403.47	8,493.31
Add: Profit for the year	318.14	(1,089.84)
	7,721.61	7,403.47

Less: Appropriations

Transfer to General Reserve	0.00	0.00
Proposed dividend on equity shares	0.00	0.00
Dividend Distribution tax	0.00	0.00
	7,721.61	7,403.47
Total :	9,668.67	9,350.53



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS

As at March 31, 2017

As at March 31, 2016

5. LONG TERM BORROWINGS

	Current Maturity	Non Current	Current Maturity	Non Current
Secured:				
Rupee Term Loans from Banks *	1517.66	3,296.44	2133.45	5,694.12
Foreign Currency Term Loans from Banks	0.00	0.00	0.00	0.00
	1517.66	3,296.44	2133.45	5,694.12
Unsecured				
From Directors and Promoter group	0.00	4,872.18	0.00	3,559.12
	0.00	4,872.18	0.00	3,559.12
Total :	1,517.66	8,168.62	2,133.45	9,253.24
Less : Current maturities shown under current liabilities	1,517.66	0.00	2,133.45	0.00
	0.00	8,168.62	0.00	9,253.24

*Rupee Term loans excepting loans against vehicles are secured by exclusive first charge on assets financed by /mortgaged to/hypothecation in favour of Term lending Bank and personal guarantee of four Directors in three cases and two directors in one case. Loans against vehicle are secured by hypothecation of vehicles purchased.

5.1 Maturity profile of term loan are as set out below:

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Rupee Term Loans from Banks	1,517.66	1,788.26	1,269.22	238.95	0.00

6. DEFERRED TAX LIABILITY (NET)

Deferred tax liability	1,909.57	1,766.37
Total :	1,909.57	1,766.37

Components of Deferred tax assets/liabilities are as under:

Deferred Tax liability on account of :

a) Depreciation	2335.78	2,637.51
	2335.78	2,637.51

Deferred Tax asset on account of :

a) Employee Benefits	88.91	144.46
b) Provision for Bad and Doubtful Debts	79.08	111.74
c) Provision in Diminution in Value of investments	0.10	0.10
d) Others	258.12	614.83
	426.21	871.13
Net Deferred Tax Liability	1909.57	1,766.37



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	As at March 31,2017	As at March 31,2016
7. OTHER LONG TERM LIABILITIES		
Interest payable Others	577.09	0.00
8. LONG TERM PROVISIONS		
Provision for Employee Benefit	61.58	125.63
9. SHORT TERM BORROWINGS		
Secured:		
Working Capital Loans from Banks		
Rupee Loans from Banks	1,478.36	1,804.08
Foreign Currency Loans from Banks	183.82	827.51
	1,662.18	2,631.60
Unsecured:		
From Directors and Promoter group	0.00	0.00
Inter-corporate Deposit from related parties	0.00	1,177.30
	0.00	1,177.30
Total :	1,662.18	3,808.90

9.1 Working Capital loans are secured by entire current assets of the Company, collateral security of fixed assets of the Company and personal guarantee of two Directors.

10. TRADE PAYABLES

Micro, small and medium enterprises	23.91	24.95
Others*	2,757.60	5,060.76
Total :	2,781.51	5,085.72

*Includes payable to related parties of ₹ 3.04 (P.Y. ₹ 2.16)

10.1 As defined under Micro, Small and Medium Enterprises Development Act, 2006, the disclosure in respect of the amount payable to such enterprises as at 31st March, 2017 has been made in the financial statement based on information received available and identified by the company.

a) the principal amount remaining unpaid to any suppliers as at the end of each accounting year.	23.91	24.95
b) the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	1.12	0.66
c) the amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	0.00	0.00
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	1.28	0.22
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	2.39	0.88
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	As at March 31, 2017	As at March 31, 2016
11. OTHER CURRENT LIABILITIES		
Current maturities of Long term debts	1,517.66	2,133.45
Creditors for Capital expenditure	15.90	217.14
Advance from Customers	266.11	363.23
Deposits from Stockists/dealer/supplier	1,017.31	1,044.77
Unclaimed dividend*	12.38	14.09
VAT/Service tax/Withholding taxes, other taxes and contribution payables	653.56	821.09
Provision for expenses **	838.59	1,030.01
Other Payable ***	37.52	37.44
Total :	4,359.03	5,661.21
* There are no amount due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.		
**Includes interest accrued but not due of ₹ 12.68 (P.Y. ₹ 68.18)		
***Includes payable to employees, forward contract payables etc. & includes payable to employees from related parties of ₹ 0.01 (P.Y. ₹ 0.01)		
12. SHORT TERM PROVISIONS		
Provision for Employee Benefit Expenses	75.46	143.15
Proposed Dividend	0.00	0.00
Provision for Dividend Distribution tax	0.00	0.00
Provision for Wealth Tax (Net of Taxes paid)	0.00	0.00
Provision for Income Tax	0.00	0.00
Total :	75.46	143.15
14. NON-CURRENT INVESTMENTS		
Non Trade Investments		
Quoted - Equity shares (fully paid up)		
Vaishno Cement Co. Ltd.	0.30	0.30
3000 Equity Shares of ₹ 10/- each		
Quoted Market Values not available	0.30	0.30
Less: Provision For Diminuation In Value Of Investments		
(A)	0.00	0.00
Unquoted - Equity shares (valued at cost)		
14200 Equity Shares of ₹ 100/- each of Cosmos Co-operative Bank Ltd. (valued at cost)	14.20	14.20
(B)	14.20	14.20
Total : A+B	14.20	14.20



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	As at	As at
	March 31, 2017	March 31, 2016
15. LONG TERM LOANS & ADVANCES		
<u>(Unsecured, considered good unless otherwise stated)</u>		
Advance Income Tax net of provisions	57.37	73.09
Advance wealth tax net of provisions	0.00	0.02
Deposits*	330.86	481.86
MAT Credit entitlement	1,136.55	1,069.10
Total :	1,524.77	1,624.07
*Includes deposits to related parties of ₹ 0.00 (P.Y. ₹ 11.00)		
16. OTHER NON-CURRENT ASSET		
Others* (Net of reserve for doubtful receivable if any)	310.07	288.64
Total :	310.07	288.64
*Includes amount paid for common power infrastructure for windmills.		
17. INVENTORIES		
(As valued, verified and certified by Management)		
Raw Material	770.89	3,138.33
Raw Material in transit	4.13	65.79
Stores & Spares	320.21	415.18
Work-in-Progress	7.71	16.11
Finished Goods	3,211.25	4,905.86
Stock of Traded Goods	67.94	175.25
Stock of Accessories - Traded Goods	10.52	3.49
Total :	4,392.65	8,720.00
17.1 For mode of valuation refer note number 2.1.9		
18. TRADE RECEIVABLES		
<u>(Unsecured, Considered good unless otherwise stated)</u>		
Debts Outstanding for a period exceeding six months from due date of payment		
Considered Good	786.02	458.81
Considered Doubtful	239.19	313.51
	1,025.21	772.32
Less :Provision for Doubtful Debts	239.19	313.51
	786.02	458.81
Other Debts	2,608.97	3,279.45
	3,394.99	3,738.26



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	As at	As at
	March 31, 2017	March 31, 2016
19. CASH AND CASH EQUIVALENTS		
Cash in Hand	4.94	5.16
Cheques on hand	3.59	0.00
Balance with banks-		
In Current Accounts*	99.29	109.90
In Deposit accounts**	69.53	45.32
Total :	177.36	160.39

*Balance with bank includes balance in unclaimed dividend A/c of ₹ 12.39 lacs (previous year ₹ 14.09 lacs)

**Deposit with banks includes restricted bank deposit of ₹ 69.53 (previous year ₹ 45.32) on account of margin money for Guarantees and L/Cs. Deposits with bank also includes deposit of ₹ 21.67 (previous year ₹ 19.08) with maturity of more than 12 months, which includes restricted deposits of ₹ 21.67 (previous year ₹ 19.08). Deposits other than restricted deposits can be withdrawn by the company at any point without prior notice or penalty on the principal.

20. SHORT TERMS LOAN & ADVANCE

(Unsecured considered good unless otherwise stated)

Balance with Custom, Central Excise and VAT authorities	46.52	199.33
Imprest balance with employees*	20.36	25.64
Interest accrued on Deposits	16.99	25.44
Pre-paid expenses	156.99	86.14
Advance for capital purchases	114.65	114.09
Advance to Suppliers	1,394.99	155.06
Total :	1,750.49	605.70

*Includes due from related parties of ₹ 0 (P.Y. ₹ 18.16)

21. OTHER CURRENT ASSETS

Others*	369.48	341.42
Total :	369.48	341.42

*Includes stock of promotional material and service tax/excise pending availment

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending	Year ending
	March 31, 2017	March 31, 2016
22. REVENUE FROM OPERATIONS		
Sale of Products	28,179.90	38,476.50
Income from Services	13.83	35.25
Other Operating Revenues	295.30	323.89
	28,489.03	38,835.64
Less:Excise duty recovered	2,333.34	2,533.34
Total :	26,155.68	36,302.30



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2017	Year ending March 31, 2016
22.1 : Sale of Product		
Sheets and Accessories	27,186.78	37,093.92
Doors	28.46	98.23
Power	957.37	1,090.06
Other	7.28	194.29
Total :	28,179.90	38,476.50
23. OTHER INCOME		
Interest Income	35.96	33.97
Dividend Income	2.31	1.42
Profit on Sale of asset	9.86	2.04
Other non - operating income *	26.81	52.96
Net gain on exchange fluctuation	0.00	0.00
Total :	74.93	90.39
* includes credit pertaining to earlier period ₹ 19.08 (P.Y. ₹ 17.12)		
24. COST OF MATERIAL CONSUMED	12,924.69	17,949.33
24.1 Raw Material Components and Consumption		
Cement	3588.67	4454.18
Fibre	6808.54	9122.60
FLYASH and Others	2527.48	4372.55
	12924.69	17949.33
24.2 Breakup of raw material consumption into imported and indigenous is provided in note number 31		
25. PURCHASE OF STOCK-IN-TRADE		
Doors and its accessories	0.00	54.80
Total :	0.00	54.80
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRANSIT		
Opening Stock :		
Work In Progress	16.11	24.64
Finished Goods	4,905.86	7,688.31
Traded goods	175.25	240.64
	5,097.22	7,953.59
Less:- Closing Stock :		
Work In Progress	6.57	16.11
Finished Goods	3,211.25	4,905.86
Traded goods	67.94	175.25
	3,285.75	5,097.22
Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,811.46	2,856.37



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2017	Year ending March 31, 2016
27. EMPLOYEE BENEFIT EXPENSE		
Salaries , Wages, Bonus and leave Encashment	1,466.05	2,259.29
Contribution to the Provident Fund and other Funds	119.04	167.43
Welfare Expenses	38.44	79.46
Total :	1,623.53	2,506.18

27.1 Additional disclosure as per AS 15 is provided in note number 38

28. FINANCE COST

Interest Expenses	1,512.94	1,840.57
Applicable net loss on foreign currency transaction and translation	11.39	1.35
Cash Discount	75.42	114.84
Interest on Income Tax	0.00	8.55
Total :	1,599.75	1,965.32

29. OTHER EXPENSES

(A) Manufacturing expenses:

Stores and Consumables *	378.49	555.51
Power, fuel and Water Charges	984.29	1,457.76
Labour charges, sub-contracting charges and machine hire charges	735.94	966.18
Machinery and Moulds maintenance	248.06	400.81
Insurance	1.99	0.22
Packing expenses	14.38	20.04
Rent Manufacturing	0.00	11.40
Other manufacturing expenses	160.82	238.93
	2,523.96	3,650.84

*Breakup of stores and consumable consumption into imported and indigenous is provided in note number 32

(B) Administration, selling and establishment expenses:

Professional and Consultancy fees	99.46	203.76
Travelling, conveyance and vehicle maintenance	219.23	491.53
Postage, telegram, telephone and telex	26.17	94.68
Rent	30.09	59.87
Building Repairs and maintenance	12.24	13.89
Repairs and maintenance - Windmill	236.38	241.18
Rates and Taxes	43.29	28.18
Insurance	20.15	17.18
Annual listing fees	2.00	2.25
Windmill Expenses	0.00	0.00
Excise Duty *	210.87	663.05



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2017	Year ending March 31, 2016
VAT and Service Tax	89.54	75.22
Power, fuel and water charges	3.39	15.02
Other Repairs	49.16	62.18
Donations	0.61	3.15
Bank Charges	102.60	147.04
Discounts and Rate difference	449.58	475.41
Breakages and Damages	280.28	323.37
Sales promotion and Advertisement Expenses	23.21	320.57
Commission on sales	36.45	187.48
Carriage outward and Forwarding Expenses	495.20	1,938.10
Remission, Bad Debts and rebate	140.95	0.00
Exchange fluctuation loss	23.91	112.11
Provision for Bad and Doubtful debts written off/ (written back)	(98.78)	49.76
Remuneration to auditors	8.36	8.36
Penalty	0.90	0.00
Prior period items	0.00	0.00
CSR Expenses	7.24	3.93
Other Miscellaneous Expenses**	447.27	875.37
	2,959.72	6,412.65
Total : (A)+(B)	5,483.68	10,063.49

* Excise duty shown under expenditure represents the aggregate of excise duty borne by the company and difference between excise duty on opening and closing stock of finished goods.

29.1 Payment to Auditors

(In respect of debit to Profit and Loss A/c)

(A) Towards Audit Fees

Audit Fees	6.00	6.00
Tax Audit Fees	2.25	2.25
Service Tax	0.11	0.11
	8.36	8.36

(B) Towards Other Services

(Debited to Professional and Consultancy expenses)

Taxation matters	2.50	2.25
Certification Work etc.	0.51	0.75
	3.01	3.00

(C) Towards Cost Audit Fees

(Debited to Professional and Consultancy expenses)

Cost Audit Fees	0.35	0.27
	0.35	0.27

Total : (A)+(B)+(C) **11.72** **11.63**

29.2 Expenditure in foreign currency on various accounts are reported in note number 34



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended 31 st March 2017		Year ended 31 st March 2016	
30 : <u>CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</u>				
30.1 <u>Contingent Liabilities not provided for :</u>				
a)	Bank Guarantees	112.88		34.12
b)	Due towards disputed statutory liability (Total amount disputed ₹ 844.62 lacs, amount paid ₹ 87.27 lacs, net under protest ₹ 757.35 lacs)	757.35		543.66
c)	Claims against the company not acknowledged as debts	0.43		0.43
30.2 <u>Commitments</u>				
a)	Estimated amount of contracts remaining to be executed on Capital Account net of advances and not provided for	20.99		27.46
31 : <u>Consumption of Raw Material</u>				
	Imported	6,569.11	50.83%	10641.93
	Indigenous	6,355.58	49.17%	7307.40
		12,924.69		17949.33
32 : <u>Consumption of Store and Consumables</u>				
	Imported	46.18	12.20%	108.57
	Indigenous	332.31	87.80%	446.94
		378.49		555.51
33 : <u>Value of Imports on C.I.F. basis</u>				
a)	Raw Materials	4388.26		9865.93
b)	Consumables and Stores	0.00		118.42
c)	Capital Goods	0.00		0.00
d)	Trading items	0.00		40.14
34 : <u>Expenditure in foreign currency</u>				
a)	Foreign Exchange Outgo on foreign tour	28.41		54.70
b)	Foreign Exchange Outgo on Interest	9.17		1.35
c)	Foreign Exchange Outgo on Commission	1.46		56.96
d)	Foreign Exchange Outgo on Exhibition	0.19		6.79
e)	Foreign Exchange Outgo on Consultancy	30.73		66.60
35 : <u>Remittances in foreign currencies on accounts of Dividend to non - resident share holders</u>				
		NIL		NIL
36 : <u>Foreign Exchange Earnings</u>				
	On account of export of goods on FOB basis	2,833.99		5441.56
	On account of export of services	13.71		0.00



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

37 : PROJECT DEVELOPMENT EXPENDITURE

Project Development Expenditure is included under the head capital work in progress under fixed assets. Details are as under -

Particulars	2016-17	2015-2016
Opening balance	0.00	1323.96
Add - Expenditure incurred (including net trial production expenses capitalised)	0.00	66.82
	0.00	1390.78
Less - Capitalised during the year	0.00	1390.78
	0.00	0.00

38 : Disclosure pursuant to Accounting Standard 15 (Revised) Employees Benefits

The Company has adopted revised Accounting Standard 15 “ Employees Benefits”, issued by the Institute of Chartered Accountants of India, which is effective from 1st April, 2007.

As per Accounting Standard 15 “Employees Benefits”, the disclosure of employee benefits as defined in the Accounting Standard are given below.

A. Defined contribution plan

Contribution to the defined contribution plan recognized as expense for the year are as under

Particulars	2016-17 ₹	2015-2016 ₹
Employers Contribution to Provident Fund (Including administrative expenses)	90.47	131.11

The Provident Fund contributions are contributed to the Regional Provident Fund Commissioner.

B. Defined Benefit Plan

The Employee Gratuity Fund Scheme and Leave Encashment is defined benefit plan. The present value of the obligation is based on Actuarial Valuation using Projected unit credit method.

PARTICULARS	2016-17		2015-2016	
	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
Expenses to be recognized in Profit and Loss A/c				
Current service cost	34.32	34.93	41.30	39.37
Interest cost	15.35	17.64	14.69	16.01
Expected return on plan assets	(13.78)	0.00	(13.93)	0.00
Net actuarial losses/(gain)	(26.64)	(169.11)	(22.93)	(11.36)
Total Expense	9.25	(116.54)	19.14	44.02
Reconciliation of opening and closing balance of changes in present value of defined benefit obligation				
Opening defined benefit obligation as on 1-4-2016	205.94	236.02	199.82	218.44
Service cost	34.32	34.93	41.30	39.37
Interest cost	15.35	17.64	14.69	16.01
Actuarial gain/losses	(26.43)	(169.11)	(26.98)	(11.36)
Benefits paid	(18.31)	(19.78)	(22.89)	(26.44)



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	2016-17		2015-2016	
	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
Liabilities extinguished on settlement	0.00	0.00	0.00	0.00
Closing defined benefit obligations as on 31-3-2017	210.87	99.70	205.94	236.02
Reconciliation of opening and closing balance of changes in fair value of plan assets				
Opening fair value of plan assets as on 1-4-2016	173.17	0.00	164.38	0.00
Expected return on plan assets	13.78	0.00	13.93	0.00
Contribution by employer	6.00	0.00	21.81	0.00
Actuarial gain/(losses)	0.21	0.00	(4.05)	0.00
Benefits paid	(18.31)	0.00	(22.89)	0.00
Mortality Charges & Taxes	(1.33)	0.00		
Closing balance of fair value of plan assets as on 31-3-2017	173.52	0.00	173.17	0.00
<u>Net liability recognized in the balance sheet as on 31-3-2017</u>				
Defined benefit obligation as on 31-3-2017	210.87	99.70	205.94	236.02
Fair value of plan assets as on 31-3-2017	173.52	0.00	173.17	0.00
Present value of unfunded obligation as on 31-3-2017	210.87	99.70	205.94	236.02
Long Term unfunded obligations	0.00	61.58	0.00	125.63
Short Term unfunded obligations	210.87	38.12	32.76	110.39
Actuarial Assumptions				
Discount rate (per annum)	6.80%	6.80%	7.80%	7.80%
Salary increment rate (per annum)	7.00%	7.00%	7.00%	7.00%
Expected rate of return on assets	8.25%	0.00%	8.50%	0.00%
Expected average remaining working lives of employees (years)	5.93	5.93	6.05	6.05

39 Disclosure as required by AS - 11 "The Effect of changes in Foreign Exchange Rates" :

39.1 Forward Cover Contracts :

The company has used forwardcover contracts to hedge its exposure to the movements in foreign currency exchange rates. Such forward covers are used to reduce the risk which may result from foreign rates fluctuations, and is not used by the company for trading or speculation purposes.

The details of such forward contracts are as under :

a) Details of forward contracts for currency related risk :

Particulars	Currency	Amount in Foreign Currency		Equivalent ₹	
		2016-17	2015-16	2016-17	2015-16
Forward contracts	USD	2.86	3.63	185.63	240.67



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

b) Details of foreign currency exposures that are not hedged by a derivative instrument or otherwise :

Particulars	Currency	Amount in Foreign Currency		Equivalent ₹	
		2016-17	2015-2016	2016-17	2015-2016
Creditors	USD	1.93	12.87	124.94	853.47
Advance to Suppliers	USD	19.65	0.00	1274.34	0.00
Debtors	USD	4.50	12.17	2939.12	807.24
Advance from Customers	USD	0.22	0.00	228.36	0.00
Foreign Currency Borrowings including interest payable net of forward contract	USD	0.01	0.72	0.64	47.89

40 : Operating Lease :

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, they are classified as Operating Lease.

Operating lease payments are recognised as an expense in the Profit and Loss Account.

Particulars	2016-17	2015-2016
Non cancellable operating lease obligations		
- Not Later than one year	3.45	3.45
- Later than one year but not later than five years	15.47	14.84
- Later than five years	52.94	57.03
Total	71.86	75.31

Rental expenses of ₹ 3.45 (P.Y. ₹ 3.45) in respect of obligation under non-cancellable operating leases have been charged to Profit and Loss Account.

Further a sum of ₹ 26.64 (P.Y. ₹ 67.87) has been charged to Profit and Loss Account in respect of cancellable operating leases.

General description of leasing arrangements :

- (i) The company has taken premises on operating lease.
- (ii) Lease rentals are charged to the Profit and Loss Account for the year.
- (iii) There are no sub-leases.
- (iv) These leases are usually renewable by mutual consent on mutually agreeable terms.
- (v) Future lease rental payments are determined on the basis of the lease payments as per the agreement.

41 : Earning per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted Earnings per Share

- Profit attributable to the Equity Shareholders (₹) - A	318.14	(1089.84)
- Basic / Weighted average number of Equity Shares outstanding during the year - (B)	9561500	9561500
- Nominal value of Equity Shares (₹)	10	10
- Basic / Diluted Earning per Share (₹) - (A)/(B)	3.33	(11.40)



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

42 : Segment wise Revenue/ Results and Capital Employed (₹ In lakhs)

A) Segment Revenue

a) Building Material	25,132.78	35,162.65
b) Power Generation	1,429.02	1,503.58
Sub Total	26,561.80	36,666.23
Less : Inter Segment Revenue	406.12	363.93
Net Sales / Income from Operations	26,155.68	36,302.30

B) Segment Results Profit (+) / Loss(-)

before tax and interest from each segment

a) Building Material	1,534.17	(645.09)
b) Power Generation	490.65	676.53
Sub Total	2,024.82	31.45
Less :- I) Finance cost	1,599.75	1,965.32
(II) Unallocable Expenditure net of unallocable Income	0.00	0.00
Add:- Un-allocable income Net of unallocable Expenditure	38.27	35.39
Profit / (Loss) Before Income Tax	463.34	(1,898.48)

C) Capital Employed

a) Building Material	4,635.56	4,730.21
b) Power Generation	5,989.26	5,541.77
c) Unallocable	0.00	34.71
TOTAL	10,624.82	10,306.68

Notes:

- 1) The Company has two business segments namely Building Material Products and Power Generation by Windmills.
- 2) Segment Revenue include External Sales directly identifiable with segment.
- 3) Inter segment Revenue includes power generation for captive consumption.
- 4) Expenses and assets those are directly identifiable are considered for Segment Reporting.

43 : List of persons and the relationship with related parties with whom transaction have taken place during the year with value of transactions as required by Accounting Standard 18 "Related Party Disclosure" is enclosed in Annexure.

44 : The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

45 : DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1109000	793516	1902516
(+) Permitted receipts	0	1394124	1394124
(-) Permitted payments	0	1476323	1476323
(-) Amount deposited in Banks	1109000	0	1109000
Closing cash in hand as on December 30, 2016	0	711317	711317

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

46 : Previous years figures have been regrouped and rearranged wherever necessary.

As per our report of even date
For Parag Patwa And Associates
Chartered Accountants
 FRN: 107387W

On behalf of Board of Directors

(CA P. I. Patwa)
 Partner
 (Mem No. 041529)
 Place : Pune
 Date : 20th May, 2017

S. V. Patel
 Managing Director
 DIN 00131344

J. P. Patel
 Chairman
 DIN 00131517

M.K. Sharma
 CFO

Yashodhara Agashe
 Company Secretary
 M.No. A 47947



Schedules attached to and forming part of the Balance Sheet as at MARCH 31, 2017

SCHEDULE 11 :-FIXED ASSETS

₹ in Lacs except as otherwise stated

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	AS AT 01.04.2016	ADDITIONS DURING THE YEAR	DEDUCTIONS	AS AT 31.03.2017	AS AT 01.04.2016	FOR THE YEAR	DEDUCTIONS	AS AT 31.03.2017	AS AT 31.03.2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(A) TANGIBLE ASSET									
<u>SHEET ASSETS</u>									
LAND	649.69	1.88	0.00	651.57	0.00	0.00	0.00	651.57	649.69
LEASE HOLD LAND	437.47	0.00	0.00	437.47	59.77	5.44	0.00	372.26	377.69
LAND DEVELOPMENT & FENCING	157.72	0.00	0.00	157.72	0.00	0.00	0.00	157.72	157.72
FACTORY BUILDING	6,718.56	0.00	100.76	6,617.79	2,400.72	307.34	0.00	2,708.06	4,317.84
BUILDING (Other than Factory Building)	3,732.29	58.34	0.00	3,790.63	1,050.19	371.96	0.00	1,422.15	2,682.10
PLANT & MACHINERY	6,852.98	69.00	12.00	6,909.97	3,135.84	743.68	0.00	3,879.52	3,677.28
ELECTRICAL INSTALLATION	1,155.11	0.00	0.00	1,155.11	594.69	164.96	0.00	759.64	560.42
COMPUTERS	175.03	0.00	0.00	175.03	161.15	4.95	0.00	166.10	12.88
COMPUTER PERIPHERALS	60.60	0.00	0.00	60.60	57.55	0.97	0.00	58.53	4.09
FURNITURE	121.24	0.49	0.00	121.73	91.11	7.06	0.00	98.18	30.13
VEHICLES	410.68	0.00	12.06	398.62	265.86	44.82	0.00	310.68	144.82
TEMPLATES, MOULDS & OTHER EQUIPMENTS	1,515.35	0.00	0.00	1,515.35	1,219.28	35.78	0.00	1,255.06	296.07
OFFICE EQUIPMENT	139.85	0.37	0.00	140.22	119.24	8.08	0.00	127.32	20.62
LABORATORY EQUIPMENTS	50.47	0.00	0.00	50.47	31.56	4.38	0.00	35.94	18.91
ELECTRICAL GENSET	526.41	0.00	0.00	526.41	308.34	42.30	0.00	350.64	257.89
TROLLEYS	8.45	0.00	0.00	8.45	8.42	0.00	0.00	8.42	0.02
SCALE MACHINE	57.39	0.00	0.00	57.39	22.77	5.72	0.00	28.49	34.62
MATERIAL HANDLING EQUIPMENT	1,768.40	21.70	0.00	1,790.10	772.52	141.83	0.00	914.35	995.88



₹ in Lacs except as otherwise stated

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	AS AT 01.04.2016	ADDITIONS DURING THE YEAR	DEDUCTIONS	AS AT 31.03.2017	AS AT 01.04.2016	FOR THE YEAR	DEDUCTIONS	AS AT 31.03.2017	AS AT 31.03.2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
CANTEEN EQUIPMENTS <u>WINDMILL ASSETS</u>	0.54	0.00	0.00	0.54	0.45	0.06	0.00	0.51	0.09
LAND FOR WINDMILL	26.63	0.00	0.00	26.63	0.00	0.00	0.00	0.00	26.63
BUILDING	7.69	0.00	0.00	7.69	3.66	0.38	0.00	4.04	4.03
WIND ENERGY CONVERTORS	12,723.44	0.00	0.00	12,723.44	6,541.07	413.53	0.00	6,954.60	6,177.55
ELE. INSTALLATION (WINDMILL)	53.14	0.00	0.00	53.14	45.29	0.55	0.00	45.83	7.85
SUB - TOTAL	37,349.12	151.78	124.83	37,376.07	16,889.49	2,303.80	0.00	19,193.28	20,454.82
(B) INTANGIBLE ASSET									
<u>SHEET ASSETS</u>									
COMPUTER SOFTWARE	142.28	12.16	0.00	154.44	142.21	0.94	0.00	143.16	0.07
WINDMILL ASSETS									
INTANGIBLE RIGHTS	194.05	0.00	0.00	194.05	107.08	19.41	0.00	126.48	91.79
SUB - TOTAL	336.33	12.16	0.00	348.49	249.30	20.35	0.00	269.64	91.85
TOTAL ASSETS	37,685.45	163.94	124.83	37,724.56	17,138.79	2,324.15	0.00	19,462.91	20,546.67
(C) CAPITAL WORK IN PROGRESS									
(Including Expenses pending Capitalization)	111.55	5.15	92.48	24.22	0.00	0.00	0.00	0.00	111.55
TOTAL CAPITAL WORK IN PROGRESS	111.55	5.15	92.48	24.22	0.00	0.00	0.00	0.00	111.55
GRAND TOTAL (A)+(B)+(C)	37,797.00	169.08	217.30	37,748.78	17,138.79	2,324.15	0.00	19,462.91	20,658.22



ANNEXURE - RELATED PARTY DISCLOSURES AS PER AS - 18

List of persons & the relationship with related parties with whom transaction have taken place during the year with value of transactions (as certified by management)

NAME OF THE RELATED PARTY -

I) Associates -

a) Poonam Roofing Products Pvt.Ltd. b) Poonam Tiles c) JVS Comatsco Industries Pvt Ltd

II) Key Management Personnel -

a) Mr.Vallabh L. Patel – Director b) Mr. Purushottam L. Patel - Director c) Mr.Jayesh P. Patel - Director
d) Mr.Satyen V. Patel - Director

III) Relatives of Key Management Personnel -

a) Mr. V. V. Patel b) Mr. Chetan P. Patel c) Mrs. B.P.Patel
d) Mr. J.V. Patel e) Mrs. Geeta S.Patel f) Mrs. Harsha J. Patel
g) Mrs. Kalpana Patel h) V L Patel (HUF) i) S V Patel (HUF)
j) Mrs. Rashmi P Patel k) Mrs. Purna C Patel l) Mrs. Shilpa J Patel
m) Mrs. Trilochana V Patel n) Mr. Hitendra Patel o) V V Patel (HUF)
p) Mrs. P. V. Patel

Transactions during the year with related parties

₹ in Lacs except as otherwise stated

Nature of Transactions	Associates		Key Management Personnel		Relatives Of Key Management Personnel	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<u>1) Transactions during the year</u>						
a) Unsecured Loan						
a Taken during the year	15.63	951.75	210.50	887.12	0.00	1,534.50
b Repaid during the year	52.75	46.10	28.12	200.00	9.50	250.00
b) Revenue Items						
Labour Charges Expenses	130.53	78.27	0.00	0.00	0.00	0.00
Lease Charges Expenses	0	11.40	0.00	0.00	0.00	0.00
Trade Mark Fees	2.31	19.68	0.00	0.00	0.00	0.00
c) Interest						
Interest on Unsecured Loan paid during the year	127.30	33.46	211.65	94.07	200.80	38.63
d) Rent paid	0.3	4.98	0.00	0.00	0.00	4.03
e) Managerial Remuneration paid during the year	0.00	0.00	133.90	323.42	0.00	0.00
f) Dividend Paid (Provided in 2015-16 paid during the year)	0.00	0.50	0.00	24.87	0.00	69.92
g) Rent Deposit paid back	0	46.10	0.00	0.00	11.00	0.00
<u>2) Balance outstanding as on year end</u>						
a) Debts Due	3.04	2.16	0.01	0.01	0.00	0.00
b) Debts receivable	0.00	18.16	0.00	0.00	0.00	0.00
c) Unsecured Loan / ICD	1140.18	1,177.30	1907.00	1,724.62	1825.00	1,834.50
d) Interest Payable on Unsecured Loan	133.48	0.00	242.17	0.00	201.44	0.00
e) Deposits	0.00	0.00	0.00	0.00	0.00	11.00

**Gratuity Contribution :-**

The contribution to gratuity funds has been made on a group basis & separate figures applicable to an individual employee are not available & therefore, contribution to gratuity funds has not been considered in the above computation.

As per our report of even date**For Parag Patwa And Associates**

On behalf of Board of Directors

Chartered Accountants

FRN: 107387W

(CA P. I. Patwa)

Partner

(Mem No. 041529)

Place : Pune

Date : 20th May, 2017**S. V. Patel**

Managing Director

DIN 00131344

J. P. Patel

Chairman

DIN 00131517

M.K. Sharma

CFO

Yashodhara Agashe

Company Secretary

M.No. A 47947



SAHYADRI INDUSTRIES LIMITED

Regd. Office: 39/D, Swastik House, Gultekdi, J.N. Road, Pune-411037.

T: 202644 4625/26/27 Fax : 20 2644 4624, 2645 8888

Email info@silworld.in Website: www.silworld.in

CIN: L26956PN1994PLC078941

PROXY FORM

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

Name of the Member(s) : _____

Registered Address: _____

Signature: _____

Folio No/Client ID _____

*DP ID _____

I/We being the member(s) of _____ shares of the above named company hereby appoint:

1) Name: _____

Address: _____

Email ID: _____

Signature: _____ or failing him;

2) Name: _____

Address: _____

Email ID: _____

Signature: _____ or failing him;

3) Name: _____

Address: _____

Email ID: _____

Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at twenty Third Annual General Meeting of the Company to be held on Thursday , September 28, 2017 at 3.30 p.m. at No.39, D III block, MIDC, Chinchwad, Pune-411019 and at any adjournment thereof in respect of such resolutions as are indicated below:

#	Resolutions	For	Against
1	Consider and adopt the Financial Statements of the Company for the financial year ended 31 st March, 2017 together with the Report of the Auditors' and Board of Directors thereon.		
2	Re-appoint Mr. S.V. Patel (DIN:00131344), as Director of the Company, who retires by rotation and being eligible offers himself for reappointment.		
3	Appointment of M/s Vijat S. Kalera & Associates as Auditor of the Company to hold office from conclusion of this Annual General Meeting to the conclusion of Twenty Eighth Annual General Meeting and fix their remuneration.		
4	Re- Appointment of Mr. J. P. Patel (DIN:00131517) as Executive Chairman and revise Remuneration for the period of 3 years effective from 1 st July 2017.		



5	Re- Appointment of Mr. S. V. Patel (DIN: 00131344) as Managing Director and revise Remuneration for the period of 3 years effective from 1 st July 2017.		
6	Appointment of Adv. S. B. Malegaonkar (DIN 07901434) as Independent Director.		
7	Ratification of remuneration of M/s Nimkar Mohani, Cost Accountant as Cost Auditor.		

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 23rd Annual General Meeting
3. ** It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate
4. Please complete all details including details of member(s) in the above box before submission.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

*Applicable for investors holding shares in electronic form.

Signed this day of 2017

Signature of shareholder..... Signature of Proxy holder

Affix Re. 1
Revenue
stamp

[illegible]

[illegible]



SAHYADRI INDUSTRIES LTD.

Swastik House, 39 D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037, India.

Email: info@silworld.in Website : www.silworld.in Tel: +91 20 26444625/26/27, 26452064 Fax: +91 20 26458888, 2644 4624

CIN No: L26956PN1994PLC078941