



**Uni Abex Alloy Products Limited**

H.O. & Regd. Office: Liberty Building, Sir Vithaldas Thackersey  
Marg, Mumbai - 400020 Tel: +91-22-22032797 / 22-22091021  
Fax: +91-22-22082113 / E-mail: companysecretary@uniabex.com  
Web: www.uniabex.com

August 09, 2018

UAS/MSA/187

To,  
The BSE Ltd.,  
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,  
Mumbai - 400 001.

Dear Sir/ Madam,

**Sub: Submission of Annual Report for F.Y. 2017-18 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to the requirement under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose/ submit herewith Annual report for FY 2017-18 of the Company as approved and adopted in the 45th Annual General Meeting of the Company held on August 08, 2018.

You are requested to take the same on your record and display the same on your website.

Thanking you,

Yours faithfully,  
for Uni Abex Alloy Products Ltd.

M.S. Ashar  
Company Secretary &  
Compliance Officer

Encl: As above

A Neterwala Group Company

Factory: Plot No: 583 & 584 - A,  
Belur Industrial Area, Dharwad, Karnataka - 580 011, INDIA  
Tel: +91 836 2971320 / +91 836 2971321  
CIN: L27100MH1972PLC015950



ISO 9001:2008

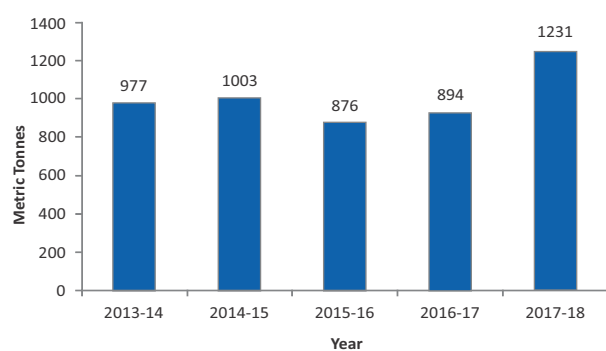
# 45<sup>th</sup> Annual Report 2017 - 2018

looking up & beyond.....

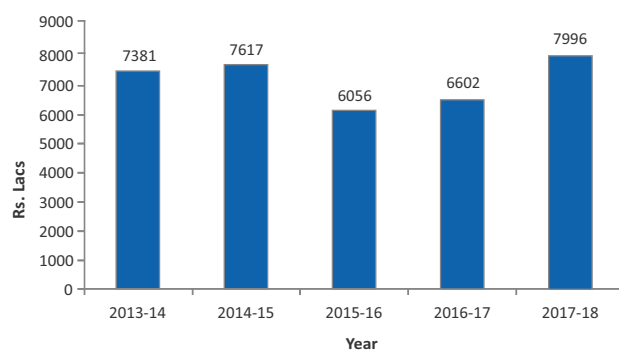


## PERFORMANCE AT A GLANCE

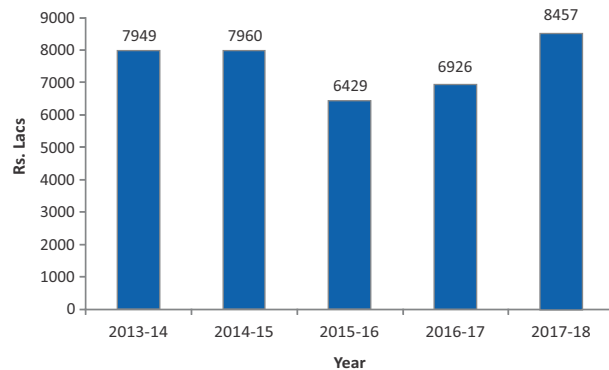
### SALES QUANTITY



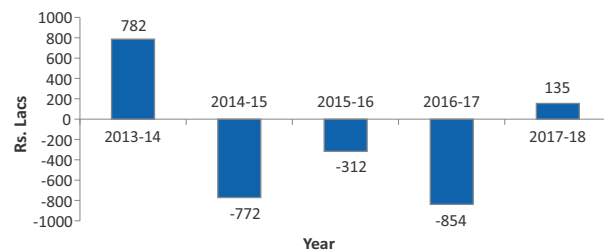
### NET SALES



### TOTAL INCOME



### NET PROFIT





ALLOY PRODUCTS LIMITED  
CIN No.: L27100MH1972PLC015950

## BOARD OF DIRECTORS

F. D. NETERWALA *Chairman*  
R. B. MEHTA  
H. R. PRASAD  
M. P. BHARUCHA  
F. K. BANATWALLA  
A. F. NETERWALA  
P. F. NETERWALA  
M. K. FONDEKAR  
JIMMY PARAKH

## CHIEF EXECUTIVE OFFICER

K. K. TAMHANEY

## CHIEF FINANCIAL OFFICER

J. D. DIVEKAR

## COMPANY SECRETARY

M. S. ASHAR

## AUDITOR

M/s. Walker Chandiok & Company LLP  
Chartered Accountants

## LEGAL ADVISORS

Bharucha & Partners  
Advocates and Solicitors

## SECRETARIAL AUDITOR

Kaushik M. Jhaveri  
Practising Company Secretary

## BANKERS

Axis Bank Ltd.  
Zoroastrian Co-operative Bank Ltd.  
HDFC Bank Ltd.

## REGISTERED OFFICE AND HEAD OFFICE

Liberty Building,  
Sir Vithaldas Thackersey Marg,  
Mumbai - 400 020.  
Tel.: 022 2203 2797  
Website : [www.uniabex.com](http://www.uniabex.com)  
Email: [Companysecretary@uniabex.com](mailto:Companysecretary@uniabex.com)

## PLANT

Plot No. 583, 584A, Belur Industrial Area,  
Dharwad - 580 011 Karnataka  
Email: [marketing@uniabex.com](mailto:marketing@uniabex.com)

## REGISTRARS AND SHARE TRANSFER AGENTS

Computech Sharecap Ltd.  
147, Mahatma Gandhi Road, 3<sup>rd</sup> Floor,  
Above Khyber Restaurant, Fort, Mumbai - 400 023.  
Tel. No. : 22635001-02

**AGM** : Wednesday, 8<sup>th</sup> August, 2018  
**Time** : 3.00 p.m.  
**Venue** : M.C. Ghia Hall, Bhogilal Hargovindas  
Building, 18/20, Kaikhushru  
Dubash Marg, Mumbai-400001

## BOOK CLOSURE DATES

28<sup>th</sup> July, 2018 to 8<sup>th</sup> August, 2018  
(both days inclusive)

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## NOTICE

**NOTICE** is hereby given that the Forty Fifth Annual General Meeting of the Members of **UNIABEX ALLOY PRODUCTS LIMITED** will be held on **Wednesday, the 8<sup>th</sup> August, 2018 at 3.00 P.M.** at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors and the Auditors.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. M. K. Fondekar (DIN: 01089689), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. F. D. Neterwala (DIN: 00008332), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution as a Special Resolution:  
“Resolved that, in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent be and is hereby accorded for Mr. H. R. Prasad (DIN: 00133853) to continue as an Independent Director of the Company till the completion of his present term i.e. upto the end of 46<sup>th</sup> Annual General Meeting of the Company.”

Registered Office:

Liberty Building,  
Sir Vithaldas Thackersey Marg,  
Mumbai 400 020  
Date: 23<sup>rd</sup> May, 2018

By Order of the Board  
M. S. Ashar  
Company Secretary &  
Compliance Officer  
(ACS: 27872)

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE Company.**
2. **The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**  
**A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution together with the specimen signatures of their authorized representative to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorized representatives are requested to bring to the Meeting, the attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

7. In pursuance of Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has notified closure of Register of Members and Share Transfer Books from Saturday, July 28, 2018 to Wednesday, August 8, 2018 (both days inclusive) for determining the names of Members eligible for the purpose of Annual General Meeting.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Computech Sharecap Limited ("Computech") cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members.
9. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2009-2010, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund. The details of unpaid and unclaimed amounts lying with the Company are available on the website of the Ministry of Corporate Affairs. The Company will transfer the unclaimed Dividend for FY 2010-2011 to the IEPF by 25.09.2018. The Company requests to the Members who have not claimed the dividend for the said year to encash the same before the due date.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company / Computech.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from Computech'.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Computech, for consolidation into a single folio.
13. Non-Resident Indian Members are requested to inform Computech, immediately of:
  - A. Change in their residential status on return to India for permanent settlement.
  - B. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Any change of particulars including address, bank mandate and nomination for shares held in Demat form, should be notified only to the respective Depository Participants where the Member has opened his/her Demat account. The Company or its share transfer agent will not act on any direct request from these Members for change of such details. However requests for any change in particulars in respect of shares held in physical form should be sent to the Registrars & Share Transfer Agents of the Company. M/s. Computech Sharecap Limited.
16. RBI vide it's Circular No. DPSS. (CO). EPPD. No.191.04.01.01/2009-2010 dated July 29, 2009 has instructed banks to move to the NECS platform from October 1, 2009.  
 Consequently you are requested to provide your new account number allocated to you after implementation of Core Banking System by your Bank NECS credit to your old account may either be rejected or returned.  
**Please provide to the Share Registrars and Transfer Agents new Bank Account particulars alongwith a copy of the cheque duly cancelled by quoting your reference folio number in case of shares held by you in physical form. In case the shares are in Dematerialised form, you may kindly provide the same to your Depository Participant, so that your future dividend payments can correctly be credited to your new account.**
17. The equity shares of the Company are compulsorily traded in demat form. Members desirous of trading in the shares of the Company are requested to get their shares dematerialized.
18. The Company has listed its shares at BSE Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.

**The Annual Listing Fees for the Exchange has been paid for the financial year 2018-2019**

19. Members desiring any information as regards Accounts are requested to write to the Company, atleast seven days before the date of the meeting so as to enable the Management to keep the information ready.
20. Brief resume of Directors seeking re-appointment at the forthcoming Annual General Meeting in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

<b>Name</b>	<b>Mr. M. K. Fondekar</b>	<b>Mr. F. D. Neterwala</b>	<b>Mr. H. R. Prasad</b>
Director Identification Number (DIN)	01089689	00008332	00133853
Nationality	Indian	Indian	Indian
Date of Birth & Age	23 <sup>rd</sup> March, 1945 – 73 years	14 <sup>th</sup> May, 1952 - 66 years	1 <sup>st</sup> November, 1934 – 83 years
Appointed on	1 <sup>st</sup> January, 2015	25 <sup>th</sup> September, 1987	29 <sup>th</sup> June, 2001
Qualifications	BE (Metallurgy) College of Engineering, Pune & M.Tech (Metallurgical Engineering) Indian Institute of Technology, Powai, Mumbai.	Under Graduate	Graduate in Electrical Engineering from the University of Madras. He studied as Fulbright Scholar at the Massachusetts Institute of Technology and Harvard Business School and graduated with a Master of Science Degree in Management from the MIT Sloan School of Management.
Expertise in specific	Wide experience in Specialized overall Castings & Managements	Wide business expertise across different industries.	Wide experience in Engineering and Management.
List of Directorship held in other Companies (excluding foreign, and Section 8 Companies)	Uni Deritend Limited Uni Klinger Limited	Netel (India) Limited; Neterwala Consulting & Corporate Services Limited; Uni Klinger Limited; Rose Investments Limited	Uni Deritend Limited
Memberships/ Chairmanships of Board / Committees of Public Companies.	<b>Audit Committee</b> Uni Deritend Limited - Member	<b>Audit Committee</b> Uni Klinger Ltd. - Member  <b>CSR Committee</b> Uni Klinger Ltd. - Chairman	<b>Audit Committee -Chairman</b> Uni Deritend Ltd.  <b>Nomination &amp; Remuneration Committee -Chairman</b> Uni Deritend Ltd.
Equity shareholding in the Company	<b>NIL</b>	4927 Equity Shares of Face Value of Rs. 10/- each	<b>NIL</b>

**Inter Se Relationship:** Mr. F. D. Neterwala is the husband of Mrs. P. F. Neterwala, brother in Law of Mr. R. B. Mehta and father of Mr. A. F. Neterwala.

21. A Route map showing directions to reach the venue of the 45th AGM is given on page no.102 of this report as per the requirement of the Secretarial Standards-2 on “General Meetings”.

## 22. E-Voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of Regulation 44 of SEBI Regulations, the Company is pleased to offer e-voting facilities to its Members in respect of the business to be transacted at the 45<sup>th</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as authorized agency to provide e-voting facility. The Company has appointed Mr. Kalidas Vanjpe, Practicing Company Secretary or failing him Mr. Kaushik Jhaveri, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. In order to facilitate those Members, who do not wish to use the e-voting facility. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed at the Annual General Meetings.

The Members who have cast their votes by remote e-voting prior to the AGM may also attend the Meeting but they shall not be entitled to cast their vote again.

Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

The remote e-voting period will commence on Sunday, August 5, 2018 (10 a.m.) and will end on Tuesday, August 7, 2018 (5 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, August 3, 2018, may cast their vote by remote e-voting. The remote e-voting module will be disabled by CDSL for voting thereafter.

The voting rights of Members shall be in proportion of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, August 3, 2018.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure as aforesaid but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

The Chairman shall, at the Annual General Meeting at the end of discussion on the resolutions on which voting is to be held, allow voting by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, [www.uniabex.com](http://www.uniabex.com) and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to BSE Limited.

### **PROCESS AND MANNER FOR REMOTE E- VOTING.**

**For Members whose e-mail addresses are registered with the Company/ Depositories:**

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

- (i) The e-voting period commences on Sunday, August 5, 2018 at 10.00 a.m. (IST) and ends on Tuesday, August 7, 2018 at 5.00 p.m. (IST). During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the relevant date i.e. Sunday, August 5, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.



- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Bank.
- (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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> 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"> <li>If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The — Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**To Download m-Voting Mobile App SCAN THIS**



**How do you use the barcode scanner app?**

**Installing Barcode Scanner**

1. Open the Play Store on your device. You can find the Play Store in your list of apps.
2. Tap the Search bar. This can be found at the top of the Play Store screen.
3. Type barcode scanner.
4. Tap QR & Barcode Scanner from Gamma Play.
5. Tap Install.
6. Tap Accept.
7. Tap Open.

**How do I find the QR code on my phone? To scan a QR code:**

1. Open the QR code reader app installed on your device.
2. Scan the QR code by lining it up inside the window on your screen.
3. The barcode is decoded on your device and specific instructions are sent to the app for appropriate action (e.g. open a specific website).

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

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

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

- (xxi) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, (CDSL) Central Depository Services (India) Limited, 'A' Wing, 25<sup>th</sup> Floor, Marathon Futrex, Mafatlal Mill Compound. N.M.Joshi Marg, Lower Parel (East), Mumbai- 400013 or send an Email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call - 1800225533.

**Registration / Updating of Email IDs and Bank Details**

Members are requested to support the “Green Initiative” by registering their Email address with the Company, if not already done.

Those Members who have changed their Email ID are requested to register their new Email ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividends etc. Members are requested to register / update their bank details with the Company in case shares are held in physical form with their Depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically through ACH / NECS.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 5**

The Members of the Company on 20<sup>th</sup> August, 2014 approved the appointment of Mr. H. R. Prasad (DIN: 00133853) as an Independent Director of the Company for a period of five years with effect from 41<sup>st</sup> Annual General Meeting. Mr. H. R. Prasad has completed 83 years. In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive Director beyond the age of seventy five years.

The Nomination & Compensation Committee (‘the Committee’) and the Board of Directors of the Company (‘the Board’) are of the view that in order to take advantage of Mr. Prasad’s technical and management skills, it would be appropriate that he continues to serve on the Board till the completion of his present term of appointment as already approved by the Members.

Accordingly, the Board at the meeting held on 23<sup>rd</sup> May, 2018, on the recommendation of the Committee, recommended for the approval of the Members, continuation of Mr. Prasad as an Independent Director of the Company till the completion of his present term i.e. upto the end of 46<sup>th</sup> Annual General Meeting of the Company, on the existing terms and conditions. Mr. Prasad and his relatives are interested in this Special Resolution to the extent of their shareholding.

None of the other Directors and Key Managerial Personnel of the Company, are interested in this resolution.

The Board recommends this Special Resolution for your approval.

Registered Office:  
Liberty Building,  
Sir Vithaldas Thackersey Marg,  
Mumbai 400 020  
Date: 23<sup>rd</sup> May, 2018

By Order of the Board  
M. S. Ashar  
Company Secretary &  
Compliance Officer  
(ACS: 27872)

## DIRECTORS' REPORT

To,

The Members

The Directors have pleasure in presenting herewith their Forty Fifth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2018.

### OPERATIONS AND FINANCIAL RESULTS

#### SUMMARY OF FINANCIAL RESULTS AS PER IND-AS

(Figures in ₹Lakhs)

<u>Particulars</u>	<u>2017-18</u>	<u>2016-17</u>
<b>Gross Sales</b>	<b>8234.35</b>	<b>6790.93</b>
Less: Excise Duty	136.84	575.59
<b>Net Sales</b>	<b>8097.51</b>	<b>6215.34</b>
Add: Other income	223.14	135.04
<b>Total income</b>	<b>8320.65</b>	<b>6350.38</b>
<b>Profit / (Loss) before Depreciation</b>	<b>660.61</b>	<b>(315.21)</b>
Less: Depreciation	498.06	600.08
<b>Profit / (Loss) before Tax</b>	<b>162.55</b>	<b>(915.29)</b>
Less: Exceptional items	-	-
Less: Income Tax for Current Year	-	-
Less: Income Tax adjustment for previous years	-	15.78
Less: Deferred Tax adjustment	26.57	58.83
Less: Other Comprehensive Loss	0.69	10.65
<b>Profit / (Loss) After Tax</b>	<b>135.29</b>	<b>(851.33)</b>
Balance brought forward	2006.26	2905.13
<b>Profit Available for Appropriation</b>	<b>2141.55</b>	<b>2053.80</b>
Proposed Dividend on Equity Shares	29.63	NIL
Dividend Tax on the above	6.03	NIL
Transferred to General Reserve	NIL	NIL
<b>Surplus Carried to Balance Sheet</b>	<b>2141.55</b>	<b>2006.26*</b>

\*Dividend for Financial Year 2015-16 amounting to ₹47.54 Lakhs (Including Dividend Distribution Tax) was paid in Financial Year 2016-17.

### DIVIDEND / RESERVES

Your Directors recommend a dividend of ₹1.50/- per Equity share of nominal value of ₹10 each (i.e. 15 %) for the year ended March 31, 2018. The total outgo towards dividend on equity shares together with dividend tax amounts to ₹35.66 Lakhs.

**OPERATIONS**

First half of the year showed recessionary trends globally as well as in the domestic markets in the capital goods sector which continued from the preceding year. However, second half of the year showed a considerable growth in OEM segments whereas in MRO segments there was a marginal drop. The growth was more prominent in export markets. During the year under review your Company reported highest ever sales in its history. Despite the pressure of rising material prices, your Company could mitigate the cost impact by effective capacity utilization, cost reduction initiatives and better product mix.

PBIDT for the year under review is ₹9.43 Crs.

After a period of three consecutive years of loss your Company has now turned around and has made a profit after tax of ₹1.35 Crs.

**WORKING CAPITAL MANAGEMENT:**

The significant ratios of the Company such as Ratio of Inventory to Sales of 17.93%, Receivable to Sales of 24.68 %, and Net Working Capital to Sales of 13.06 % compared to the previous year were 24.75%, 24.41% and (-12.36%) respectively which showed considerable improvements indicating prudent working capital management.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an adequate system of internal controls in all spheres of its operations which are commensurate with the size and the nature of its business. Your Company has in place adequate controls on resource utilization, and provision of accurate and speedy financial statements. Your Company ensures compliance with policies and procedures and other statutory and legal obligations on an ongoing basis. Your Company's Internal Financial Controls on its entire processes have been vetted by the Statutory Auditors. Internal control is supplemented by effective and independent internal audit. Management regularly reviews the findings of the Internal Auditors and ensures effective implementation of suggestions/observations of the Internal Auditors. In addition, the Audit Committee of the Board regularly addresses significant issues raised by the Internal and the Statutory Auditors.

**PROSPECTS**

The Company during the year was successful in developing some new customers and products in Europe and expects to expand its portfolio in both domestic and exports market for its future growth. The Company is looking forward for an improvement in the domestic demand due to several infrastructure projects being undertaken by the Government. This will revive industrial growth in the capital goods sector and benefit us. The Company plans to target new product addition, new customer acquisitions and extended geographical reach.

**QUALITY MANAGEMENT**

The Company has set high benchmarks on quality and on time delivery, providing competitive edge in current business scenario. The Company's operations are certified to ISO 9001:2015. Your Company's overseas customers have validated the operations of its plant at of Dharwad.

**ENVIRONMENT, HEALTH AND SAFETY**

As part of its commitment towards environment, the Company has developed an Environmental Management System along with workplace practices to ensure high level of safety, health and environmental standards. The Company has been certified for ISO 14001 and OHSAS 18001.

**HUMAN RESOURCE MANAGEMENT**

Skill development and training both behavioral and domain based are ongoing exercises through focused HR processes. Relations between employees and the management continue to remain cordial.

**MATERIAL DEVELOPMENTS ON HUMAN RESOURCES INCLUDING NUMBER OF PEOPLE EMPLOYED**

As on 31<sup>st</sup> March 2018, the total numbers of permanent employees on the payrolls of the Company at all the locations were 98.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

**PARTICULARS OF EMPLOYEES:**

1. Name of the Employee	<b>K. K. Tamhaney</b>
2. Designation of the Employee	Chief Executive Officer
3. Remuneration received	59,68,079
4. Nature of employment	Full time
5. Qualifications and Experience of the employee	B. Tech, (Metallurgical Engineering)
6. Date of commencement of employment	10.09.2009
7. The age of employee	56
8. The last employment held by such employee before joining the Company	GM – Operations - Mahindra Hinoday Industries Limited
9. The percentage of equity shares held by the employee in the Company	NIL
10. Whether any such employee is a relative of any director or manager of the Company	NIL

**PARTICULARS OF DIRECTORS' REMUNERATION:**

The ratio of the remuneration of each Director to the median remuneration of the employees

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2017-18.	Previous year's Remuneration includes sitting Fees	% increase/ decrease in Remuneration in the Financial Year 2016-17	Ratio of Remuneration of each Director to median Remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	F. D. Neterwala – Chairman	450000	260000	73.08%	0.91 : 1.0	-
2	R. B. Mehta – Director	260000	170000	52.94%	0.52 : 1.0	-
3	A. F. Neterwala – Director	150000	150000	NIL	0.30 : 1.0	-
4	P. F. Neterwala – Director	200000	100000	100.00%	0.40 : 1.0	-
5	M. K. Fondekar – Director	250000	150000	66.67%	0.50 : 1.0	-
6	H. R. Prasad – Director	520000	260000	100.00%	1.05 : 1.0	-
7	F. K. Banatwalla – Director	520000	260000	100.00%	1.05 : 1.0	-
8	M. P. Bharucha – Director	150000	100000	50.00%	0.30 : 1.0	-
9	Jimmy Parakh – Director	410000	50000	720.00%	0.83 : 1.0	-

The sitting fees for attending the Board Meeting is ₹50,000/- For attending Audit Committee ₹50,000/-.

For attending all the Committee Meetings is ₹10,000/- (except Stakeholders Relationship Committee – NIL).

**PARTICULARS OF DIRECTORS' REMUNERATION:**

The percentage increase in remuneration of:	
• Chief Executive Officer	8 %
• Chief Financial Officer	9 %
• Company Secretary	12 %
• Median remuneration of employees	4.96 Lakhs
Number of permanent employees on the rolls of Company	98
explanation on the relationship between average increase in remuneration and Company performance	The average increase in median remuneration was in line with the increase of salary in the industry.
Comparison of the remuneration of the Key Managerial personnel against the performance of the Company	Sales and Operating Income for the year ended March 31, 2018 is ₹8149 Lakhs and PBIDT is ₹943 Lakhs. Details of % increase of KMP has been stated above. Increase in the remuneration of KMP is in line with prevailing scales for similar positions in the industry and commensurate with the operating income and & performance of the Company.
Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year	The market capitalization as on March 31, 2018 was ₹117.11 Crore (₹58.26 Crore as on March 31, 2017) price earnings ratio of the Company as at March 31, 2018 and as at March 31, 2017
Percentage increase/decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The Company has not made any public issue or rights issue of securities in the recent past, so comparison have not been made of current share price with public offer price. The Company's shares are listed on the BSE Limited.
Average percentage increase made in the salaries of employees other than the key managerial personnel in the last financial year i.e. 2017-18.	9.7 %
Average percentage increase in the managerial remuneration compared to average percentage increase in average salary of other employees.	Not Applicable as there is No Executive Director.
Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not Applicable as there is No Executive Director.
The key parameters for any variable component of remuneration availed by the Directors	There are no variable component of remuneration availed by the Directors.
The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year	Not applicable
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.

**DIRECTORS**

- (i) In terms of the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. H. R. Prasad, Mr. M. P. Bharucha, and Mr. F. K. Banatwalla (Independent Directors) have been appointed at the 41<sup>st</sup> Annual General Meeting of the Company held on 20<sup>th</sup> August, 2014, to hold office as Independent Directors of the Company for a period of 5 years i.e. upto 46<sup>th</sup> Annual General Meeting of the Company. Mr. J. J. Parakh (Independent Director) was appointed at the 44<sup>th</sup> Annual General Meeting of the Company held on 4<sup>th</sup> August, 2017, to hold office as Independent Director of the Company for a period of 5 years i.e. upto 49<sup>th</sup> Annual General Meeting of the Company.
- (ii) Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and the Rules made thereunder, Mr. M. K. Fondekar (DIN: 01089689) and Mr. F. D. Neterwala (DIN: 00008332) retire by rotation at the ensuing Annual General Meeting.
- (iii) In terms of the recently notified Securities and Exchange Board of India (Listing Obligation Disclosure Requirements), (Amendment) Regulations, 2018, Director attaining age of 75 years, has to be reappointed by passing a Special Resolution. Mr. H. R. Prasad (DIN: 00133853) who is 83 years old needs to be reappointed. The Board recommends his reappointment to the Members.

**COMMITTEES OF THE BOARD**

In terms of the Provision of the Companies Act, 2013 as applicable to Listed Companies, the following Committees of the Board have been duly constituted

**I. Audit Committee:**

The Audit Committee Members as at March 31, 2018 comprised of:

<b>Name of Director</b>	<b>Category</b>
Mr. F. K. Banatwalla	Chairman & Independent Director
Mr. F. D. Neterwala	Promoter – Non Executive Director
Mr. H. R. Prasad	Independent Director
Mr. Jimmy Parakh	Independent Director

The information generally provided to the Committee for its consideration and approvals include:

- Quarterly, half yearly and annual financial results of the Company and performance report on its business segments;
- annual budget and performance targets;
- appointment of statutory and internal auditors;
- appointment of key managerial personnel;
- review of foreign exchange exposures and exchange rate movement, if material;
- contracts in which Director(s) are interested or deemed to be interested;
- defaults in payment of statutory dues, if any;
- compliance of various laws and Indian Accounting Standards – (IND-AS;)
- any remarks/ observances/ findings made by the Statutory and Internal Auditors of the Company;
- making of loans and investment of surplus funds;
- whistle blower policy /vigil mechanism

During the Financial Year 2017-18, 5 Meetings of the Audit Committee were held.

**II. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee as at March 31, 2018 comprised of:

<b>Name of Director</b>	<b>Category</b>
Mr. H. R. Prasad	Chairman & Independent Director
Mr. R. B. Mehta	Promoter – Non Executive Director
Mr. F. K. Bamnatwalla	Independent Director



The Committee frames the Remuneration Policy and recommends remuneration / revision / merit increment and related matters of the Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and Senior Executives.

During the year 2017-2018, 1 Meeting of the Nomination and Remuneration Committee was held.

### III. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee as at March 31, 2018 is as under:

Name of the Director	Category
Mr. F. D. Neterwala	Non-Executive Director
Mr. R. B. Mehta	Non-Executive Director
Mr. A. F. Neterwala	Non-Executive Director

The Committee meets as often as necessary. In accordance with the authority granted by the Board/Share Transfer Committee, deals with the following matters concerning shareholders.

- Transfer/Transmission/Deletion/Name change of physical shares
- Split/Sub-division, consolidation and duplicate share certificates of physical shares as approved by the Board.
- Re-materialisation of Shares.

### IV. Corporate Social Responsibility Committee (CSR):

Pursuant to the provisions of the Section 135 of the Companies Act, 2013 and the rules made thereunder regarding Corporate Social Responsibility became applicable to the Company.

The composition of the CSR Committee as at March 31, 2018 is as under:

Name of the Director	Category
Mr. F. D. Neterwala	Non-Executive Director
Mr. H. R. Prasad	Independent Director
Mr. A. F. Neterwala	Non-Executive Director

The Committee frames the CSR Policy of the Company; identifies the projects which the Company can undertake towards the CSR initiatives and recommends the same to the Board of Directors for their approval.

Mr. M. S. Ashar, Company Secretary functions as the Secretary to all the above Committees.

### BOARD MEETINGS:

During the period from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018, Five Meetings of the Board were held as under:

- 29<sup>th</sup> May, 2017
- 14<sup>th</sup> September, 2017
- 12<sup>th</sup> December, 2017
- 12<sup>th</sup> February, 2018
- 20<sup>th</sup> February, 2018

### BOARD EVALUATION:

The formal evaluation procedure for evaluation by the Board of its own performance and that of its Committee's and Individual Directors was done. The meeting of the Independent Directors of the Company was held on 23<sup>rd</sup> May, 2018.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Directors, based on the representations received from the Operating Management, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- (b) In consultation with the Statutory Auditors, appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit for year ended on that date;
- (c) To the best of their knowledge and ability, proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- (d) The annual accounts have been prepared on a going concern basis.
- (e) The Directors have laid down internal financial controls in respect of policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safe guarding of its assets, the accuracy and completeness of the accounting records and timely preparation of reliable financial information and such internal controls are adequate and are operating effectively.
- (f) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **ABSTRACT OF ANNUAL RETURN:**

Pursuant to the provision of Section 134 (3) (a) of the Companies Act, 2013 an abstract of the Annual Return for 2017-18 in the prescribed format is attached as Annexure I and forms an integral part of the Report.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

Pursuant to Section 149 (7) of the Companies Act, 2013 each of the Independent Director of the Company, has given a declaration at the Board Meeting of the Company held on 23<sup>rd</sup> May, 2018 (being the first Board Meeting of the financial year 2018 - 2019) to the effect that they meet the criteria of Independence as provided in Section 149 (b) of the Companies Act, 2013.

#### **COMPANY'S POLICY ON DIRECTORS APPOINTMENT, REMUNERATION ETC:**

The Nomination and Remuneration Committee of the Board is evolving a policy on appointment and remuneration and other matters as provided in Section 178 (3) of the Companies Act, 2013. Any further appointment of Executive Directors and his remuneration or appointment of an Independent Director would be based on the policy that is being evolved.

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

The Company has not provided any loans or given any guarantee / security to any person.

Details of Working Capital facilities and Term Loans obtained by the Company are provided in the Notes no. 19 and 17 in the Notes to financial statement. Details of investment made by the Company are provided in Note no 5 in the Notes to Financial Statements, under Investment Schedule. These Investments are made by the Company in ordinary course of business, out of the surplus funds presently available with the Company, with a view to get an effective return.

#### **PARTICULARS OF CONTRACTS AND ARRANGEMENTS COVERED UNDER SECTION 188 OF THE COMPANIES ACT, 2013:**

Your Company has formulated a policy on related party transactions. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive in nature and entered in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval.

All related party transactions entered during the Financial Year were in ordinary course of the business and on arm's length basis. No material related party transactions were entered during the Financial Year by your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Members may refer to note no. 36 to the financial statement which sets out related party disclosures pursuant to IND-AS.

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

The particulars required to be disclosed pursuant to Section 134 (3) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rule, 2014 are given in Annexure 2, and is an integral part of this Report.

#### **RISK MANAGEMENT POLICY:**

The Board of Directors has identified and mitigated risks that may arise. However the executive Management has an adequately defined framework for risk management. The Company, like all business in the country, is exposed to business and economic risk arising out of market conditions and vagaries of monsoon.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:**

The Company has formed a Committee of the Board of Directors which have been entrusted with the powers to identify the CSR activities. The Committee has shortlisted certain projects. Pursuant to the provisions of the Section 135 of the Companies Act, 2013 and the rules made thereunder regarding CSR expenditure, due to the loss in the previous two financial years the Company has not incurred any expenditure towards the CSR activity.

#### **CORPORATE GOVERNANCE:**

As per circular No. CIR/CFD/POLICY/CELL/7/2014 dated 15<sup>th</sup> September, 2014, the compliance with the provisions of Clause 49 and Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is not mandatory for the Company. Nevertheless the Company has been complying the provisions on Voluntary basis.

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 of the BSE Limited with which the Company is listed are complied with. A separate report on Corporate Governance is attached as a part of the Annual Report along with the Auditors' statement on its compliance.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Board of Directors of the Company has established a robust vigil mechanism process and to govern the same well defined whistle blower policy has been adopted by the Company.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti-Sexual Harassment Policy since 2009 as per the Supreme Court Guidelines which is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18

- No of complaints received: **NIL**
- No of complaints disposed off: **N.A.**

#### **STATUTORY AUDITORS:**

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, The Members of the Company at the 44<sup>th</sup> Annual General Meeting of the Company held on 4<sup>th</sup> August, 2017 had appointed Messrs. Walker Chandiok & Company LLP (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company, to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the Forty Fourth Annual General Meeting of the Company until the conclusion of the Forty Ninth Annual General Meeting of the Company. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Report given by Messrs. Walker Chandiok & Company LLP (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company on the financial statement of the Company for the year 2017-18 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

**INTERNAL AUDITORS:**

M/s. Engineer & Mehta, Chartered Accountants, Mumbai are the Internal Auditors of the Company. In a year they carry out 3 Internal Audit Runs which are commensurate with the size of the Company, and nature of its business.

**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 has appointed M/s. Kaushik M. Jhaveri & Co., a firm of Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the Financial Year 2017 – 18 is annexed herewith as "Annexure III". There are no reservations or qualifications made in the Audit Report.

**APPRECIATION:**

Your Directors place on record their appreciation of the continued support and cooperation extended to the Company by the Central and State Government agencies, and by our Shareholders, Customers, Suppliers, Bankers, Employees at all levels, Employee's Union and other Business Associates.

**CAUTIONARY NOTE:**

Certain statements in the Director's Report and Management & Discussion Analysis section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

On Behalf of the Board of Directors

Place: Mumbai

F. D. Neterwala

Date: 23<sup>rd</sup> May, 2018.

Chairman

**ANNEXURE – I****Form No. MGT-9 EXTRACT OF ANNUAL RETURN****as on the Financial Year ended on 31<sup>ST</sup> March, 2018**

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

**I. REGISTRATION AND OTHER DETAILS:**i) CIN:- **L27100MH1972PLC015950**ii) Registration Date: **17/08/1972**iii) Name of the Company: **UNI ABEX ALLOY PRODUCTS LIMITED**iv) Category / Sub-Category of the Company: **PUBLIC LISTED Company**

v) Address of the Registered office and contact details:

**LIBERTY BUILDING, SIR V. T. MARG, MUMBAI 400 020**Tel: **022-22032797**; e-mail: [Companysecretary@uniabex.com](mailto:Companysecretary@uniabex.com)vi) Whether listed Company **Yes**

vii) Name, address and contact details of registrar and transfer agent, if any

**M/s. Computech Sharecap Ltd. 147, Mahatma Gandhi Road, 3rd Floor, Above Khyber Restaurant,  
Fort, Mumbai- 400023 Tel: 22635001/02 Email: [helpdesk@computechsharecap.com](mailto:helpdesk@computechsharecap.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:-

Sr. No.	Name and Description of main products / services	Nic code of the product / service	% to total turnover of the Company
1	Manufacturing of steel castings and products thereof	24319	100%

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

Sr. No.	Name and address of the Company	CIN/GIN	holding/ subsidiary/ Associate	% of shares held	applicable section
1	-	-	-	-	-

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>									
<b>Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	8057	0	8057	0.41	7527	0	7527	0.38	-0.03
b) Central Govt	0	0	0	0.00	0	0	0	0.00	Nil
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	Nil
d) Bodies Corp.	1243300	0	1243300	62.95	1243300	0	1243300	62.95	Nil
e) Banks / FII	0	0	0	0.00	0	0	0	0.00	Nil
f) any other....	0	0	0	0.00	0	0	0	0.00	Nil
<b>Sub-total (A) (1):-</b>	<b>1251357</b>	<b>0</b>	<b>1251357</b>	<b>63.36</b>	<b>1250827</b>	<b>0</b>	<b>1250827</b>	<b>63.33</b>	<b>-0.03</b>
<b>(2) Foreign</b>									
a) NRIs - individuals	0	0	0	0.00	0	0	0	0.00	Nil
b) Other – individuals	0	0	0	0.00	0	0	0	0.00	Nil
c) Bodies corp.	0	0	0	0.00	0	0	0	0.00	Nil
d) Banks / FII	0	0	0	0.00	0	0	0	0.00	Nil
e) any other....	0	0	0	0.00	0	0	0	0.00	Nil
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1251357</b>	<b>0</b>	<b>1251357</b>	<b>63.36</b>	<b>1250827</b>	<b>0</b>	<b>1250827</b>	<b>63.33</b>	<b>-0.03</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	100	100	0.01	0	0	0	0.00	-0.01
b) Banks / FII	0	506	506	0.03	0	506	506	0.03	Nil
c) Central Govt	0	0	0	0.00	0	0	0	0.00	Nil
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	Nil
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	Nil
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	Nil
g) FIIs	0	0	0	0.00	0	0	0	0.00	Nil
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	Nil
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	Nil
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>606</b>	<b>606</b>	<b>0.03</b>	<b>0</b>	<b>506</b>	<b>506</b>	<b>0.03</b>	<b>-0.01</b>
<b>2. Non-Institutions</b>									
a) Bodies corp.	19783	1874	21657	1.10	105912	1436	107348	5.44	4.34
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	341292	215620	556912	28.20	337061	130209	467270	23.66	-4.54
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	144468	0	144468	7.31	149049	0	149049	7.55	0.24
c) others (specify) NRI/OCB	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>505543</b>	<b>217494</b>	<b>723037</b>	<b>36.61</b>	<b>592022</b>	<b>131645</b>	<b>723667</b>	<b>36.64</b>	<b>0.03</b>
<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	<b>505543</b>	<b>218100</b>	<b>723643</b>	<b>36.64</b>	<b>592022</b>	<b>132151</b>	<b>724173</b>	<b>36.67</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>1756900</b>	<b>218100</b>	<b>1975000</b>	<b>100.00</b>	<b>1842849</b>	<b>132151</b>	<b>1975000</b>	<b>100</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	<b>CHEMICALS AND FERRO ALLOYS PVT LTD.</b>	425800	21.56	0	425800	21.56	0	0
2	<b>FEROZE DHUNJISHAW NETERWALA</b>	4927	0.25	0	4927	0.25	0	0
3	<b>FIROZE ADI VAKIL</b>	530	0.03	0	NIL	0	0	-0.03
4	<b>RUSTOM BURJOR MEHTA</b>	2600	0.13	0	2600	0.13	0	0
5	<b>UNITEL FINANCE &amp; INVESTMENTS PVT LTD</b>	817500	41.39	0	817500	41.39	0	0
	<b>Total</b>	<b>1251357</b>	<b>63.36</b>	<b>0</b>	<b>1250827</b>	<b>63.33</b>	<b>0</b>	<b>-0.03</b>

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

Sr. No.		Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>CHEMICALS AND FERRO ALLOYS PVT LTD</b>				
	at the beginning of the year	425800	21.56	-	-
	Date wise increase / Decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	425800	21.56
<b>2</b>	<b>FEROZE DHUNJISHAW NETERWALA</b>				
	at the beginning of the year	4927	0.25	-	-
	Date wise increase / Decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	4927	0.25
<b>3</b>	<b>FIROZE ADI VAKIL</b>				
	at the beginning of the year	530	0.0268	-	-
	14 <sup>th</sup> July 2017 - Sale of Shares	250	0.013	280	0.014
	4 <sup>th</sup> January 2018 - Sale of Shares	10	0.0005	270	0.014
	5 <sup>th</sup> January 2018 - Sale of Shares	270	0.014	NIL	NIL
	at the end of the year	-	-	NIL	NIL
<b>4</b>	<b>RUSTOM BURJOR MEHTA</b>				
	at the beginning of the year	2600	0.13	-	-
	Date wise increase / Decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	2600	0.13
<b>5</b>	<b>UNITEL FINANCE &amp; INVESTMENTS PVT LTD</b>				
	at the beginning of the year	817500	41.39	-	-
	Date wise increase / Decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	817500	41.39

(iv) Shareholding pattern of top ten shareholders (other than Directors, promoters & holders of GDRs & ADRs):

Sr. No	Shareholder's name	Share holding		Cumulative Share holding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS</b>				
	At the beginning of the Year 01.04.2017	0	0.00%	-	-
	30 <sup>th</sup> Nov 2017 - Transfer of Shares - to IEPF Account	82122	4.16%	82122	4.16%
	At the end of the year 31.03.2018	-	-	<b>82122</b>	<b>4.16%</b>
<b>2</b>	<b>RAJIV GARG</b>				
	At the beginning of the Year 01.04.2017	24000	1.22%	-	-
	11 <sup>th</sup> Aug 2017 - Purchase of Shares	11	0.00%	24011	1.22%
	25 <sup>th</sup> Aug 2017 - Purchase of Shares	1989	0.10%	26000	1.32%
	24 <sup>th</sup> Nov 2017 - Purchase of Shares	1000	0.05%	27000	1.37%
	08 <sup>th</sup> Dec 2017 - Purchase of Shares	1000	0.05%	28000	1.42%
	22 <sup>nd</sup> Dec 2017 - Purchase of Shares	665	0.03%	28665	1.45%
	29 <sup>th</sup> Dec 2017 - Purchase of Shares	69	0.00%	28734	1.45%
	26 <sup>th</sup> Jan 2018 - Purchase of Shares	146	0.01%	28880	1.46%
	02 <sup>nd</sup> Feb 2018 - Purchase of Shares	100	0.01%	28980	1.47%
	09 <sup>th</sup> Feb 2018 - Purchase of Shares	100	0.01%	29080	1.47%
	23 <sup>rd</sup> Feb 2018 - Purchase of Shares	265	0.01%	29345	1.49%
	At the end of the year 31.03.2018	-	-	<b>29345</b>	<b>1.49%</b>
<b>3</b>	<b>BHANU SATISHCHANDRA DOSHI</b>				
	At the beginning of the Year 01.04.2017	28779	1.46%	-	-
	At the end of the year 31.03.2018	-	-	<b>28779</b>	<b>1.46%</b>
<b>4</b>	<b>HITESH SATISHCHANDRA DOSHI</b>				
	At the beginning of the Year 01.04.2017	24686	1.25%	-	-
	08 <sup>th</sup> Sep 2017 – Purchase of Shares	632	0.03%	25318	1.28%
<b>5</b>	<b>SATISCHANDRA SHANTILAL DOSHI</b>				
	At the beginning of the Year 01.04.2017	18565	0.94%	-	-
	25 <sup>th</sup> Aug 2017 - Purchase of Shares	2940	0.15%	21505	1.09%
	01 <sup>st</sup> Sep 2017 - Purchase of Shares	2076	0.11%	23581	1.19%
	22 <sup>nd</sup> Sep 2017 - Purchase of Shares	349	0.02%	23930	1.21%
	At the end of the year 31.03.2018	-	-	<b>23930</b>	<b>1.21%</b>
<b>6</b>	<b>DHIREN SHEVANTILAL SHAH</b>				
	At the beginning of the Year 01.04.2017	35000	1.77%	-	-
	09 <sup>th</sup> Jun 2017 - Sale of Shares	10000	-0.51%	25000	1.27%
	02 <sup>nd</sup> Mar 2018 - Sale of Shares	1000	-0.05%	24000	1.22%
	09 <sup>th</sup> Mar 2018 - Sale of Shares	50	0.00%	23950	1.21%
	16 <sup>th</sup> Mar 2018 - Sale of Shares	5250	-0.27%	18700	0.95%
	At the end of the year 31.03.2018	-	-	<b>18700</b>	<b>0.95%</b>
<b>7</b>	<b>RAMESHCHANDRA HARAKHCHAND SHAH</b>				
	At the beginning of the Year 01.04.2017	12000	0.61%	-	-
	At the end of the year 31.03.2018	-	-	<b>12000</b>	<b>0.61%</b>
<b>8</b>	<b>PRATIKSHA SATISCHANDRA DOSHI</b>				
	At the beginning of the Year 01.04.2017	10977	0.56%	-	-
	At the end of the year 31.03.2018			<b>10977</b>	<b>0.56%</b>



Sr. No	Shareholder's name	Share holding		Cumulative Share holding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	<b>DIPTI D SHAH</b>				
	<b>At the beginning of the Year 01.04.2017</b>	<b>32003</b>	<b>1.62%</b>	<b>-</b>	<b>-</b>
	09 <sup>th</sup> Jun 2017 - Sale of Shares	5003	-0.25%	27000	1.37%
	30 <sup>th</sup> Jun 2017 - Sale of Shares	1250	-0.06%	25750	1.30%
	14 <sup>th</sup> Jul 2017 - Sale of Shares	490	-0.02%	25260	1.28%
	21 <sup>st</sup> Jul 2017 - Sale of Shares	15760	-0.80%	9500	0.48%
	04 <sup>th</sup> Aug 2017 - Sale of Shares	1	0.00%	9499	0.48%
	11 <sup>th</sup> Aug 2017 - Sale of Shares	1	0.00%	9498	0.48%
	25 <sup>th</sup> Aug 2017 - Sale of Shares	1498	-0.08%	8000	0.41%
	08 <sup>th</sup> Sep 2017 - Sale of Shares	250	-0.01%	7750	0.39%
	15 <sup>th</sup> Sep 2017 - Sale of Shares	250	-0.01%	7500	0.38%
	<b>At the end of the year 31.03.2018</b>	<b>-</b>	<b>-</b>	<b>7500</b>	<b>0.38%</b>
10	<b>MILIND PRABHAKAR BHAGVAT</b>				
	<b>At the beginning of the Year 01.04.2017</b>	<b>7127</b>	<b>0.36%</b>	<b>-</b>	<b>0.00%</b>
	<b>At the end of the year 31.03.2018</b>			<b>7127</b>	<b>0.36%</b>

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

Sr. No.		shareholding at the beginning of the year		cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>F. D. Neterwala (Chairman)</b>				
	at the beginning of the year	4927	0.25	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	4927	0.25
2	<b>R. B. Mehta (Promoter Director)</b>				
	at the beginning of the year	2600	0.13	-	-
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	-	-	2600	0.13
3	<b>P. F. Neterwala (Promoter Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
4	<b>A. F. Neterwala (Promoter Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL

Sr. No.		shareholding at the beginning of the year		cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	<b>M. K. Fondekar (Professional Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
6	<b>H. R. Prasad (Independent Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
7	<b>M. P. Bharucha (Independent Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
8	<b>F. K. Banatwalla (Independent Director)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
9	<b>Jimmy Parakh (Independent Director) ^</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
10	<b>K. K. Tamhaney (Chief Executive Officer)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
11	<b>J. D. Divekar (Chief Financial Officer)</b>				
	at the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	NIL	NIL
12	<b>M. S. Ashar (Company Secretary &amp; Compliance Officer)</b>				
	at the beginning of the year	1	-	-	-
	Date wise increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	at the end of the year	NIL	NIL	1	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31-3-2018

	secured loans excluding deposits	unsecured loans	Deposits	total indebtedness
<b>Indebtedness at the beginning of the financial year 2016-17</b>				
i) principal amount	30,01,17,813	Nil	Nil	30,01,17,813
ii) interest due but not paid	4,78,455	Nil	Nil	4,18,455
iii) interest accrued but not Due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>30,05,96,268</b>	<b>Nil</b>	<b>Nil</b>	<b>30,05,96,268</b>
<b>Change in Indebtedness during the financial year (2017-18)</b>				
• addition	3,25,82,549	Nil	Nil	3,25,82,549
• reduction	(8,10,26,525)	Nil	Nil	(8,10,26,525)
<b>Net Change</b>	<b>(4,84,43,976)</b>	<b>NIL</b>	<b>NIL</b>	<b>(4,84,43,976)</b>
<b>Indebtedness at the end of the financial year 2017-18</b>				
i) principal amount	25,19,58,050	Nil	Nil	25,19,58,050
ii) interest due but not paid	1,94,242	Nil	Nil	1,94,242
iii) interest accrued but not due	NIL	Nil	Nil	NIL
<b>Total (i+ii+iii)</b>	<b>25,21,52,292</b>	<b>Nil</b>	<b>Nil</b>	<b>25,21,52,292</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
3.	<b>Independent Directors</b>	<b>1). H. R. Prasad</b>	<b>2). F. K. Banatwalla</b>	<b>3). Jimmy Parakh</b>	<b>4). M. P. Bharucha</b>		<b>Total</b>
	• Fee for attending board committee meetings	5,20,000	5,20,000	4,10,000	1,50,000		16,00,000
	• commission						
	• others, please specify						
	<b>Total (1)</b>	<b>5,20,000</b>	<b>5,20,000</b>	<b>4,10,000</b>	<b>1,50,000</b>		<b>16,00,000</b>
4.	<b>other Non-executive Directors</b>	<b>1). F.D. Neterwala</b>	<b>2). A. F. Neterwala</b>	<b>3). R. B. Mehta</b>	<b>4). P. F. Neterwala</b>	<b>5). M.K. Fondekhar</b>	
	• Fee for attending board committee meetings	4,50,000	1,50,000	2,60,000	2,00,000	2,50,000	13,10,000
	• commission						
	• others, please specify						
	<b>Total (2)</b>	<b>4,50,000</b>	<b>1,50,000</b>	<b>2,60,000</b>	<b>2,00,000</b>	<b>2,50,000</b>	<b>13,10,000</b>
	<b>Total (B)=(1+2)</b>						<b>29,10,000</b>
	total Managerial remuneration						
	ceiling as per the act	within the prescribed limits as per provisions of the companies act, 2013.					

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

Sr. No.	Particulars of Remuneration	Key Managerial personnel			
		CEO	Company Secretary	CFO	total
1.	Gross salary				
	(a) salary as per provisions contained in section 17(1) of the income-tax act, 1961	54,96,479	15,77,654	29,37,778	1,00,11,911
	(b) value of perquisites u/s 17(2) income-tax act, 1961	4,71,600	2,73,500	4,62,000	12,07,100
	(c) Profits in lieu of salary under section 17(3) income-tax act, 1961	NIL	Nil	Nil	Nil
2.	stock option	Nil	Nil	Nil	Nil
3.	sweat equity	Nil	Nil	Nil	Nil
4.	commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify...				
5.	others, please specify	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>59,68,079</b>	<b>18,51,154</b>	<b>33,99,778</b>	<b>1,12,19,011</b>

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

Type	Section of the Companies Act	Brief Description Penalty /	Details of Punishment / Compounding fees imposed	Authority [RD / NCLT made, / COURT]	Appeal if any (give Details)
<b>A. Company</b>					
penalty					
punishment					
compounding					
<b>B. Directors</b>					
penalty					
punishment					
compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
penalty					
punishment					
compounding					

## ANNEXURE – II

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORTS OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2018.

### A. CONSERVATION OF ENERGY:

#### a) Energy conservation measures taken:

Energy conservation is being pursued with considerable focus and commitment by the Management through improved operational and maintenance practices. Steps taken by the Company in this direction are as under:

- Improvement of efficiency of melting operations for optimum furnace utilization.
- Maintaining Power Factor to near unity.
- Translucent roofing sheets for the factory and electronic ballast for the lights in factory & offices to reduce power consumption on lights.
- Measuring, monitoring and managing of power consumption at various consumption points and corrective action to ensure minimum wastage.
- Awareness amongst employees about the need to conserve energy.

#### b) Additional investments & proposals, if any, being implemented for reduction of consumption of Energy:

- Replacement of old equipments with new energy efficient equipments.

#### c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The above measures will result in energy savings and consequent decrease in the cost of production.

### B. TECHNOLOGY ABSORPTION:

#### Research & Development (R & D)

##### 1) Specific areas in which R & D carried out by the Company:

Development of heat, wear and corrosion resistant alloys for new applications.

##### 2) Benefits derived as a result of above R & D:

Research and Development work has helped in increasing the range & quality of products and business volumes coupled with cost control.

##### 3) Future plan of action:

Development of proprietary alloys for special heat, wear and corrosion resistant applications.

##### 4) Expenditure on R & D:

- |  |                |
|--|----------------|
| i) Capital Expenditure:  | ₹. Nil         |
| ii) Recurring Expenditure:   | ₹. 32.00 Lakhs |
| iii) Total Expenditure:  | ₹. 32.00 Lakhs |
| iv) Total R & D Expenditure as a percentage of total turnover: 0.38% |                |

##### 5) Technology absorption, adaptation and innovation:

The in-house R & D department is recognised by the Government of India, Department of Science & Technology. The technology is continually upgraded to meet the demanding market conditions. Quality of products manufactured by this Company is well appreciated by the user industries including overseas customers.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with regard to Foreign Exchange Earnings and Outgo are set out in Note No. 38 in Notes to the financial statements.

**FORM-A-SEE RULE (2)**
**Form for disclosure of particulars with respect to conservation of energy**
**(A) Power & Fuel Consumption (Thane + Dharwad)**

 Current Year  
(2016-17)

 Previous Year  
(2015-16)

**1 Electricity**

(a) Purchase Units(KWH)	Kwh	3,982,912	Kwh	3,578,700
Total Amount (₹)	₹	31,881,424	₹	26,249,502
Rate/Unit (₹/KWH)	₹/Kwh	8.00	₹/Kwh	7.33

**(b) Own Generation**

(I) Through Diesel Generator Unit	Kwh	1,328	Kwh	1,692
KWH per Litre of Diesel Oil	₹	2.46	₹	1.83
Cost/Unit	₹/Kwh	24.40	₹/Kwh	27.39

**(ii) Through Steam Tubing/**

Generator Units

Not Applicable

Not Applicable

Unit Per Litre of

Fuel/Oil/Gas Cost/Unit

**2 Coal (Specify Quality and where used)**

Quantity (Tonnes)

Total Cost

Not Applicable

Not Applicable

Average Rate

**3 LPG**

LPG (2017-18)

LPG (2016-17)

Quantity	Kwh	331	Kwh	235
Total Amount	₹	₹13,512,177	₹	₹11,740,508
Average Rate (₹/Unit)	₹/Kwh	42,778	₹/Kwh	49,960

**(B) Consumption Per Unit**

Electricity (KWH/Ton)		LPG (Kgs/Ton)	
2017-18	2016-17	2017-18	2016-17
3439	3589	286	236

**ANNEXURE – III**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED MARCH 31, 2018**

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

To,  
The Members,  
Uni-Abex Alloy Products Limited  
Liberty Building, Sir Vithaldas  
Thackersey Marg, Mumbai – 400020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Uni-Abex Alloy Products Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Uni-Abex Alloy Products Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 (**‘Audit Period’**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Uni-Abex Alloy Products Limited** for the financial year ended on 31<sup>st</sup> March, 2018 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 (**Not Applicable to the Company during audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not Applicable to the Company during audit period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999; (**Not Applicable to the Company during audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable to the Company during audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable to the Company during the audit period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not Applicable to the Company during audit period**).

(vi) Other applicable Acts/ Laws are as per **Annexure- A**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

**We 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.

During the period under review, decisions are carried out unanimously and accordingly recorded as part of the minutes.

**We 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.

**We further report that** during the audit period following events took place which will have a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., referred above:

- a. Alteration of Object Clauses of Memorandum of Association
- b. Adoption of New Articles of Association of the Company
- c. Approval of Members were obtained u/s 180 (1) (a) of the Companies Act, 2013
- d. Approval of Members were obtained u/s 188 of the Companies Act, 2013

**For Kaushik M. Jhaveri & Co.,**  
Kaushik M. Jhaveri  
Practising Company Secretary  
FCS No.: 4254  
CP No.: 2592

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

Annexure A to Secretarial Audit Report of

**Uni - Abex Alloy Products Limited for the year ended 31<sup>st</sup> March, 2018**

List of other Acts/Laws as amended time to time applicable to the Company:

- 1. The Water (Prevention and Control of Pollution) Act, 1974
- 2. The Water (Prevention and Control of Pollution) Cess Act, 1977
- 3. The Air (Prevention and Control of Pollution) Act, 1981
- 4. The Noise Pollution (Regulation & Control) Rules, 2000
- 5. The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
- 6. The Environment (Protection) (Second Amendment) Rules, 1992
- 7. The Factories Act, 1948 and Karnataka Factories Rules, 1969



8. The Employees' Provident Acts & Misc. Provisions Act, 1952
9. The Employment Exchange (Compulsory Notifications of Vacancies) Act, 1959
10. The Weekly Holidays Act, 1942
11. The Contract Labour (Regulation & Abolition) Act, 1946
12. The Payment of Wages Act, 1936
13. The Payment of Bonus Act, 1965
14. The Payment of Gratuity Act, 1972
15. The Industrial Disputes Act, 1947
16. The Minimum Wages Act, 1948
17. The Employees' State Insurance Act, 1969 & The ESI (Central) Rules, 1950
18. The Industrial Employment (Standing Orders) Act, 1946
19. Trade Union Act, 1926

This report is to be read with our letter of even date which is annexed as Annexure B and forms an integral part of this report.

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## **ANNEXURE B**

To,  
The Members,  
Uni - Abex Alloy Products Limited  
Liberty Building, Sir Vithaldas  
Thackersey Marg, Mumbai – 400020

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

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

**For Kaushik M. Jhaveri & Co.,**  
Kaushik M. Jhaveri  
Practising Company Secretary  
FCS No.: 4254  
CP No.: 2592

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have the pleasure to submit the Management Discussions and Analysis report for your consideration. Global recession and implementation of Goods and Service Tax (GST) coupled with subdued domestic demand, from OEM segments in particular, affected our sales in first half. In addition, not so favorable segment mix also contributed to increased material cost during first half of the year which impacted the profits of the Company. Second half marked the beginning of an uptick in demand from overseas customers and reasonable improvement in domestic markets. Improved execution of project orders and streamlining of supplies to key accounts resulted in better sales in second half of the year. Your Company reported highest ever sales in the history of the Company during FY 2017-18. Overseas customers orders continued throughout the second half which resulted in better than budgeted performance in export segment. Improved sales in Domestic segments indicated signs of revival of economy which would help the Company to grow its domestic business.

In face of several adverse factors, it is satisfying that the Company has retained its share in the OEM segment and improved its performance as compared to previous fiscal. Strategically, your Company focused aggressively on the MRO requirements in different industry segments and pitched for projects in Steel industry developing large and complex parts for critical applications.

Company's business in the OEM segments improved over the previous fiscal in both domestic and overseas markets with addition of new accounts and new parts.

Your Company has taken several initiatives to optimize costs and maximize capacity utilization which will ensure better profitability in the next fiscal.

### THREATS AND OPPORTUNITIES

Rising trend of oil prices, global trade conflicts and rise in material prices continue to pose significant challenges for our business. Our teams are however, countering these with a sharp focus on costs, innovative strategies including bold decisions which border on the technological boundaries of work hitherto not carried out.

Your Company is identifying opportunities by (i) developing new key accounts in OEM segment (ii) working with Project consultants in the steel segment (iii) pursuing orders for high alloy high integrity sand castings (iv) new orders for large size assemblies.

### OUTLOOK

Your Company has a positive outlook for the next fiscal and is focusing on retaining competitive edge in domestic industry and identification of new opportunities for exports. The outlook for the year 2018-19 is positive. The Government's focus on the development of Infrastructure and Manufacturing sectors is showing signs of revival of growth in certain sectors which in turn is expected to have a positive effect on our target segments.

### RISK & CONCERNS

Your Company's Board of Directors has put in place adequate risk assessment and risk mitigating measures. Executive Management has an adequately defined framework and therefore your Company is confident of foreseeing and mitigating the risks which are normal hazards to the industry arising from factors like fluctuations in the availability and pricing of fuel, energy and raw materials.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to augment the Standard Operating Procedures covering the business operations with inbuilt system of internal checks and balances duly supported by robust ERP software. These procedures ensure that the transactions are properly authorized, validated and reported, apart from safeguarding the assets of the Company. The Company's operating procedures are supplemented by well-documented policies and records. Internal Auditors conduct audit of all the aspects of the business to assess effectiveness of existing control systems. Statutory Auditors also verify the Internal Financial Controls, adherence to management instructions and policies and compliance with laws and regulations of the Country.

Audit Committee headed by a Chairman, who is an Independent Director, meets quarterly with the Management, Internal and Statutory Auditors to review the internal audit reports and address exceptions, if any.

### **FINANCIAL PERFORMANCE**

During the year your Company switched to Indian Accounting Standards – IND-AS. Total Income (gross sales and other income) for the year at ₹84.57 Crs as opposed to ₹69.26 Crs of the previous year is higher by 22 %.

In face of such strenuous times, it is a matter of satisfaction to your Directors to report that the efforts of your Company in stabilizing the operations in the new plant coupled with identifying new opportunities in OEM, MRO and Project segments helped it to report a PAT of ₹1.36 Crs.

### **HUMAN RESOURCES:**

The HRD policies are continuously being upgraded to keep pace with development. Company has undertaken an Organizational Development initiative with help from Corporate HR team.

Learning & Development also is an integral part of this initiative and appropriate training programs, workshops and seminars are conducted to facilitate individual growth. This is complemented by efforts to provide a conducive work culture and ambience. As at 31<sup>st</sup> March, 2018, the total number of employees on the role of the Company stood at 98.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report are forward looking statements and are based upon the data available with the Company, certain assumptions on the economic outlook of the country, government policies, and political developments within and outside the Country. Management is not in a position to guarantee the accuracy of the assumptions and the projected performance of the Company in future. It is, therefore cautioned that the actual results may differ from those expressed or implied herein.

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's report on Corporate Governance for the year ended March 31, 2018 in accordance with Regulation 27 of the SEBI (Listing Obligation & Disclosure Requirement), Regulations 2015 with BSE Limited (BSE).

### Company's philosophy on Corporate Governance

The Neterwala Group is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices reflect the culture of trusteeship which is deeply ingrained in our value system and business processes. At a macro level, our governance philosophy rests on five basic tenets viz., Board accountability to the Company and the shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, and all stakeholders as well as transparency in disclosures and timely compliance as well as superior transparency and timely disclosures. In line with this philosophy, UNI ABEX ALLOY PRODUCTS LIMITED (UAL), the listed Company of the Neterwala Group, is striving for excellence through adoption of best governance and disclosure practices.

The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance. The Company is fully compliant with the requirements under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, hereinafter refer to as "Listing Regulations". Your Company's compliance with these requirements is presented in the subsequent sections of this report.

The Company produces static, centrifugal castings and assemblies in heat and corrosion resistant alloys. Manufacturing quality alloy products is its prime focus. As a leader in alloy steel castings for decanters and reformer tubes, the Company has made a significant contribution to various industries in the last four decades.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

### 1. Company Structure:

The Company has a total strength of 98 employees as on 31<sup>st</sup> March, 2018 comprising of

Manager	-	18
Executive / Officers	-	60
Workers / Retainers	-	20

### 2. Familiarization programme for Board Members:

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The Company executive management makes periodic presentations to the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. The details of such familiarization programme for Independent Directors are posted on the website of the Company.

### 3. Board of Directors:

The Board's composition and size is robust and enables it to deal competently with emerging business issues and exercise independent judgement.

### 3.1 Composition

The composition of Board of Directors of the Company is in accordance with the provisions of the Companies Act, 2013 & Regulation 17 of the SEBI (Listing Obligation & Disclosure Requirement), Regulations 2015. The Board of Directors comprises of a Non-Executive Chairman, and 8 other Non-Executives Directors. the Board comprises of 4 Independent Directors.

Name of Director	Category	DIN	No. of other Directorship		No. of Other Committees	
			Public	Private	Member	Chairman
Mr. F. D. Neterwala	Promoter Non-Executive Chairman	00008332	4	10	2	-
Mr. R. B. Mehta	Promoter – Non-Executive	00057570	-	2	-	-
Mr. H. R. Prasad	Independent- Non-Executive	00133853	1	1	-	1
Mr. M. P. Bharucha	Independent Non-Executive	00361911	2	1	-	-
Mr. M. K. Fondecarr	Non-Executive	01089689	2	-	1	-
Mr. F. K. Banatwalla	Independent Non-Executive	02670802	2	13	1	2
Mr. A. F. Neterwala	Promoter Non-Executive	01418744	4	6	1	-
Mrs. P. F. Neterwala	Promoter – Non-Executive	01083117	1	1	-	-
Mr. Jimmy Parakh	Independent Non-Executive	00004945	1	3	1	-

None of the Directors of the Board serves as an Independent Director in more than seven listed entities as per Regulation 25(1) the SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015 and is not a member of more than ten Committees and Chairman of more than five Committees as per Regulation 26(1) of the SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015 across all Listed Companies in which he / she is a Director.

### 3.2 Meetings

During the period from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018, Five Meetings of the Board were held. The details of the Board Meetings are given below:

Dates	Board Strength	No of Directors Present
29 <sup>th</sup> May, 2017	9	6
14 <sup>th</sup> September, 2017	9	6
12 <sup>th</sup> December, 2017	9	9
12 <sup>th</sup> February, 2018	9	9
20 <sup>th</sup> February, 2018	9	8

Attendance of Directors at Board Meetings and at the 44<sup>TH</sup> Annual General Meeting held on 4<sup>TH</sup> August, 2017 and details of sitting fees paid to the Directors for the period under review are as follows:

Name of Director	No of Board Meetings		Sitting Fees Paid Rs.	Attendance at the last AGM
	Held	Attended		
Mr. F. D. Neterwala	5	4	2,00,000	Yes
Mr. R. B. Mehta	5	5	2,50,000	Yes
Mr. H. R. Prasad	5	5	2,50,000	Yes
Mr. M. P. Bharucha	5	3	1,50,000	Yes
Mr. M. K. Fondecarr	5	5	2,50,000	Yes
Mr. F. K. Banatwalla	5	5	2,50,000	Yes
Mr. A. F. Neterwala	5	3	1,50,000	Yes
Mrs. P. F. Neterwala	5	4	2,00,000	Yes
Mr. Jimmy Parakh	5	4	2,00,000	Yes

### 3.3 Board Procedure

The Board/ Committee meetings are pre-scheduled and an annual calendar of the Board and Committee meetings is circulated to all the Directors at the commencement of every new financial year. This ensures their optimum participation in the meetings. The meetings are generally held at the Registered Office of the Company. A detailed agenda is prepared and circulated to the Directors in advance of each meeting as per the Secretarial Standards. This enables the Board to discharge its responsibilities effectively and take well deliberated and informed decisions. The draft minutes of the Board and Audit Committee Meetings approved by the Chairman of the Meetings are circulated to all the Directors as per the secretarial standards. The information generally provided to the Board for its consideration and approvals include:

- Annual operating plans and budgets.
- Capital Budgets,
- Quarterly / half yearly financial results.
- The information on recruitment and remuneration to senior officers just below the level of the Board of Directors, including appointment or removal of Chief Executive Officer, Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Any issues, which involves possible public or products liability claims of substantial nature including any judgment or order which, may have passed strictures on the conduct of the Company that may have negative implication on the Company;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.
- Sale of investment, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
- Non - compliance of any regulatory, statutory or listing requirement and shareholders services such as non -payment of dividend, delay in share transfer etc.

### 4. COMMITTEES OF THE BOARD:

As required under Companies Act, 2013 and Rules made thereunder read with the SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015 the Board has constituted various Committees with the specific terms of the reference and scope. the details of the committees constituted by the Board are given below:

#### I. **Audit Committee:**

The Audit Committee of the Board of Directors meets the criteria laid down under section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015. The information generally provided to the committee for its consideration and approvals include:

1. Oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;

5. Reviewing the quarterly financial statements before submission to the Board for approval;
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Evaluation of internal financial controls and risk management systems
10. Reviewing, performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing the adequacy of internal audit function, and frequency and scope of internal audit;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the whistle blower mechanism;

The Audit Committee regularly reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal, tax and statutory auditors shall be subject to review by the Audit Committee.
6. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange in terms of regulation 32(1).

There were five meetings of the Audit Committee during the financial year 2017/18 as under and the attendance of the Directors on the Committee at its meetings held in 2017/18 was as under:

<b>Dates</b>	<b>Committee Strength</b>	<b>No of Directors Present</b>
29 <sup>th</sup> May, 2017	4	3
14 <sup>th</sup> September, 2017	4	4
12 <sup>th</sup> December, 2017	4	4
12 <sup>th</sup> February, 2018	4	4
20 <sup>th</sup> February, 2018	4	4

The attendance of the Audit Committee Members at the Committee Meetings:

Name of Director	No of Audit Committee Meetings		total sitting fees paid
	held	attended	Rs.
Mr. F. K. Banatwalla (Chairman & Independent Director)	5	5	2,50,000
Mr. F. D. Neterwala (Promoter-Non-Executive Director)	5	5	2,50,000
Mr. H. R. Prasad (Independent Director)	5	5	2,50,000
Mr. Jimmy Parakh (Independent Director)	5	4	2,00,000

## II. Nomination and Remuneration Committee:

The Nomination & Remuneration Committee of the Board of Directors meets the criteria laid down under section 178 of the Companies Act, 2013, read with Regulation 19 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015

The terms of reference to the Nomination & Remuneration Committee are as given below:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel;
- (2) Formulation of criteria for evaluation of independent Directors, Committees of the Board and the Board;
- (3) Devising a policy on diversity of Board of Directors;
- (4) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- (5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- (6) The Committee frames the remuneration policy and recommends remuneration / revision / merit increment and related matters of the Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and Senior Executives.

### Meetings of the Nomination and Remuneration Committee:

One meeting of the Nomination and Remuneration Committee was held on 12<sup>th</sup> December, 2017 whereat all the directors on the Committee were present as detailed here under.

Dates	Board Strength	No of Directors Present
12 <sup>th</sup> December, 2017	3	3

Attendance of the committee Members at the Nomination and Remuneration Committee Meetings:

Name of Director	No of Nomination & Remuneration Committee Meetings		total sitting fees paid
	held	attended	Rs.
Mr. Mr. H. R. Prasad (Chairman-Independent Director)	1	1	10,000
Mr. R. B. Mehta (Promoter - Non-Executive Director)	1	1	10,000
Mr. F. K. Banatwalla (Independent Director)	1	1	10,000



### III. Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, and Regulation 20 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015.

#### Terms of reference of Stakeholders Relationship Committee:

The committee shall consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, etc.

The composition of the Stakeholders Relationship Committee as at March 31, 2018 is as under:

Name of the Director	Category
Mr. F. D. Neterwala	Chairman – Non-Executive Director
Mr. R. B. Mehta	Non-Executive Director
Mr. A. F. Neterwala	Non-Executive Director

The committee meets as often as necessary. During the year under review the committee held 18 meetings. No sitting fees are payable for the meetings of this committee. In accordance with the authority granted by the Board, the committee deals with the following matters concerning shareholders.

- Transfer / transmission of physical shares
- Split/Sub-division, consolidation and duplicate share certificates of physical shares as approved by the Board.
- Re-materialization of shares.

M/s. Computech Sharecap Ltd., the Registrar and Share Transfer Agents, deal with all matters related to shares, whether physical or in demat form and dividends.

The communications received from the shareholders are generally pertaining to change of address, non-receipt of dividend warrants, annual reports, bank mandates, revalidation of dividend warrant/consolidation/split/remat / transmission of shares etc. these have been addressed and redressed to the satisfaction of the shareholders by Registrar & Share Transfer Agents.

#### There was neither any unattended nor pending investor grievance as on 31<sup>st</sup> March, 2018.

The Board has consented to the understanding that complaints of non-receipt of Dividend and annual reports are not to be treated as complaints under Regulation 27 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015, as the Company's liability is discharged when the relevant articles are posted at the last known address of the investor. However as an investor friendly measure, all such cases, the letters received from the investors are being serviced promptly in addition to the responsibility under Regulations 27 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015.

The Company has engaged the services of a Practicing Company Secretary to independently verify and audit the share transfer records and Register of Members every quarter at the office of the Registrar & Share Transfer Agents. No materially significant non-compliance from the established procedures is reported by them.

### IV. Corporate Social Responsibility Committee (CSR):

Pursuant to section 135 of the Companies Act, 2013 and the rules made thereunder, the Company has constituted CSR Committee. Due to the loss in the in the two preceding financial years, provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company and hence the Company has not incurred any expenditure towards the CSR activity.

### V. Independent Directors:

Pursuant to section 134 sub-section 3(p) read with sub-rule (4) of rule 8 of the Companies (Accounts) Rules, 2014 the formal evaluation procedure for evaluation by the Board of its own performance and that of its Committee and individual Directors was done.

**1 Meeting of the Independent Directors was held on:**

- 23<sup>rd</sup> May, 2018.

Attendance at the Independent Directors Meeting:

Name of Director	category	No of Audit Committee Meetings		total sitting fees paid
		held	attended	Rs.
Mr. H. R. Prasad	Independent Non-Executive Director	1	1	10,000
Mr. F. K. Banatwalla	Independent Non-Executive Director	1	1	10,000
Mr. M. P. Bharucha	Independent Non-Executive Director	1	0	Nil
Mr. Jimmy Parakh	Independent Non-Executive Director	1	1	10,000

The Company Secretary of the Company is the secretary to all the Committees.

**5. Details of Annual General Meetings:**

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location of AGM/EGM	Special Resolution passed
2014-2015	20 <sup>th</sup> August 2015	3.00 P. M.	M. C. Ghia hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai-400 001	The special resolution passed : (1) Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association and Articles of Association. (2) to approve and waive recovery of excess remuneration.
2015-2016	23 <sup>rd</sup> August 2016	3.00 P.M	M. C. Ghia hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai-400 001	No special resolution was passed in the meeting
2016-2017	4 <sup>th</sup> August 2017	3.00 P.M	M. C. Ghia hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai-400 001	No special resolution was passed in the meeting
2017-18	8 <sup>th</sup> January, 2018 – 6 <sup>th</sup> February, 2018		Postal Ballot	The special resolutions passed through Postal Ballot: 1. Alteration of the object clause of the Company. 2. Adoption of new Articles of Association of the Company. 3. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings. 4. To sell / transfer / dispose off /enter into joint venture agreement for development of the Company's land at Thane.
2017-18	23 <sup>rd</sup> March 2018	3.00 P.M	M. C. Ghia hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai-400 001	EXTRA ORDINARY GENERAL MEETING (EGM) The Ordinary resolution passed at the EGM: 1. To approve the related party transaction between the Company and M/s. Chemicals and Ferro Alloys Private Limited

**For the Financial year 2017-2018, the Annual General Meeting of the Company will be held on Wednesday 8<sup>th</sup> August, 2018 at 3.00 P. M. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai - 400 001.**

**6. Disclosures:**

- a. the related party transactions as disclosed under Note No. 36 to the accounts for the year under review does not conflict with the interest of the Company.
- b. there were no instances of non-compliance and no penalties/strictures have been imposed/passed by Stock Exchange, SEBI or any other statutory authority during last three years on any matter related to the capital markets.
- c. For the financial year 2017-2018, there is no audit qualification in the Company's financial statements.

**7. Means of Communication:**

- a. The quarterly, half yearly and full year results are taken on record by the Board of Directors and submitted to the Stock Exchange in terms of the requirements of Regulation 41 of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015 and are published in 'Free Press Journal' and 'Nav Shakti' newspapers.

The financial results are displayed on the Company's Website viz: [www.uniabex.com](http://www.uniabex.com)

- c. The Management Discussion and analysis report is attached with the Directors' report in this 45<sup>th</sup> annual report of the Company posted to the shareholders.

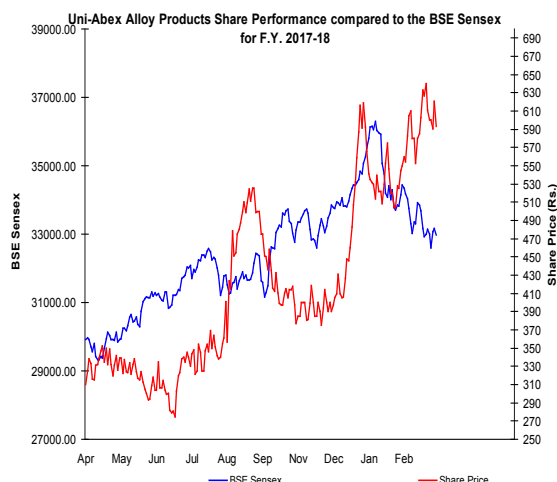
all the policies of the Company, Financial Results, Shareholding Pattern, Corporate Governance Report, Annual Reports etc are available on the Company's website i.e. [www.uniabex.com](http://www.uniabex.com)

**8. General Shareholder Information:**

Annual General Meeting	
Date	Wednesday 8 <sup>th</sup> August, 2018
Time	3.00 P.M.
Venue	M. C. Ghia hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.
Financial calendar	Financial year: April to March
First Quarter results	By 14 <sup>th</sup> of August, 2018 (with limited review)
half yearly results	By 14 <sup>th</sup> of November, 2018 (with limited review)
third Quarter results	By 14 <sup>th</sup> of February, 2019 (with limited review)
Unaudited/audited results for the year ending 31st March, 2018	By 30 <sup>th</sup> of May, 2019
registrars & transfer agents	M/s. Computech Sharecap Ltd. 147, Mahatma Gandhi road, 3rd Floor, above Khyber restaurant, Fort, Mumbai- 400023 tel: 22635001/02 email: <a href="mailto:helpdesk@compu-techsharecap.com">helpdesk@compu-techsharecap.com</a>
Dates of Book closure	28 <sup>th</sup> July, 2018 to 8 <sup>th</sup> August, 2018
listing on stock exchanges	BSE limited, Phiroze Jeejeebhoy towers, Dalal street, Mumbai 400 001
stock code - BSE, Mumbai	504605
Demat ISIN Number for NSDL & CDSL	ISIN - INE361D01012
Corporate Identity No. (ciN)	L27100MH1972PLC015950
website	<a href="http://www.uniabex.com">www.uniabex.com</a>

**9. The monthly high and low quotations of shares traded on The Stock Exchange Mumbai are as follows:**

sr. No.	Month	high (₹)	low (₹)
1	April, 2017	418.95	316.00
2	May, 2017	427.25	375.00
3	June, 2017	360.00	275.80
4	July, 2017	366.00	281.00
5	August, 2017	355.00	285.75
6	September, 2017	334.30	279.00
7	October, 2017	359.85	270.00
8	November, 2017	490.00	312.00
9	December, 2017	539.00	450.00
10	January, 2018	458.00	392.00
11	February, 2018	417.95	370.00
12	March, 2018	430.50	358.00


**10. Share Transfer System**

Shares in physical forms are processed by the Registrars and Share Transfer agents within 7-15 days from the date of receipt. If the documents are complete in all respects they are forwarded to the Company for approval of the Stakeholders Relationship Committee. The committee approves the same within 7 days of receipt from the registrars and returns to the registrars for onward transmission to the concerned shareholder/s.

**93.31 %** of total Equity Capital is held in dematerialized form with NSDL and CDSL as on 31st March, 2018.

**11. Distribution of shareholdings as on 31st March, 2018**

Number of shares	Number of shareholders	Shareholders %	Number of shares held	Shareholding %
1 - 500	4776	97.07%	275065	13.93%
501 - 1000	73	1.48%	58927	2.98%
1001 - 2000	32	0.65%	45922	2.33%
2001 - 3000	6	0.12%	15359	0.78%
3001 - 4000	6	0.12%	21771	1.10%
4001 - 5000	11	0.22%	51979	2.63%
5001 - 10000	5	0.10%	31506	1.60%
10001 & above	11	0.22%	1474471	74.66%
<b>Total</b>	<b>4920</b>	<b>100.00%</b>	<b>1975000</b>	<b>100.00%</b>

Distribution of Shareholding as on quarter ending March 2018			
	Category	No. of shares held	percentage of share holding
<b>A.</b>	<b>PROMOTER'S HOLDING</b>		
	1. Promoters		
	- Indian Promoters	1250827	63.33%
	- Foreign Promoters	0	0.00%
	2. persons acting in concert	0	0.00%
	<b>Sub-Total</b>	<b>1250827</b>	<b>63.33%</b>
<b>B.</b>	<b>NON-PROMOTER'S HOLDING</b>		
	<b>3. Institutional Investors</b>		
	a. Mutual Funds & UTI	0	0.00%
	b. Banks, Financial institutions, insurance companies (central / state Govt. institutions / Non-Government institutions)	506	0.03%
	c. Foreign institutional investors	0	0.00%
	<b>Sub-Total</b>	<b>506</b>	<b>0.03%</b>
	<b>4. Others</b>		
	a. Private Corporate Bodies	107348	5.44%
	b. Indian Public	598487	30.30%
	c. NRIs/OCBs	17832	0.90%
	d. any other (please specify)	0	0.00%
	<b>Sub-Total</b>	<b>7241733</b>	<b>36.67%</b>
	<b>GRAND TOTAL</b>	<b>1975000</b>	<b>100.00%</b>

**12. Plant Location:**

Plot No:583 and 584 A, Belur industrial area, Belur, Dharwad  
Karnataka – 580 111

**13. Address for Correspondence:**

Shareholders may correspond for all matters relating to the transfer / unpaid dividend/ duplicate share certificates/ Procedure for dematerialization of shares and any other query relating to shares of the Company with:  
M/s. Computech Sharecap Ltd.,147, Mahatma Gandhi Road, 3rd Floor, above Khyber restaurant, Fort, Mumbai-400 023 tel: 22635001 / 2 - Fax: 22635005 - e-mail: [helpdesk@computechsharecap.com](mailto:helpdesk@computechsharecap.com)

## CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Kishore Tamhaney, Chief Executive Officer of Uni Abex Alloy Products Ltd., hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the code of conduct as required under Regulation 17(5) of SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015 for the year ended March 31, 2018.

**K. K. Tamhaney**

Chief Executive Officer  
Uni Abex Alloy Products Ltd.  
Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

## CEO AND CFO CERTIFICATION UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT), REGULATIONS, 2015

The Board of Directors  
Uni Abex Alloy Products Limited

1. We have reviewed financial statements and the cash flow statement of Uni Abex Alloy Products Limited for the year ended 31st March, 2018 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

For Uni-Abex Alloy Products Ltd.

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

**K. K. Tamhaney**  
Chief Executive Officer

**J.D. Divekar**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF UNI ABEX ALLOY PRODUCTS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 16 August 2017.
2. We have examined the compliance of conditions of corporate governance by Uni Abex Alloy Products Limited ('the Company') for the year ended on 31 March 2018, as stipulated in Regulations 17 to 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').

### Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

We 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.

### Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

Per **Khushroo B. Panthaky**  
Partner  
Membership No.: 42423

Place: Mumbai  
Date: 23 May 2018

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNI ABEX ALLOY PRODUCTS LIMITED**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of Uni Abex Alloy Products Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

### **Opinion**

8. 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.



**Other Matter**

9. The comparative financial information for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2017 and 31 March 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor whose reports dated 29 May 2017 and 30 May 2016 respectively expressed unmodified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

10. 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 give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2018 from being appointed as a Director in terms of Section 164(2) of the Act;
  - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 23 May 2018 as per Annexure II expressed an unmodified opinion;
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed in Note 42 to the financial statements, has disclosed the impact of pending litigations on its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
    - iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

Per **Khushroo B. Panthaky**

Partner

Membership No.: 42423

Place: Mumbai

Date: 23<sup>rd</sup> May, 2018

# ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO MEMBERS OF UNI ABEX ALLOY PRODUCTS LTD., ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018.

## Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

### Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	150.69	22.63	1997-98, 1999-2000, 2001-02, 2003-04, 2011-12, 2012-13, 2013-14	Commissioner of Sales Tax Appeals
Central Sales Tax Act, 1956	Sales Tax	537.95	33.00	2004-05, 2010-11	Deputy Commissioner of Sales Tax

Central Excise Act, 1944	CENVAT Credit Disallowance	3.18	-	Various years	Deputy Commissioner of Central Excise
Central Excise Act, 1944	CENVAT Credit Disallowance	124.02	-	Various years	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	CENVAT Credit Disallowance	26.40	-	Various years	CESTAT

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) In our opinion no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

Per **Khushroo B. Panthaky**

Partner

Membership No. 42423

Place: Mumbai

Date: 23<sup>rd</sup> May, 2018

## **ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO MEMBERS OF UNI ABEX ALLOY PRODUCTS LTD., ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

### **Annexure II**

#### **Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Uni Abex Alloy Products Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls

based on the IFCoFR criteria established by the Company, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting ('the Guidance Note'), 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

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

6. A Company's IFCoFR 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 IFCoFR include 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**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the IFCoFR criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Per **Khushroo B. Panthaky**  
Partner  
Membership No. 42423

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**

(₹ in Lakhs)				
	Notes	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>A Assets</b>				
<b>1 Non-current assets</b>				
a) Property, plant and equipment	4	3,159.16	3,450.17	3,987.00
b) Capital work-in-progress	4	34.96	14.49	10.82
c) Investment Property	5	3.31	3.47	3.64
d) Intangible assets	6	13.88	11.53	11.29
e) Financial assets				
i) Investments	7	241.75	324.60	345.62
ii) Loans	8	14.75	14.23	43.36
f) Deferred tax assets, net	10	570.52	596.78	533.18
g) Other non-current assets	11	174.76	4.95	2.39
h) Non-current tax assets	12	14.49	33.11	196.86
<b>Total non-current assets</b>		<b>4,227.58</b>	<b>4,453.33</b>	<b>5,134.16</b>
<b>2 Current assets</b>				
a) Inventories	13	1,476.01	1,882.86	2,539.69
b) Financial assets				
i) Trade receivables	14	2,032.42	1,186.62	1,044.54
ii) Cash and cash equivalents	15	13.03	112.95	2.47
iii) Bank balance other than (ii) above	16	63.28	48.96	665.01
iv) Loans	8	108.60	46.59	18.41
v) Other financial assets	9	4.24	13.07	27.95
c) Other current assets	11	806.94	729.77	986.31
<b>Total current assets</b>		<b>4,504.52</b>	<b>4,020.82</b>	<b>5,284.38</b>
<b>Total assets</b>		<b>8,732.10</b>	<b>8,474.15</b>	<b>10,418.54</b>
<b>B Equity and Liabilities</b>				
<b>1 Equity</b>				
a) Equity share capital	17	197.50	197.50	197.46
b) Other equity	18	3,122.55	2,987.28	3,886.16
<b>Total equity</b>		<b>3,320.05</b>	<b>3,184.78</b>	<b>4,083.62</b>
<b>Liabilities</b>				
<b>2 Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	19	225.28	182.92	1,006.05
b) Provisions	20	19.14	16.02	12.47
c) Other liabilities	21	133.45	115.85	100.71
<b>Total non-current liabilities</b>		<b>377.87</b>	<b>314.79</b>	<b>1,119.23</b>
<b>3 Current liabilities</b>				
a) Financial liabilities				
i) Borrowings	22	2,183.64	2,007.82	2,295.86
ii) Trade payables	23	2,464.28	1,900.11	1,789.13
iii) Other financial liabilities	24	222.22	957.01	987.05
b) Provisions	20	4.61	6.29	14.10
c) Other current liabilities	21	159.43	103.35	129.55
<b>Total current liabilities</b>		<b>5,034.18</b>	<b>4,974.58</b>	<b>5,215.69</b>
<b>Total liabilities</b>		<b>5,412.05</b>	<b>5,289.37</b>	<b>6,334.92</b>
<b>Total equity and liabilities</b>		<b>8,732.10</b>	<b>8,474.15</b>	<b>10,418.54</b>

Notes 1 to 44 form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N / N500013  
KHUSHROO B. PANTHAKY  
Partner  
Membership No.: 42423

F. D. NETERWALA  
Chairman  
DIN: 00008332  
F. K. BANATWALLA  
Chairman of the Audit Committee  
DIN: 02670802

K. K. TAMHANEY  
Chief Executive Officer

J. D. DIVEKAR  
Chief Financial Officer

M. S. ASHAR  
Company Secretary

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(₹ in Lakhs except per share data)			
	Note	For the Year ended 31 March 2018	For the Year ended 31 March 2017
<b>Revenue</b>			
Revenue from operations	25	8,234.35	6,790.93
Other income	26	223.14	135.04
<b>Total</b>		<b>8,457.49</b>	<b>6,925.97</b>
<b>Expenses</b>			
Cost of materials consumed	27	3,103.38	2,291.78
Changes in inventories of finished goods and work-in-progress	28	471.07	647.63
Excise duty	25(a)	136.84	575.82
Employee benefit expense	29	676.49	625.49
Finance costs	30	283.64	378.49
Depreciation and amortisation expense	31	498.05	600.09
Other expenses	32	3,125.49	2,721.97
<b>Total</b>		<b>8,294.96</b>	<b>7,841.27</b>
<b>Profit/ (Loss) before tax</b>		<b>162.53</b>	<b>(915.30)</b>
<b>Tax Expense / (Credit)</b>			
Current tax	33	-	-
Deferred tax charges / (credit)	10	26.57	(58.83)
Prior year's tax adjustments		-	(15.78)
		<b>26.57</b>	<b>(74.61)</b>
<b>Profit/ (Loss) for the year</b>		<b>135.96</b>	<b>(840.69)</b>
<b>Other comprehensive income / (loss):</b>			
Items that will not be reclassified to profit or loss:			
Remeasurement of post employment benefit obligations		(1.00)	(15.41)
Income-tax relating to items that will not be reclassified to profit or loss		0.31	4.76
Other comprehensive loss for the year, (net of tax)		<b>(0.69)</b>	<b>(10.65)</b>
<b>Total comprehensive income / (loss) for the year</b>		<b>135.27</b>	<b>(851.34)</b>
<b>Earnings / (loss) per equity share (Face value of ₹ 10 each)</b>	34		
Basic earnings / (loss) per share		6.88	(42.57)
Diluted earnings / (loss) per share		6.88	(42.57)

Notes 1 to 44 form an integral part of these financial statements.

This is the statement of Profit and Loss referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N / N500013  
KHUSHROO B. PANTHAKY  
Partner  
Membership No.: 42423

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DIN: 02670802

K. K. TAMHANEY  
Chief Executive Officer

J. D. DIVEKAR  
Chief Financial Officer

M. S. ASHAR  
Company Secretary

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

## STATEMENT OF CHANGES IN EQUITY

<b>A Equity Share Capital:</b>			(₹ in Lakhs)
<b>Particulars</b>	<b>Note</b>	<b>No. of shares</b>	<b>Amount</b>
<b>Issued, subscribed and fully paid up Equity shares of ₹ 10 each</b>			
<b>Balance as at 1 April 2016</b>	17	<b>1,975,000</b>	<b>197.46</b>
Changes in equity share capital during the year		-	0.04
<b>Balance as at 31 March 2017</b>	17	<b>1,975,000</b>	<b>197.50</b>
Changes in equity share capital during the year		-	-
<b>Balance as at 31 March 2018</b>	17	<b>1,975,000</b>	<b>197.50</b>

<b>B Other equity:</b>						(₹ in Lakhs)
<b>Particulars</b>	<b>Reserves and surplus</b>				<b>Total</b>	
	<b>Securities premium reserve</b>	<b>General reserve</b>	<b>Capital Redemption Reserve</b>	<b>Retained earnings</b>		
<b>Balance as at 1 April 2016</b>	<b>265.63</b>	<b>690.40</b>	<b>25.00</b>	<b>2,905.13</b>	<b>3,886.16</b>	
Loss for the year	-	-	-	(840.69)	<b>(840.69)</b>	
Other comprehensive loss	-	-	-	(10.65)	<b>(10.65)</b>	
<b>Total</b>	<b>265.63</b>	<b>690.40</b>	<b>25.00</b>	<b>2,053.79</b>	<b>3,034.82</b>	
Dividends distributed to equity shareholders	-	-	-	(39.50)	<b>(39.50)</b>	
Tax on dividend distributed to equity shareholders	-	-	-	(8.04)	<b>(8.04)</b>	
<b>Balance as at 31 March 2017</b>	<b>265.63</b>	<b>690.40</b>	<b>25.00</b>	<b>2,006.25</b>	<b>2,987.28</b>	
Profit for the year	-	-	-	135.96	<b>135.96</b>	
Other comprehensive income/ (loss)	-	-	-	(0.69)	<b>(0.69)</b>	
<b>Balance as at 31 March 2018</b>	<b>265.62</b>	<b>690.40</b>	<b>25.00</b>	<b>2,141.52</b>	<b>3,122.58</b>	

For and on behalf of Board of Directors

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N / N500013  
KHUSHROO B. PANTHAKY  
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Chief Executive Officer

J. D. DIVEKAR  
Chief Financial Officer

M. S. ASHAR  
Company Secretary

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

## CASH FLOW STATEMENT

	(₹ in Lakhs)	
Particulars	Year ended 31 March 2018	Year ended 31 March 2017
<b>Cash flow from operating activities:</b>		
Profit/(loss) before tax	162.53	(915.28)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	498.05	600.09
Unrealised foreign exchange (gain)/loss (net)	(19.90)	10.51
Provision for doubtful debt / advances / receivables	15.80	20.33
Provisions no longer required written back	(6.67)	(9.29)
Dividend received	(0.16)	(0.15)
Net profit on disposal of property, plant and equipment	-	(16.91)
Notional interest on financial instruments	2.76	(1.32)
Change in fair value of investments	(9.38)	(9.79)
Finance costs	280.89	379.60
Finance income	(10.82)	(10.82)
<b>Operating profit before working capital changes</b>	<b>913.10</b>	<b>46.95</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in inventories	(638.37)	463.23
Decrease/ (Increase) in other assets	3.00	(0.44)
Increase in trade receivables	52.88	335.44
Increase in trade payables & other liabilities	573.22	76.25
<b>Cash generated from operating activities</b>	<b>903.83</b>	<b>921.43</b>
Income taxes paid	18.62	179.63
<b>Net cash generated from operating activities</b>	<b>922.46</b>	<b>1,101.06</b>
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment including capital advances	(329.85)	(196.64)
Proceeds from disposal of property, plant and equipment	-	40.18
Proceeds from redemption of current investments, net	85.00	30.80
Dividend received	0.16	0.15
Interest received	10.82	10.82
Purchase/ (redemption) of fixed deposits, net	(17.33)	584.68
<b>Net cash generated/ (used) in investing activities</b>	<b>(251.20)</b>	<b>469.99</b>
<b>Cash flow from financing activities:</b>		
Repayments of long term loans, net of proceeds	(660.26)	(740.00)
Call money on equity shares	-	0.04
Proceeds/ (Repayments) of short term borrowings, net	175.82	(288.03)
Dividends paid on equity shares	(3.00)	(47.10)
Interest paid	(283.73)	(385.48)
<b>Net cash used in financing activities</b>	<b>(771.17)</b>	<b>(1,460.57)</b>
Net (decrease)/ increase in cash and cash equivalents	(99.92)	110.48
Cash and cash equivalents at the beginning of the year	112.95	2.47
<b>Cash and cash equivalents at the end of the year</b>	<b>13.03</b>	<b>112.95</b>

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N / N500013  
KHUSHROO B. PANTHAKY  
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Chief Financial Officer

M. S. ASHAR  
Company Secretary

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018



## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 1. Corporate information

Uni Abex Alloy Products Limited ('Company') is a Company domiciled in India, incorporated under the Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE). The Company produces static, centrifugal castings and assemblies in heat and corrosion resistant alloys and is a leader in alloy steel castings for decaners and reformer tubes. The Company has its registered office at Liberty Building, Sir Vithaldas Thakersey Marg, Mumbai and its plant at Thane and also set up Greenfield project at Dharwad which is operational since November, 2013.

### 2. Significant accounting policies

#### a. Basis of preparation

The Company has prepared the financial statements which comprise the balance sheet as at 31 March 2018, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2018, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

The financial statements have been prepared on a going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities have been measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – measured using actuarial valuation.

The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### b. Statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accordingly, the financial statements for the year ended 31 March 2018 are the Company's first Ind AS financial statements.

For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements

in accordance with accounting standards notified under section 133 of the Companies Act 2013 (the 'Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) (hereinafter referred to as 'Previous GAAP') for its statutory reporting requirement in India before adopting Ind AS. The financial statements for the comparative year ended 31 March 2017 and opening balance sheet at the beginning of the comparative year as at 1 April, 2016 are also been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's balance sheet, statement of profit and loss and statement of cash flows are provided in note 40 to these financial statements.

**c. Critical estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

Below is an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- **Useful lives of property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

- **Recoverability of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgement is involved in determining whether there will be sufficient taxable profits in the future to recover deferred tax assets.

- **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in Note 35 to these financial statements.

- **Fair value measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

- **Impairment of assets**

In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

**d. Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Company. Amount disclosed as revenue are reported net of sales tax, goods and service tax, discount and applicable taxes (excluding excise duty, wherever applicable) which are collected on behalf of the government or on behalf of third parties.

**i. Sale of goods**

Revenue from sale of goods is recognised on transfer of risk and rewards of ownership of goods to the buyer and when no significant uncertainty exists regarding the amount of consideration that will be derived.

**ii. Interest and Dividend**

Interest income is recognised on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive the payment is established.

**iii. Export benefits/incentives**

Export benefits / incentives are accounted on accrual basis in accordance with various government schemes in respect thereof and are shown under "Other Operating Revenue".

**iv. Other income**

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**e. Leases**

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

**A. The Company as lessee**

- i. Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.
- ii. Finance lease – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease, using the effective interest rate method.

**B. The Company as lessor**

- iii. Operating lease - Rental income from operating leases is recognised in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished.
- iv. Finance lease - The Company does not have any finance leases as lessor.

**f. Income taxes**

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in the OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off such amounts.

#### **g. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **i. Recognition, initial measurement and derecognition**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows under an eligible transaction.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

##### **ii. Classification**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at fair value profit or loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

##### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (the "EIR") method. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

#### **Debt instruments at fair value through other comprehensive income**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI.

The Company does not have any debt instruments classified in FVOCI category.

#### **Debt instruments at fair value through profit or loss**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

The Company does not have any debt instruments classified in FVTPL category.

#### **Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL with all changes recognized in the statement of profit and loss.

For all other equity instruments, the Company may make an irrevocable election to present in the OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends and impairment loss, are recognized in OCI. There is no recycling of the amounts from the OCI to the statement of profit and loss, even on sale of the investment. However, the Company may transfer the cumulative gain or loss within categories of equity.

Currently, all investments in equity shares are classified as FVPL. There are no equity instruments classified as FVOCI.

### **iii. Impairment of financial assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the EIR of the instrument. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

**iv. Classification and subsequent measurement of financial liabilities**

All financial liabilities are recognised initially at its fair value, adjusted by directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. The Company does not have any financial liabilities classified at fair value through profit or loss.

**Financial liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**h. Equity shares**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**i. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credits as they are considered an integral part of the Company's cash management.

**j. Property plant and equipment (including capital work-in-progress)**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight and expenses incidental to acquisition and installation net of tax credits, up to the point the asset is ready for its intended use. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Assets acquired but not ready for use or assets under construction are classified under capital work in progress and are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Gains or losses arising on the disposal of property plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets, and are recognized in the statement of profit and loss within 'other income' or 'other expenses' respectively.

**k. Intangible assets**

Intangible assets include computer software which is stated at cost less accumulated amortisation.

**l. Depreciation**

Depreciation is provided on property, plant & equipment on pro rata basis for the period of use, on the written down value method (WDV) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013, which is in line with the management's estimate of useful life except for moulds. Cost of moulds are capitalised and amortised over the period of 36 months which is the estimated useful life of the mould.

Freehold land is not depreciated. Leasehold land is being amortised over the life of the lease. Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation method, useful life and residual value are reviewed periodically and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

**m. Investment property**

Investment property are those that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company in a period exceeding 1 year and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the WDV method over their estimated useful lives, based on the rates prescribed under Schedule II to the Companies Act, 2013.

**n. Impairment of non-financial assets**

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there were no impairment.

**o. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**p. Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**q. Employee benefits**

- **Defined contribution plans**

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

- **Defined benefit plans**

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

- **Other long-term employee benefits**

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

- **Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**r. Inventories**

Inventories are valued at the lower of cost and net realizable value. Work-in-progress and finished goods include appropriate proportion of overheads. Cost includes excise duty in respect of finished goods, whichever applicable. Costs are assigned to individual items of inventory on the basis of first-in first-out basis.

**s. Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the date of the balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.



**t. Earnings / (loss) per share**

Basic earnings / (loss) per share are computed by dividing net profit / (loss) after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share adjusts the figures used in the determination of basic earnings / (loss) per share after considering the income tax effect of all finance costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit / (loss) per share.

**u. Operating segments**

An operating segment is a component of a Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Company's other components, for which discrete financial information is available, and such information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance.

**v. Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**3. Standards issued but not effective**
**i. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:**

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company is in the process of evaluating the impact of adoption of Appendix B to Ind AS21 its financial statements.

**ii. Ind AS 115 – “Revenue from Contracts with Customers**

Ind AS 115 establishes a single model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard, Ind AS 18 “Revenue” and Ind AS 11 “Construction Contracts” when it becomes effective. The core principle of Ind AS 115 is that, an entity should recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services. The new standard also requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue. The Company is in the process of evaluating the impact of adoption of Ind AS 115 on its financial statements.

# Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2018

## 4. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land and Site	Leasehold Land	Roads	Buildings	Pipelines	Plant and Machinery	Electrical Installation	Air Conditioning Equipment	Computers	Furniture and Fixtures	Office and Factory Equipment	Motor Cars	Mould and Mould Boxes	Total
<b>Gross block</b>														
Deemed cost as at 1 April 2016	9.83	403.35	1.70	2,250.55	0.06	948.77	258.70	1.40	12.14	25.51	16.94	13.15	44.90	3,987.00
Additions	-	-	-	12.72	-	37.79	-	-	-	1.14	5.59	-	45.55	102.79
Disposals	-	-	-	-	-	(24.94)	-	-	-	-	-	(3.94)	-	(28.88)
Other Adjustments	59.82	-	-	-	-	-	-	-	-	-	-	-	-	59.82
Exchange Differences	-	-	-	(47.53)	-	(23.04)	(9.60)	(0.05)	-	-	-	-	-	(80.22)
<b>Balance as at 31 March 2017</b>	<b>69.65</b>	<b>403.35</b>	<b>1.70</b>	<b>2,215.74</b>	<b>0.06</b>	<b>938.58</b>	<b>249.10</b>	<b>1.35</b>	<b>12.14</b>	<b>26.65</b>	<b>22.53</b>	<b>9.21</b>	<b>90.45</b>	<b>4040.51</b>
Additions	-	-	-	58.42	0.04	58.96	5.95	1.97	1.27	10.53	6.60	0.69	117.12	261.55
Other Adjustments	(59.82)	-	-	-	-	-	-	-	-	-	-	-	-	(59.82)
<b>Balance as at 31 March 2018</b>	<b>9.83</b>	<b>403.35</b>	<b>1.70</b>	<b>2,274.16</b>	<b>0.10</b>	<b>997.54</b>	<b>255.05</b>	<b>3.32</b>	<b>13.41</b>	<b>37.18</b>	<b>29.13</b>	<b>9.90</b>	<b>207.57</b>	<b>4,242.24</b>
<b>Accumulated depreciation as at 1 April 2016</b>														
Depreciation charge for the year (Refer note 31)	-	-	0.56	212.09	-	255.18	65.40	0.47	7.52	7.08	8.36	3.17	36.11	595.94
Reversal on disposals	-	-	-	-	-	(5.43)	-	-	-	-	-	(0.17)	-	(5.60)
<b>Balance as at 31 March 2017 (Refer Note 31)</b>	<b>-</b>	<b>-</b>	<b>0.56</b>	<b>212.09</b>	<b>-</b>	<b>249.75</b>	<b>65.40</b>	<b>0.47</b>	<b>7.52</b>	<b>7.08</b>	<b>8.36</b>	<b>3.00</b>	<b>36.11</b>	<b>590.34</b>
Charge for the year	-	-	0.25	198.96	-	177.51	52.41	0.51	1.27	6.15	6.97	0.55	48.16	492.74
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>0.81</b>	<b>411.05</b>	<b>-</b>	<b>427.26</b>	<b>117.81</b>	<b>0.98</b>	<b>8.79</b>	<b>13.23</b>	<b>15.33</b>	<b>3.55</b>	<b>84.27</b>	<b>1,083.08</b>
<b>Net block:</b>														
Balance as at 31 March 2018	9.83	403.35	0.89	1,863.11	0.10	570.28	137.24	2.34	4.62	23.95	13.80	6.35	123.30	3,159.16
Balance as at 31 March 2017	69.65	403.35	1.14	2,003.65	0.06	688.83	183.70	0.88	4.62	19.57	14.17	6.21	54.34	3,450.17
Balance as at 1 April 2016	9.83	403.35	1.70	2,250.55	0.06	948.77	258.70	1.40	12.14	25.51	16.94	13.15	44.90	3,987.00

### Notes:

- The Company jointly owns 50% of a motor car with Uni Deritend Ltd. in which Company's share is of gross value of ₹ 5.61 Lakhs (31 March 2017: ₹ 5.61 Lakhs; 1 April 2016: ₹ 5.61 Lakhs), accumulated depreciation ₹ 2.33 Lakhs (31 March 2017: ₹ 1.39 Lakhs; 1 April 2016: Nil) and WDV of ₹ 3.28 Lakhs (31 March 2017: ₹ 4.23 Lakhs; 1 April 2016: ₹ 5.61 Lakhs).
- Leasehold land represents lease hold interest in land at Dharwad conveyed by Karnataka Industrial Area Development Board for a period of 10 years, to be transferred to the lessee (the Company) at the end of such period (or extension thereof) on fulfillment of all lease terms and conditions. Consequently, the leasehold land is not amortized.
- Capital work in progress includes expenses for purchase of mould, major parts of crane and scrap cutting machine.

### Balance as at 1 April 2016

Additions	10.82
Capitalised during the year	14.49
<b>Balance as at 31 March 2017</b>	<b>(10.82)</b>
Additions	14.49
Capitalised during the year	32.15
<b>Balance as at 31 March 2018</b>	<b>(11.68)</b>
	34.96

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

5 Investment Property		(₹ in Lakhs)	
Particulars	Building	Total	
Deemed cost as at 1 April 2016	3.64	3.64	
Depreciation charge for the year (refer note no. 31)	0.17	0.17	
Balance as at 31 March 2017	3.47	3.47	
Depreciation charge for the year (refer note no. 31)	0.16	0.16	
Balance as at 31 March 2018	3.31	3.31	

### Notes:

(a) Fair value of Investment property		(₹ in Lakhs)	
Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Building	75.36	68.00	62.00

The fair value of investment property has been determined by an independent valuer, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The value is determined based on the rate prescribed by government authorities for commercial property. The resultant fair value estimates for investment property is included in level 2.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Amounts recognised in profit and loss account in relation to investment property		(₹ in Lakhs)	
Particulars	Year ended 31 March 2018	Year ended 31 March 2017	
Rental income from investment property	7.39	7.03	
Direct operating expenses arising from investment property that generated rental income during the period	-	-	
Direct operating expenses arising from investment property that did not generate rental income during the period	-	-	

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 6 Intangible assets

Particulars	Computer Software	(₹ in Lakhs)
		Total
<b>Gross block</b>		
Deemed cost as at 1 April 2016	11.29	11.29
Additions	4.22	4.22
<b>Balance as at 31 March 2017</b>	<b>15.51</b>	<b>15.51</b>
Additions	7.50	7.50
<b>Balance as at 31 March 2018</b>	<b>23.01</b>	<b>23.01</b>
<b>Accumulated Amortisation</b>		
As at 1 April 2016	-	-
Amortisation for the year (refer note no. 31)	3.98	3.98
<b>Balance as at 31 March 2017</b>	<b>3.98</b>	<b>3.98</b>
Amortisation charge for the year (refer note no. 31)	5.15	5.15
<b>Balance as at 31 March 2018</b>	<b>9.13</b>	<b>9.13</b>
<b>Net block:</b>		
Balance as at 31 March 2018	13.89	13.89
Balance as at 31 March 2017	11.53	11.53
Balance as at 1 April 2016	11.29	11.29

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 7 Non-current financial assets - Investments

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>1) Investments measured at fair value through profit and loss</b>			
<b>(a) In equity shares - quoted, fully paid up</b>			
Development Credit Bank Ltd. 1,200 (31 March 2017: 1,200, 1 April 2016: 1,200) Equity shares of ₹10 each fully paid up	1.94	2.05	0.95
<b>(b) In equity shares - unquoted, fully paid up</b>			
The Zoroastrian Co-operative Bank Ltd. 4,000 (31 March 2017: 4,000, 1 April 2016: 4,000) Equity shares of ₹25 each fully paid up	1.00	1.00	1.00
<b>(c) In mutual funds - quoted</b>			
Nil (31 March 2017: Nil, 1 April 2016: 74,795.434) Units of HDFC Income fund Growth	-	-	25.28
Nil (31 March 2017: Nil, 1 April 2016: 2,12,346.781) Units of Kotak Bond Scheme Plan A Growth	-	-	89.29
Nil (31 March 2017: Nil, 1 April 2016: 3,76,915.392) Units of Reliance Saving Fund	-	-	77.83
Nil (31 March 2017: Nil, 1 April 2016: 1,350.871) Units of Axis Liquid Fund Growth (CFGPG)	-	-	22.64
Nil (31 March 2017: 1,73,701.581, 1 April 2016: Nil) Units of Reliance Short Term Fund - Growth	-	53.53	-
593,186.658 (31 March 2017: 593,186.658, 1 April 2016: Nil) ICICI Prudential Regular Savings Fund - Growth	110.18	103.03	-
Nil (31 March 2017: 1,819.399, 1 April 2016: Nil) Kotak Low Duration Fund Standard (Regular Plan) - Growth	-	36.36	-
<b>2) Investments measured at amorised cost</b>			
<b>(a) In Bonds - Quoted</b>			
2,848 (31 March 2017: 2,848, 1 April 2016: 2,848) Bonds of Power Finance Corporation Ltd.- Face value ₹1,000 each	28.48	28.48	28.48
10,000 (31 March 2017: 10,000, 1 April 2016: 10,000) Units of Investement-Rural Electrification Corp Ltd - Face value ₹1,000 each	100.00	100.00	100.00
<b>(b) Other Investments - Unquoted</b>			
National saving certificates	0.15	0.15	0.15
	<b>241.75</b>	<b>324.60</b>	<b>345.62</b>
<b>Aggregate amount of unquoted investments</b>	1.15	1.15	1.15
<b>Aggregate amount of quoted investments</b>	240.60	323.45	344.47
<b>Aggregate amount of impairment in value of investment</b>	-	-	-

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 8 Loans

(₹ in lakhs)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
<b>(Unsecured, considered good)</b>						
Security deposits	14.75	25.04	14.23	5.38	43.36	-
Loans and advances to employees	-	8.42	-	10.22	-	13.21
Others	-	75.14	-	30.99	-	5.20
<b>Total</b>	<b>14.75</b>	<b>108.60</b>	<b>14.23</b>	<b>46.59</b>	<b>43.36</b>	<b>18.41</b>

### 9 Other financial assets

(₹ in lakhs)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
<b>(Unsecured and considered good)</b>						
Security Deposits	-	0.34	-	9.17	-	24.05
Interest accrued	-	3.90	-	3.90	-	3.90
<b>Total</b>	<b>-</b>	<b>4.24</b>	<b>-</b>	<b>13.07</b>	<b>-</b>	<b>27.95</b>

### 10 Deferred tax assets, net

(₹ in lakhs)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>Deferred tax asset arising on account of</b>			
Difference between book depreciation and depreciation as per Income Tax Act, 1961	100.17	121.45	81.75
Unabsorbed depreciation as per Income Tax Act, 1961	357.98	376.58	244.74
Provision for leave encashment	7.34	5.89	5.14
Retirement benefits	(0.70)	1.00	3.07
Bonus & Ex-Gratia	2.32	2.15	1.88
Provision for doubtful advance	9.84	6.43	3.02
VRS Expenses	41.23	80.21	119.20
Deferment of revenue	10.03	-	122.65
Fair value adjustment through P&L	11.64	-	-
Unrealised gain/loss	34.40	-	-
Increase in Value of Closing Stock due to inclusion of Excise Duty	-	69.40	-
	<b>574.25</b>	<b>663.12</b>	<b>581.45</b>
<b>(Deferred tax liability) arising on account of</b>			
Unrealised gain/loss	-	(33.62)	(31.77)
Fair value adjustment through Statement of Profit and Loss	-	-	(12.32)
Prior period adjustments	-	-	(3.34)
Amortisation of processing fees	-	-	(0.84)
Others	(3.73)	(32.72)	-
	<b>(3.73)</b>	<b>(66.34)</b>	<b>(48.27)</b>
<b>Net deferred tax assets</b>	<b>570.52</b>	<b>596.78</b>	<b>533.18</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### (a) Movements in deferred tax assets and deferred tax liabilities from 1 April 2017 to 31 March 2018

(₹ in lakhs)					
Particulars	Opening balance as on 1 April 2017	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance as on 31 March 2018
<b>Deferred tax asset arising on account of</b>					
Difference between book depreciation as per Income Tax Act, 1961	121.45	(21.28)	-	-	100.17
Unabsorbed Depreciation as per Income Tax Act, 1961	376.58	(18.60)	-	-	357.98
Provision for leave encashment	5.89	1.45	-	-	7.34
Provision for Gratuity	1.01	(2.01)	0.31	-	(0.70)
Bonus & Ex-Gratia	2.15	0.17	-	-	2.32
Provision for Doubtful Advance	6.43	3.41	-	-	9.84
VRS Expenses	80.22	(38.99)	-	-	41.23
Fair value adjustment through Statement of Profit and Loss	-	11.64	-	-	11.64
Deferment of revenue	-	10.03	-	-	10.03
Unrealised gain/loss	(33.62)	68.02	-	-	34.40
Increase in Value of Closing Stock due to inclusion of Excise Duty	69.40	(69.40)	-	-	-
	<b>629.50</b>	<b>(55.56)</b>	<b>0.31</b>	<b>-</b>	<b>574.25</b>
<b>(Deferred tax liability) arising on account of</b>					
Others	(32.72)	28.99	-	-	(3.73)
	<b>(32.72)</b>	<b>28.99</b>	<b>-</b>	<b>-</b>	<b>(3.73)</b>
<b>Net deferred tax assets</b>	<b>596.78</b>	<b>(26.57)</b>	<b>0.31</b>	<b>-</b>	<b>570.52</b>

### (b) Movements in deferred tax assets and deferred tax liabilities from 1 April 2016 to 31 March 2017

(₹ in lakhs)					
Particulars	Opening balance as on 1 April 2016	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance as on 31 March 2017
<b>Deferred tax asset arising on account of</b>					
Difference between book depreciation and depreciation as per Income Tax Act, 1961	81.75	39.70	-	-	121.45
Unabsorbed Depreciation as per Income Tax Act, 1961	244.74	131.84	-	-	376.58
Provision for leave encashment	5.14	0.75	-	-	5.89
Provision for Gratuity	3.07	(6.83)	4.76	-	1.00
Bonus & Ex-Gratia	1.88	0.27	-	-	2.15
Provision for Doubtful Advance	3.02	3.41	-	-	6.43
VRS Expenses	119.20	(38.98)	-	-	80.22
Deferment of revenue	122.65	(122.65)	-	-	-
Increase in Value of Closing Stock due to inclusion of Excise Duty	-	69.40	-	-	69.40
	<b>581.45</b>	<b>76.91</b>	<b>4.76</b>	<b>-</b>	<b>663.12</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

(Deferred tax liability) arising on account of				(₹ in lakhs)	
Unrealised gain/loss	(31.77)	(1.85)	-	-	(33.62)
Fair value adjustment through Statement of Profit and Loss	(12.32)	12.32	-	-	-
Prior period adjustments	(3.34)	3.34	-	-	-
Amortisation of processing fees	(0.84)	0.84	-	-	-
Others	-	(32.72)	-	-	(32.72)
	<b>(48.27)</b>	<b>(18.07)</b>	<b>-</b>	<b>-</b>	<b>(66.34)</b>
<b>Net deferred tax assets</b>	<b>533.18</b>	<b>58.84</b>	<b>4.76</b>	<b>-</b>	<b>596.78</b>

The Company has recognised deferred tax asset to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

### (c) Unrecognise deferred tax asset

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unused tax losses for which no deferred tax asset has been recognised	1,526.68	576.74	-
Potential tax benefit @ 30.90% (31 March 2017 30.90%; 1 April 2016 30.90%)	471.74	178.21	-

## 11 Other assets (₹ in lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
Capital advances	13.88	-	3.79	-	-	-
DEPB license entitlements	-	-	-	-	-	3.58
Duty drawback entitlements	-	18.10	-	27.67	-	81.31
FPS licenses entitlements	-	117.31	-	100.37	-	130.42
Advances to suppliers	-	16.79	-	22.78	-	-
Cenvat Rebate	-	-	-	87.76	-	-
Balances with statutory authorities	-	290.94	-	312.90	-	434.17
Sales tax, excise refund / set off recoverable	-	335.00	-	134.89	-	251.07
Advances to related parties (also refer note 36 (c) )	-	2.82	-	9.91	-	18.90
Prepaid expenses	160.88	0.90	1.16	0.99	2.39	1.34
Others	-	25.08	-	32.50	-	65.52
<b>Total</b>	<b>174.76</b>	<b>806.94</b>	<b>4.95</b>	<b>729.77</b>	<b>2.39</b>	<b>986.31</b>



## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 12 Non-current tax assets

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Advance tax (net of provision for tax)	14.49	33.11	196.86
<b>Total</b>	<b>14.49</b>	<b>33.11</b>	<b>196.86</b>

### 13 Inventories

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Raw materials	217.61	157.30	170.90
Work-in-progress	1,091.34	1,194.61	1,823.12
Finished goods	103.25	471.05	490.18
Stores and Spares	63.81	59.90	55.49
	<b>1,476.01</b>	<b>1,882.86</b>	<b>2,539.69</b>

During the years presented, no inventory has been written down to its net realisable value. Also there are no reversal of write down of inventories during the years presented.

### 14 Trade receivables

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
<b>Unsecured</b>			
Considered good	2,032.42	1,186.62	1,044.54
Considered doubtful	-	4.76	7.68
Provision for doubtful debts	-	(4.76)	(7.68)
	<b>2,032.42</b>	<b>1,186.62</b>	<b>1,044.54</b>

### 15 Cash and cash equivalents

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Balances with banks - in current accounts	10.50	112.57	2.34
Cash on hand	2.53	0.38	0.13
	<b>13.03</b>	<b>112.95</b>	<b>2.47</b>

### 16 Other bank balances

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Deposit accounts (original maturity period of twelve months or less)*	14.85	-	617.77
Unclaimed dividend account	26.37	29.38	28.93
Margin money deposits (original maturity period of twelve months or less)	22.06	19.58	18.31
	<b>63.28</b>	<b>48.96</b>	<b>665.01</b>
*Fixed deposits on lien against overdraft from bank.	-	-	617.77

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 17 Equity share capital

(₹ in lakhs)

	Number of shares	Amount
<b>a) Authorised share capital</b>		
<b>Equity shares of ₹10 each</b>		
Balance at the beginning of the year as at 1 April 2016	3,000,000	300.00
Change during the year	-	-
<b>Total authorised equity share capital as at 31 March 2017</b>	<b>3,000,000</b>	<b>300.00</b>
Change during the year	-	-
<b>Total authorised equity share capital as at 31 March 2018</b>	<b>3,000,000</b>	<b>300.00</b>
<b>Preference shares of ₹10 each</b>		
Balance at the beginning of the year as at 1 April 2016	2,000,000	200.00
Change during the year	-	-
<b>Total authorised preference share capital as at 31 March 2017</b>	<b>2,000,000</b>	<b>200.00</b>
Change during the year	-	-
<b>Total authorised preference share capital as at 31 March 2018</b>	<b>2,000,000</b>	<b>200.00</b>
<b>Issued, subscribed and paid-up equity share capital:</b>		
<b>Balance as at 1 April 2016</b>		
Equity shares of ₹10 each	1,973,500	197.35
Equity shares of ₹10 each, for which ₹7.5 per share has been paid up	1,500	0.11
Remaining amount received for partly paid up shares	-	0.04
<b>Balance as at 31 March 2017</b>		
Equity shares of ₹10 each	1,975,000	197.50
Change during the year	-	-
<b>Shares issued and fully paid as at 31 March 2018</b>	<b>1,975,000</b>	<b>197.50</b>

### b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend to be proposed by the Board of Directors and to be approved by the shareholders in the General Meeting.

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

### c) Terms and rights attached to preference shares

The Company has only one class of preference share. The preference shares have referenced right on payment of dividend and repayment of capital over equity shareholders.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### d) Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
<b>Equity shares of ₹10 each</b>						
Chemicals & Ferro Alloys Pvt. Ltd.	425,800	21.56%	425,800	21.56%	155,800	7.89%
Unitel Finance & Investments Pvt. Ltd.	817,500	41.39%	817,500	41.39%	817,500	41.39%
Universal Ferro & Allied Chemicals Ltd.*	Nil	Nil	Nil	Nil	270,000	13.67%
	<b>1,243,300</b>	<b>62.95%</b>	<b>1,243,300</b>	<b>62.95%</b>	<b>1,243,300</b>	<b>62.95%</b>

\*Shares transferred to Chemicals & Ferro Alloys Pvt Ltd on amalgamation.

### 18 Other equity

(₹ in lakhs)

Sub-note	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Securities premium reserve (i)	265.63	265.63	265.63
Capital Redemption Reserve (ii)	25.00	25.00	25.00
General reserve (iii)	690.40	690.40	690.40
Retained earnings (iv)	2,141.52	2,006.25	2,905.13
	<b>3,122.55</b>	<b>2,987.28</b>	<b>3,886.16</b>

(₹ in lakhs)

#### (i) Securities premium reserve

As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	265.63
Change during the year	-
<b>Balance at the end of the year</b>	<b>265.63</b>

Securities premium was created when shares were issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in lakhs)

#### (ii) Capital Redemption Reserve

As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	25.00
Change during the year	-
<b>Balance at the end of the year</b>	<b>25.00</b>

The reserve was created upon the redemption of preference shares and will be utilised in compliance with the provisions of the Company's Act, 2013.

(₹ in lakhs)

#### (iii) General reserve

As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	690.40
Change during the year	-
<b>Balance at the end of the year</b>	<b>690.40</b>

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

(iv) Retained earnings	(₹ in lakhs)	
	As at 31 March 2018	As at 31 March 2017
<b>Balance at the beginning of the year</b>	<b>2,006.25</b>	<b>2,905.13</b>
Add : Profit / (loss) for the year	135.96	(840.69)
Less: Dividend distributed on Equity Shares - Nil (previous year ₹2.00 per share)	-	(39.50)
Less: Tax on dividend distributed on Equity Shares	-	(8.04)
<b>Items of other comprehensive income recognised directly in retained earnings:</b>		
- Remeasurement of net defined benefit liability	(0.69)	(10.65)
<b>Balance at the end of the year</b>	<b>2,141.52</b>	<b>2,006.25</b>

Retained earnings pertain to the accumulated earnings made by the Company over the years.

19 Non-current financial liabilities - borrowings						(₹ in lakhs)
	Interest rate	Maturity date	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	Remarks
<b>Secured</b>						
Term loans from Banks	11.50% p.a.	December 2019	186.17	994.21	1,821.21	Refer note (i)
Term loans from financial institutions	12.85% p.a.	September 2021	145.97	-	-	
Finance lease obligations	13% p.a.	August 2017 - December 2019	0.57	0.53	0.76	
			<b>332.71</b>	<b>994.74</b>	<b>1,821.97</b>	
<b>Total borrowings</b>			<b>332.71</b>	<b>994.74</b>	<b>1,821.97</b>	
Less: Current maturities of long term borrowings (refer note 24)			107.13	811.52	815.62	
Less: Current maturities of long term finance lease obligations (refer note 24)			0.30	0.30	0.30	
<b>Total</b>			<b>225.28</b>	<b>182.92</b>	<b>1,006.05</b>	

(i) The above term loans are secured by first exclusive charge over entire movable and immovable fixed assets of the Company at Dharwad project including equitable mortgage of factory land and building.

The term loans from banks are also secured by collateral securities of:

- First hypothecation charge on entire movable fixed assets of the Company other than vehicles.
- First charge by way of equitable mortgage on factory land and building at Dharwad plant.
- Second charge by way of entire current assets of the Company.

Term loans from financial institutions are also secured by collateral securities of:

- First charge by way of equitable mortgage on factory land and building at Thane plant.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### Net debt reconciliation

	(₹ in lakhs)	
	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents	13.03	112.95
Non-current borrowings (including current maturities)	332.14	994.21
Finance lease obligations	0.57	0.53
Current borrowings	2,183.64	2,007.82
<b>Net Debt</b>	<b>2,529.38</b>	<b>3,115.51</b>

	(₹ in lakhs)			
	Cash and cash equivalents	Non current Borrowings	Current Borrowings	Finance lease obligations
<b>Balance as at 31 March 2017</b>	<b>112.95</b>	<b>994.21</b>	<b>2,007.82</b>	<b>0.53</b>
Cash flows (net)	(99.92)	(660.26)	175.82	-
Finance costs	-	281.92	-	0.04
Finance costs paid	-	(283.73)	-	-
<b>Balance as at 31 March 2018</b>	<b>13.03</b>	<b>332.14</b>	<b>2,183.64</b>	<b>0.57</b>

### 20 Provisions

	(₹ in lakhs)					
	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 35)	19.14	4.61	16.02	6.29	12.47	14.10
	<b>19.14</b>	<b>4.61</b>	<b>16.02</b>	<b>6.29</b>	<b>12.47</b>	<b>14.10</b>

### 21 Other liabilities

	(₹ in lakhs)					
	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
Advances received from customers	-	41.06	-	7.15	-	13.21
Statutory dues payable	62.37	18.04	62.37	10.44	62.37	45.72
Deferred revenue	71.08	68.50	53.48	53.63	38.34	63.48
Others	-	31.83	-	32.13	-	7.14
	<b>133.45</b>	<b>159.43</b>	<b>115.85</b>	<b>103.35</b>	<b>100.71</b>	<b>129.55</b>

### 22 Current financial liabilities - borrowings

	Interest rate	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	Remarks
<b>Secured (carried at amortised cost)</b>					
Cash credit and overdraft from banks	10.5% - 11.50% p.a.	2,183.64	2,007.82	2,295.86	Refer note (i)
		<b>2,183.64</b>	<b>2,007.82</b>	<b>2,295.86</b>	

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

(i) The above includes:

- a) Cash credit from Axis Bank Limited amounting to ₹990.17 Lakhs (31 March 2017: ₹814.53 Lakhs; 1 April 2016: ₹583.75 Lakhs) which is secured by first charge by way of hypothecation of current assets of the Company on pari-passu basis with the Zoroastrian Co-operative Bank Limited.

The cash credit is also secured by collateral securities of:

- 1) First hypothecation charge on entire movable property, plant and equipment of the Company.
- 2) First charge by way of equitable mortgage on factory land and building at Dharwad.

- b) Cash credit from the Zoroastrian Co-operative Bank Limited amounting to ₹1,193.46 Lakhs (31 March 2017: ₹1,193.29 Lakhs; 1 April 2016: ₹1,194.41 Lakhs) which is secured by hypothecation of current assets of the Company on pari-passu basis with Axis Bank Limited under multiple banking arrangement.

The cash credit is also secured by collateral securities of:

- 1) Factory land and building at Dharwad.
  - 2) Other property, plant and equipments.
- c) Overdraft from the Zoroastrian Co-operative Bank Ltd. amounting to Nil (31 March 2017: Nil; 1 April 2016: ₹517.69 lakh) which is secured against term deposits.

### 23 Trade payables (refer note no. 41)

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Trade payables	2,464.28	1,900.11	1,789.13
	<b>2,464.28</b>	<b>1,900.11</b>	<b>1,789.13</b>

### 24 Other current financial liabilities

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
Current maturities of long term debt (refer note no. 19)	105.19	806.74	804.29
Interest accrued but not due on borrowings	1.94	4.78	11.33
Current maturities of long term finance lease obligations (refer note 19)	0.30	0.30	0.30
Unclaimed Dividends	26.37	29.37	28.93
Creditors for capital goods	18.80	4.20	26.85
Employee related payables	7.69	32.14	6.24
Others	61.93	79.48	109.11
	<b>222.22</b>	<b>957.01</b>	<b>987.05</b>

### 25 Revenue from operations

	Year ended 31 March 2018	Year ended 31 March 2017	(₹ in lakhs)
Sale of products [including excise duty (refer note (a) below)]	7,996.78	6,602.77	
Other operating revenues :			
Mould cost and miscellaneous recoveries on sales	111.80	90.96	
Export benefits	125.77	97.20	
	<b>8,234.35</b>	<b>6,790.93</b>	

- a) Excise duty on sales was included under 'Revenue from operations' and disclosed separately under 'Expenses' up to 30 June 2017. Post implementation of Goods and Services Tax (GST) from 1 July 2017, 'Revenue from operations' is reported net of GST and hence is not comparable to that extent.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 26 Other income

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Interest income		
On bank deposit accounts	1.86	33.65
On security deposits	1.39	4.42
On investment in bonds	10.82	10.82
On others	2.66	24.14
Dividend income	0.16	0.15
Change in fair value of investments	9.38	9.78
Net gain on foreign currency exchange rate fluctuations	145.64	10.42
Provision for doubtful debts/advances written back	38.80	9.29
Net profit on disposal of property, plant and equipment	-	16.91
Miscellaneous receipts	12.43	15.46
	<b>223.14</b>	<b>135.04</b>

### 27 Cost of materials consumed

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
<b>Raw Material Consumption</b>		
Raw Materials	2,318.76	1,530.61
Raw Materials (Imported)	674.21	592.13
Electrodes	73.56	90.52
Assembly Materials	36.85	78.42
Assembly Materials (Imported)	-	0.10
	<b>3,103.38</b>	<b>2,291.78</b>

### 28 Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
<b>Opening balance</b>		
Work-in-progress	1,194.61	1,823.12
Finished goods	471.05	490.17
	<b>1,665.66</b>	<b>2,313.29</b>
<b>Closing balance</b>		
Work-in-progress	1,091.34	1,194.61
Finished goods	103.25	471.05
	<b>1,194.59</b>	<b>1,665.66</b>
	<b>471.07</b>	<b>647.63</b>

### 29 Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Salaries and wages	591.02	549.01
Contribution to provident and other funds (refer note no. 35)	31.34	29.29
Staff welfare expenses	54.13	47.19
	<b>676.49</b>	<b>625.49</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 30 Finance costs

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Interest expense	269.44	362.15
Other borrowing costs	14.20	16.34
	<b>283.64</b>	<b>378.49</b>

### 31 Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation and amortisation on property, plant and equipment (refer note 4)	492.74	595.94
Depreciation on investment properties (refer note 5)	0.16	0.17
Amortisation of intangible assets (refer note 6)	5.15	3.98
	<b>498.05</b>	<b>600.09</b>

### 32 Other expenses

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Consumption of stores and spare parts	539.81	413.83
Consumption of tools	17.69	7.54
Power and fuel	456.14	369.21
Rent	16.82	16.34
Repairs to buildings	0.31	0.51
Repairs to machinery	17.45	15.62
Other repairs	15.81	24.40
Insurance	8.91	14.17
Rates and taxes	11.61	20.34
Water charges	1.34	1.48
Freight and forwarding	240.02	169.06
Sub-contracting charges	1,042.14	916.45
Directors' fees and commission	29.12	17.89
Commission	68.78	63.34
Travelling expenses	30.57	30.54
Postage, telegram, telephone charges	12.92	12.77
Liquidated damages	5.94	28.35
Legal and profesional fees	98.97	170.55
Export documentaion charges	21.29	17.85
Testing charges	9.79	7.14
Provision for doubtful debts/advance/receivables	15.80	20.33
Business support services	202.57	184.66
Bank charges	22.19	22.94
Auditor's remuneration (refer note (a) below)	10.00	8.04
Miscellaneous expenses	229.50	168.62
	<b>3,125.49</b>	<b>2,721.97</b>
(a) Auditor's Remuneration (exclusive of taxes)		
- Statutory Audit Fees	10.00	5.00
- Other Services	-	3.00
- Out of pokect expenses	-	0.04
<b>Total</b>	<b>10.00</b>	<b>8.04</b>



## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 33 Current tax

#### (a) Income-tax expense through the statement of profit and loss

	(₹ in lakhs)	
	Year ended 31 March 2018	Year ended 31 March 2017
<b>Profit or loss section:</b>		
<b>Current tax:</b>		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	(15.78)
	-	(15.78)
<b>Deferred tax:</b>		
In respect of current year origination and reversal of temporary differences	26.57	(58.83)
<b>Total tax expense</b>	<b>26.57</b>	<b>(74.61)</b>

#### (b) Income-tax on other comprehensive income

	(₹ in lakhs)	
	Year ended 31 March 2018	Year ended 31 March 2017
Deferred tax	0.31	4.76
<b>Total tax expense recognised in other comprehensive income</b>	<b>0.31</b>	<b>4.76</b>

#### (c) Reconciliation of tax expense and the accounting profit / (loss) multiplied by India's tax rate:

	(₹ in lakhs)	
	Year ended 31 March 2018	Year ended 31 March 2017
<b>Accounting profit / (loss) before income-tax</b>	162.53	(915.30)
Applicable Indian statutory income-tax rate	30.90%	30.90%
Computed expected tax expense	50.22	(282.83)
Deferred tax not created due to lack of reasonable probability of future taxable profits	(52.14)	(122.91)
Expenses disallowed	9.17	(5.84)
Tax losses on which no deferred income was recognised	19.31	336.97
<b>Income-tax expense reported in the statement of profit and loss</b>	<b>26.57</b>	<b>(74.61)</b>

### 34 Earnings / (loss) per share

	Year ended 31 March 2018	Year ended 31 March 2017
The numerators and denominators used to calculate the basic and diluted earnings / (loss) per share are as follows:		
Net profit / (loss) attributable to shareholders for basic/diluted earnings per share (₹in lakhs )	135.96	(840.69)
Weighted average number of equity shares for basic/diluted earnings per share (₹in lakhs)	19.75	19.75
Basic earnings / (loss) per share (₹)	6.88	(42.57)
Diluted earning / (loss) per share (₹)	6.88	(42.57)

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 35 Employee benefits

(₹ in Lakhs)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
Gratuity	-	-	-	3.26	-	9.94
Compensated absences	19.14	4.61	16.02	3.03	12.47	4.16
	<b>19.14</b>	<b>4.61</b>	<b>16.02</b>	<b>6.29</b>	<b>12.47</b>	<b>14.10</b>

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the amount recognised in the balance sheet for the defined benefit plan.

The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

(₹ in Lakhs)

#### Gratuity benefits

	As at 31 March 2018	As at 31 March 2017
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#### Change in the present value of the defined benefit obligation:

Opening defined benefit obligation	49.66	35.22
Interest cost	-	2.39
Current service cost	8.42	6.85
Benefits paid	-	(10.70)
Actuarial losses/(gains) on obligation	2.91	15.91
<b>Closing defined benefit obligation</b>	<b>60.99</b>	<b>49.66</b>

#### Change in the fair value of plan assets:

Opening fair value of plan assets	46.41	25.28
Contributions by employer	14.67	28.95
Benefits paid	-	(10.70)
Interest Income (Expected)	4.03	1.49
Returns on plan assets	1.91	1.39
<b>Total actuarial (losses)/ gains to be recognised</b>	<b>67.02</b>	<b>46.41</b>

#### Amount recognised in the balance sheet:

Liability at the beginning of the year	3.26	9.05
Current year's expense	8.12	7.75
Transferred to OCI	1.00	15.41
Contribution by employer	(14.67)	(28.95)
<b>Liability / (Asset) recognised in the Balance Sheet</b>	<b>(2.29)</b>	<b>3.26</b>

#### Expense recognised in the statement of profit and loss:

Current service cost	8.43	6.86
Interest cost	(0.31)	0.89
	<b>8.12</b>	<b>7.75</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

	(₹ in Lakhs)	
	<b>Gratuity benefits</b>	
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>Expense/(income) recognised in the other comprehensive income:</b>		
Actuarial Loss / (Gain) on Defined Benefits Obligations	2.91	15.91
Excess over estimated return on plan assets	(1.91)	(0.50)
<b>Net expense recognised in the total comprehensive income</b>	<b>1.00</b>	<b>15.41</b>

### Breakup of actuarial gain/loss

Actuarial loss/(gain) arising from change in demographic assumption	0.36	(0.30)
Actuarial loss/(gain) arising from change in financial assumption	-	12.47
Actuarial gain arising from experience adjustment	2.55	3.74
	<b>2.91</b>	<b>15.91</b>

### Actuarial assumptions used

	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>	<b>As at 1 April 2016</b>
Discount rate (Per Annum)	7.50%	7.50%	8.00%
Salary Growth Rate (Per Annum)	8.00%	8.00%	5.00%

### Demographic assumptions used

Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement Age	60 years	60 years	60 years
Average remaining life	20.00	36.72	36.00
Withdrawal rates for all ages	2% per annum	2% per annum	1% per annum

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### Sensitivity analysis

The financial results are sensitive to the actuarial assumptions. The changes to the Defined Benefit Obligations for increase in decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2018.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

(₹ in Lakhs)

	As at 31 March 2018		As at 31 March 2017	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
<b>Discount rate</b>				
Increase/ (decrease) in the defined benefit liability	(59.24)	71.29	(45.53)	54.53
<b>Salary escalation rate</b>				
Increase/ (decrease) in the defined benefit liability	71.59	(58.87)	54.53	(45.45)
<b>Withdrawal Rates</b>				
Increase/ (decrease) in the defined benefit liability	(64.36)	65.12	(49.37)	49.97

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

### Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net credit to the Statement of Profit and Loss for the year is ₹12.53 Lakhs (Previous Year: net charge of ₹7.90 Lakhs).

### Actuarial assumptions used

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.50%	7.50%	8.00%
Expected salary escalation rate	8.00%	8.00%	5.00%

## 36 Related party transactions:

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", names of the related parties, related party relationships, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

### (a) List of related parties

#### Relationship

Associates

#### Name of the related party

Uni Deritend Limited  
Chemicals & Ferro Alloys Private Limited  
Neteron Technologies Private Limited  
Anosh Finance & Investment Private Limited  
Neterwala Consulting & Corporate Services Limited  
Uni Klinger Limited

Key management personnel (KMP)

F. D. Neterwala – Chairman  
K. K. Tamhaney – Chief Executive Officer  
J. D. Divekar – Chief Financial Officer  
M. S. Ashar – Company Secretary

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

Details of transactions between the Company and its related parties are disclosed below:

### (b) Transactions during the year

	Associates		Key management personnel and their relatives	
	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
<b>Income</b>				
Uni Klinger Ltd.- Rent Income	10.34	9.71	-	-
Uni Deritend Ltd. - Legal & Professional Expense	-	19.70	-	-
Chemical & Ferro Alloys Pvt. Ltd. - Legal & Professional Expense	-	1.25	-	-
	<b>10.34</b>	<b>30.66</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>				
Uni Deritend Ltd. - ERP Exps.	4.30	4.18	-	-
Uni Deritend Ltd. - Die Development	-	7.53	-	-
Uni Deritend Ltd. - Purchases	34.49	6.48	-	-
Neterson Technologies Pvt. Ltd. – ERP Exps.	-	2.57	-	-
Neterson Technologies Pvt. Ltd. – HR Align	-	4.22	-	-
<b>Business Support Services</b>				
Neterwala Consulting & Corporate Services Ltd.	236.28	217.65	-	-
Anosh Finance & Investment Pvt. Ltd.	1.29	1.33	-	-
<b>Other Expenditure</b>				
Chemicals & Ferro Alloys Pvt. Ltd. – Legal & Prof.	-	2.50	-	-
Uni Deritend Ltd. – Motor Car Exps	-	1.57	-	-
	<b>276.36</b>	<b>248.03</b>	<b>-</b>	<b>-</b>
<b>Remuneration paid - Short term employee benefits</b>				
K. K. Tamhaney	-	-	59.68	65.50
J. D. Divekar	-	-	34.00	31.95
M. S. Ashar	-	-	18.51	16.25
	<b>-</b>	<b>-</b>	<b>112.19</b>	<b>113.70</b>

There are no other type of remuneration paid to key managerial personnel.

### (c) Balance outstanding at the year end

	Associates		
	31 March 2018	31 March 2017	1 April 2016
<b>Advances given</b>			
Uni Deritend Ltd	1.62	1.81	-
Chemicals & Ferro Alloys Pvt. Ltd.	1.20	1.19	-
	<b>2.82</b>	<b>3.00</b>	<b>-</b>
<b>Trade receivables</b>			
Uni Klinger Ltd.	2.53	0.62	3.79
	<b>2.53</b>	<b>0.62</b>	<b>3.79</b>
<b>Creditors for expenses</b>			
Anosh Finance & Investment Pvt. Ltd.	1.36	0.07	0.25
Uni Deritend Ltd	31.99	12.51	14.78
Neterson Technologies Pvt. Ltd.	3.64	3.64	1.24
Neterwala Consulting & Corporate Services Ltd.	61.72	21.93	54.41
	<b>98.71</b>	<b>38.15</b>	<b>70.68</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 37 Financial instruments

#### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

	(₹ in lakhs)			
Particulars	Level 1	Level 2	Level 3	Total
<b>As at 31 March 2018</b>				
<b>Financial assets</b>				
<b>Investments at fair value through profit or loss</b>				
Equity Shares	2.94	-	-	<b>2.94</b>
Mutual funds	110.18	-	-	<b>110.18</b>
<b>Total financial assets</b>	<b>113.12</b>	-	-	<b>113.12</b>
<b>As at 31 March 2017</b>				
<b>Financial assets</b>				
<b>Investments at fair value through profit and loss</b>				
Equity Shares	3.05	-	-	<b>3.05</b>
Mutual funds	192.92	-	-	<b>192.92</b>
<b>Total financial assets</b>	<b>195.97</b>	-	-	<b>195.97</b>
<b>As at 1 April 2016</b>				
<b>Financial assets</b>				
<b>Investments at fair value through profit and loss</b>				
Equity Shares	1.95	-	-	<b>1.95</b>
Mutual funds	215.04	-	-	<b>215.04</b>
<b>Total financial assets</b>	<b>216.99</b>	-	-	<b>216.99</b>

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

#### (ii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices for investments in equity shares and mutual funds.
- The fair values for are instruments at amortised cost are based on discounted cash flows using a discount rate determined based on market interest rate for an equivalent instrument.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 38 Financial risk management

#### i) Financial instruments by category

(₹ in Lakhs)

Particulars	31 March 2018		31 March 2017		1 April 2016	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity Shares	2.94	-	3.05	-	1.95	-
- Mutual funds	110.18	-	192.92	-	215.04	-
- Bonds	-	132.38	-	132.38	-	132.38
- Other Investments	-	0.15	-	0.15	-	0.15
Loans and advances to employees	-	8.42	-	10.22	-	13.21
Trade receivables	-	2,032.42	-	1,186.62	-	1,044.54
Security deposits	-	40.13	-	28.78	-	67.41
Other receivables	-	75.14	-	30.99	-	5.20
Cash and cash equivalents	-	13.03	-	112.95	-	2.47
Unclaimed dividend account	-	26.37	-	29.38	-	28.93
Bank deposits	-	36.91	-	19.58	-	636.08
<b>Total</b>	<b>113.12</b>	<b>2,364.95</b>	<b>195.97</b>	<b>1,551.05</b>	<b>216.99</b>	<b>1,930.37</b>
<b>Financial liabilities</b>						
Borrowings	-	2516.05	-	3002.26	-	4117.53
Trade payables	-	2,464.28	-	1,900.11	-	1,789.13
Other financial liabilities	-	115.09	-	145.49	-	171.43
<b>Total</b>	<b>-</b>	<b>5,095.42</b>	<b>-</b>	<b>5,047.86</b>	<b>-</b>	<b>6,078.09</b>

#### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	31 March 2018		31 March 2017		1 April 2016	
	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount
Investment in bonds	127.00	132.38	126.56	132.38	126.19	132.38

- (a) The carrying value of trade and other receivables, securities deposits, cash and bank balances and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.
- (b) The carrying value of borrowings, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Borrowings taken at floating rates
Market risk - security price	Investments in equity securities, mutual funds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a central treasury department of the Company under policies approved by the Board of Directors. The Board of Directors provide written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, market risk, credit risk and investment of excess liquidity.

### A Credit risk

Credit risk is the risk that a customer or counter party to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

The Company continuously monitors defaults of customers and other counter parties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counter parties are obtained and used. The Company's policy is to deal only with creditworthy counter parties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counter party or any Company of counter parties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, mutual funds, bank deposits and loans is considered negligible, since the counter parties are reputable organisations with high quality external credit ratings.

### Expected credit loss for trade receivables

31 March 2018	0-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due	(₹ in Lakhs) Total
Trade receivables	1,008.52	668.55	124.28	231.07	2,032.42
Expected loss rate	0%	0%	0%	0%	-
Expected credit loss	-	-	-	-	-
Carrying amount of trade receivables	1,008.52	668.55	124.28	231.07	2,032.42



## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

Expected credit loss for trade receivables					(₹ in Lakhs)
31 March 2017	0-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due	Total
Trade receivables	927.71	56.25	117.29	90.13	1191.38
Expected loss rate	0.00%	0.00%	0.00%	-5.28%	-0.40%
Expected credit loss	-	-	-	(4.76)	(4.76)
Carrying amount of trade receivables	927.71	56.25	117.29	85.37	1,186.62

Expected credit loss for trade receivables					(₹ in Lakhs)
1 April 2016	0-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due	Total
Trade receivables	172.99	516.25	132.55	230.43	1052.22
Expected loss rate	0.00%	0.00%	0.00%	-3.33%	-0.73%
Expected credit loss	-	-	-	(7.68)	(7.68)
Carrying amount of trade receivables	172.99	516.25	132.55	222.75	1044.54

### B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### Financing arrangements (₹ in lakhs)

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Expiring within one year (bank loan)	3,350.00	-	-
	<u>3,350.00</u>	<u>-</u>	<u>-</u>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### Contractual maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	(₹ in Lakhs)			
	Upto 1 year	1-3 year	More than 3 years	Total
<b>31 March 2018</b>				
<b>Non-derivatives</b>				
Borrowings	2,323.83	121.30	159.64	2,604.77
Trade payable	2,464.28	-	-	2,464.28
Other financial liabilities	115.09	-	-	115.09
<b>Total</b>	<b>4903.20</b>	<b>121.30</b>	<b>159.64</b>	<b>5184.14</b>
<b>31 March 2017</b>				
<b>Non-derivatives</b>				
Borrowings	2,850.06	203.66	-	3,053.72
Trade payable	1,900.11	-	-	1,900.11
Other financial liabilities	145.49	-	-	145.49
<b>Total</b>	<b>4895.66</b>	<b>203.66</b>	<b>-</b>	<b>5099.32</b>
<b>1 April 2016</b>				
<b>Non-derivatives</b>				
Borrowings	3,148.15	963.16	82.75	4,194.06
Trade payable	1,789.13	-	-	1,789.13
Other financial liabilities	171.43	-	-	171.43
<b>Total</b>	<b>5108.71</b>	<b>963.16</b>	<b>82.75</b>	<b>6154.62</b>

### C Market risk - foreign exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions, with respect to transactions in US Dollar and Euro. The risk primarily relates to fluctuations in trade payables and trade receivables denominated in US Dollar and Euro, against the functional currency of the Company.

In respect of the foreign currency transactions, the Company does not hedge the exposures since the management believes that the same is insignificant in nature.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	US Dollar	Euro	US Dollar	Euro	US Dollar	Euro
<b>Financial assets</b>						
Receivables	-	939.91	-	668.82	-	643.14
<b>Net exposure to foreign currency risk (assets)</b>	-	939.91	-	668.82	-	643.14
<b>Financial liabilities</b>						
Payables	146.71	-	222.46	-	616.71	-
<b>Net exposure to foreign currency risk (liabilities)</b>	146.71	-	222.46	-	616.71	-

### Sensitivity

The following table demonstrates the sensitivity in US Dollar and EUR with all other variables held constant. The below impact on the Company's profit before tax, and equity, is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies		31 March 2018		31 March 2017	
	Change	Increase	Decrease	Increase	Decrease
US Dollar	4%	(5.87)	5.87	(8.90)	8.90
EUR	8%	75.19	(75.19)	53.51	(53.51)

## D Interest rate risk

### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Company has fixed rate borrowings and hence is not exposed to changes in market interest rates through bank borrowings.

### Interest rate risk exposure

Below is the overall exposures of the Company to interest rate risk.

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowing	-	-	-
Fixed rate borrowing	332.71	994.74	1,821.97
<b>Total borrowings</b>	<b>332.71</b>	<b>994.74</b>	<b>1,821.97</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### E Price risk

#### Exposure from investments in mutual funds:

The Company's exposure to price risk arises from investments in equity shares and mutual funds held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### Sensitivity:

The table below summarises the impact of increases/decreases of the index on the Company's profit after tax for the period. The analysis is based on the assumption that the price of the instrument has increased by 2% or decreased by 2% with all other variables held constant.

	(₹ in Lakhs)	
Particulars	31 March 2018	31 March 2017
<b>Investments</b>		
Market prices – increase by 2%	2.26	3.92
Market prices – decrease by 2%	(2.26)	(3.92)

### 39 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

	(₹ in Lakhs)		
a) Particulars	31 March 2018	31 March 2017	1 April 2016
Net debts	2,503.32	2,889.61	4,115.36
Total equity	3320.05	3,184.78	4,083.62
<b>Gearing ratio</b>	<b>75.40%</b>	<b>90.73%</b>	<b>100.78%</b>

### b) Dividends

#### Particulars

31 March 2018 31 March 2017

#### (i) Equity shares

Final dividend for the year ended 31 March 2017 of ₹ 2 per share (excluding dividend distribution tax)	-	39.50
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### 40 First time adoption of Ind AS

These financial statements for the year ended 31 March 2018, are the first financial statements prepared by the Company in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

In preparing these financial statements, the Company's opening Ind AS balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the standalone financial statements as at and for the year ended 31 March 2017.

The Company has applied Ind AS 101 in preparing these first financial statements. The effect of transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the notes accompanying the tables.

### A. Exemptions and exceptions availed

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

#### A.1 Ind AS optional exemptions:

##### A1.1 Deemed cost for property, plant and equipment, intangible assets and investment properties.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. The same exemption is also available on intangible assets and investment properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment properties at their Previous GAAP carrying value.

#### A.2 Ind AS mandatory exceptions:

##### A2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

##### A2.2 Classification and measurement of financial assets

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money, i.e., the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of the retrospective application are not determinable;
- The retrospective application requires assumptions about what management's intent would have been in that period;
- The retrospective application requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

##### A2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choice, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### B. Reconciliation between Previous GAAP and Ind AS

The following tables represent the reconciliations from Previous GAAP to Ind AS.

#### B.1 Effect of Ind AS adoption on the balance sheet as at 1 April 2016

				(₹ in Lakhs)
Particulars	Notes	Previous GAAP*	Adjustments	Amount under Ind AS
<b>A Assets</b>				
<b>1 Non-current assets</b>				
a) Property, plant and equipment	3, 8, 10	3,981.06	5.94	3,987.00
b) Intangible assets		11.29	-	11.29
c) Capital work-in-progress	6	-	10.82	10.82
d) Investment Property	10	-	3.64	3.64
e) Financial assets				
i) Investments	4	305.76	39.86	345.62
ii) Loans	5	47.09	(3.73)	43.36
f) Deferred tax assets, net	9	429.75	103.43	533.18
g) Other non-current assets	5	-	2.39	2.39
h) Non-current tax assets		196.86	-	196.86
<b>Total non-current assets</b>		<b>4,971.81</b>	<b>162.35</b>	<b>5,134.16</b>
<b>2 Current assets</b>				
a) Inventories	2	2,101.09	438.60	2,539.69
b) Financial assets				
i) Trade receivables	2	1,778.25	(733.71)	1,044.54
ii) Cash and cash equivalents		2.47	-	2.47
iii) Bank balance other than (ii) above		665.01	-	665.01
iv) Loans		18.41	-	18.41
v) Other financial assets		27.95	-	27.95
c) Other current assets	5	984.97	1.34	986.31
<b>Total current assets</b>		<b>5,578.15</b>	<b>(293.77)</b>	<b>5,284.38</b>
<b>Total assets</b>		<b>10,549.96</b>	<b>(131.42)</b>	<b>10,418.54</b>

# **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018**

(₹ in Lakhs)				
Particulars	Notes	Previous GAAP*	Adjustments	Amount under Ind AS
<b>B Equity and Liabilities</b>				
<b>1 Equity</b>				
a) Equity share capital		197.46	-	197.46
b) Other equity	12	4,069.92	(183.76)	3,886.16
<b>Total equity</b>		<b>4,267.38</b>	<b>(183.76)</b>	<b>4,083.62</b>
<b>2 Liabilities</b>				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	5	1,006.40	(0.35)	1,006.05
b) Provisions		12.47	-	12.47
c) Other liabilities	8	62.37	38.34	100.71
<b>Total non-current liabilities</b>		<b>1,081.24</b>	<b>37.99</b>	<b>1,119.23</b>
<b>3 Current liabilities</b>				
a) Financial liabilities				
i) Borrowings		2,295.86	-	2,295.86
ii) Trade payables		1,789.13	-	1,789.13
iii) Other financial liabilities	3, 5	988.66	(1.61)	987.05
b) Provisions	1	61.64	(47.54)	14.10
c) Other current liabilities	8	66.05	63.50	129.55
<b>Total current liabilities</b>		<b>5,201.34</b>	<b>14.35</b>	<b>5,215.69</b>
<b>Total liabilities</b>		<b>6,282.58</b>	<b>52.34</b>	<b>6,334.92</b>
<b>Total equity and liabilities</b>		<b>10,549.96</b>	<b>(131.42)</b>	<b>10,418.54</b>

\*The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### B.2 Effect of Ind AS adoption on the balance sheet as at 31 March 2017

				(₹ in Lakhs)
Particulars	Notes	Previous GAAP*	Adjustments	Amount under Ind AS
<b>A Assets</b>				
<b>1 Non-current assets</b>				
a) Property, plant and equipment	3, 8, 10	3,359.60	90.57	3,450.17
b) Intangible assets		11.53	-	11.53
c) Capital work-in-progress		14.49	-	14.49
d) Investment Property	10	-	3.47	3.47
e) Financial assets				
i) Investments	4	314.81	9.79	324.60
ii) Loans	5	17.58	(3.35)	14.23
f) Deferred tax assets, net		596.78	-	596.78
g) Other non-current assets	5	49.04	(44.09)	4.95
h) Long term current tax assets		33.11	-	33.11
<b>Total non-current assets</b>		<b>4,396.94</b>	<b>56.36</b>	<b>4,453.33</b>
<b>2 Current assets:</b>				
a) Inventories	2	1,637.85	245.01	1,882.86
b) Financial assets				
i) Trade receivables	2	1,614.85	(428.23)	1,186.62
ii) Cash and cash equivalents		112.95	-	112.95
iii) Bank balance other than (ii) above		48.96	-	48.96
iv) Loans		46.59	-	46.59
v) Other financial assets	5	11.99	1.08	13.07
c) Other current assets	5	728.81	0.96	729.77
<b>Total current assets</b>		<b>4,202.00</b>	<b>(181.18)</b>	<b>4,020.82</b>
<b>Total Assets</b>		<b>8589.94</b>	<b>(124.79)</b>	<b>8474.15</b>
<b>B Equity and Liabilities</b>				
<b>1 Equity</b>				
a) Equity share capital		197.50	-	197.50
b) Other equity	12	3,215.77	(228.49)	2,987.28
<b>Total equity</b>		<b>3,413.27</b>	<b>(228.49)</b>	<b>3,184.78</b>
<b>2 Liabilities</b>				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	5	184.00	(1.08)	182.92
b) Provisions		16.02	-	16.02
c) Other liabilities	8	62.37	53.48	115.85
<b>Total non-current liabilities</b>		<b>262.39</b>	<b>52.40</b>	<b>314.79</b>



## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 3 Current liabilities

a) Financial liabilities				
i) Borrowings		2,007.82	-	2,007.82
ii) Trade payables		1,900.11	-	1,900.11
iii) Other financial liabilities	3, 5	959.34	(2.33)	957.01
b) Provisions		6.29	-	6.29
c) Other current liabilities	8	49.72	53.63	103.35
<b>Total current liabilities</b>		<b>4,923.28</b>	<b>51.30</b>	<b>4,974.58</b>
<b>Total liabilities</b>		<b>5,185.67</b>	<b>103.70</b>	<b>5,289.37</b>
<b>Total equity and liabilities</b>		<b>8,598.94</b>	<b>(124.79)</b>	<b>8,474.15</b>

\* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

### B.3 Reconciliation of total comprehensive income for the year ended 31 March 2017 (₹ in Lakhs)

Particulars	Notes	Previous GAAP*	Adjustments	Amount under Ind AS
1 Revenue from operations	2, 8, 11	5,915.15	875.78	6,790.93
2 Other income	2, 4, 5	163.46	(28.42)	135.04
<b>3 Total (1+2)</b>		<b>6,078.61</b>	<b>847.36</b>	<b>6,925.97</b>
4 Expenses				
Cost of materials consumed		2,291.78	-	2,291.78
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2	454.04	193.59	647.63
Excise duty	11	0.23	575.59	575.82
Employee benefit expense	7	640.90	(15.41)	625.49
Finance costs	5	379.59	(1.10)	378.49
Depreciation and amortisation expense	8	590.09	10.00	600.09
Other expenses	5, 6, 8	2,769.75	(47.78)	2,721.97
<b>Total</b>		<b>7,126.38</b>	<b>714.89</b>	<b>7,841.27</b>
Profit before exceptional items and tax		(1,047.77)	132.47	(915.30)
Prior period item	6	10.82	(10.82)	-
<b>5 Profit before tax</b>		<b>(1,036.95)</b>	<b>121.65</b>	<b>(915.30)</b>
6 Tax expense				
a) Current tax		-	-	-
b) Deferred tax	9	(167.02)	108.19	(58.83)
Prior year's tax adjustments		(15.78)	-	(15.78)
<b>Total Tax Expenses</b>		<b>(182.80)</b>	<b>108.19</b>	<b>(74.61)</b>
7 Profit / Loss for the year		<b>(854.15)</b>	<b>13.46</b>	<b>(840.69)</b>

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

Particulars	Notes	Previous GAAP*	Adjustments	(₹ in Lakhs) Amount under Ind AS
8 Other comprehensive income:				
a) Items that will not be reclassified to profit or loss:				
(i) Remeasurement of post employment benefit obligations	7	-	(15.41)	(15.41)
(ii) Income-tax relating to items that will not be reclassified to profit or loss	9	-	4.76	4.76
Other comprehensive income for the year, net of tax		-	(10.65)	(10.65)
<b>9 Total comprehensive income for the year (7 + 8)</b>		<b>(854.15)</b>	<b>2.81</b>	<b>(851.34)</b>

\*The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

<b>B.4 Reconciliation in equity between Ind AS and previous Indian GAAP:</b>			<b>(₹ in Lakhs)</b>	
Particulars	Notes	31 March 2017	1 April 2016	
<b>Equity as per previous Indian GAAP</b>		<b>3,413.27</b>	<b>4,267.38</b>	
Impact of change in timing of revenue recognition	2	(183.22)	(203.92)	
Impact of certain moulds, being recognised as property, plant and equipment	8	(74.77)	(94.12)	
Proposed dividend and related distribution tax	1	-	47.54	
Impact of fair valuation of financial assets, measured at fair value through profit and loss	4	9.79	39.86	
Impact of financial instruments being recognised at amortised cost	5	3.82	2.72	
Impact of lease of land being considered as finance lease under Ind AS	3	1.32	1.10	
Impact of prior period items, that are retrospectively restated in Ind AS	6	14.57	10.82	
Deferred tax on the above mentioned adjustments	9	-	12.24	
<b>Total adjustments</b>		<b>(228.49)</b>	<b>(183.76)</b>	
<b>Equity as per Ind AS</b>		<b>3,184.79</b>	<b>4,083.62</b>	

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

(₹ in Lakhs)

### B.5 Reconciliation of total comprehensive income for the year ended 31 March 2017

	Notes	31 March 2017
<b>Loss after tax as per previous GAAP</b>		<b>(854.15)</b>
<b>Adjustments:</b>		
Impact of change in timing of revenue recognition	2	111.90
Impact of certain moulds, being recognised as property, plant and equipment	8	19.32
Impact of fair valuation of financial assets, measured at fair value through profit and loss	4	(30.06)
Impact of financial instruments being recognised at amortised cost	5	1.10
Impact of lease of land being considered as finance lease under Ind AS	3	0.23
Impact of prior period items, that are retrospectively restated in Ind AS	6	3.75
Impact of remeasurement of post-employment benefit obligations, considered in OCI	7	15.41
Deferred tax on the above mentioned adjustments	9	(108.19)
<b>Total adjustments</b>		<b>13.46</b>
<b>Loss after tax as per previous Ind AS</b>		<b>(840.69)</b>
<b>Other Comprehensive Income / (Loss) for the year ended 31 March 2017</b>		<b>(10.65)</b>
<b>Total Comprehensive Loss for the year ended 31 March 2017</b>		<b>(851.34)</b>

**B.6** There is no impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017.

#### Note-1 Proposed dividend

Under Previous GAAP, proposed dividend is recognised as liability in the period to which they are proposed irrespective of the approval of shareholders.

Under Ind AS, proposed dividend is recognised as liability in the period in which it is approved by the shareholders.

#### Note – 2 Change in timing of revenue recognition

Under Previous GAAP, revenue from sale of goods is recognised on dispatch from the factory premises.

Under Ind AS, revenue should be recognised when the entity has transferred to the buyer, the significant risks and rewards of ownership of goods, and significant managerial control.

#### Note – 3 Finance lease accounting on land leases

Under Previous GAAP, leases of land were scoped out of the guidance on leases.

Under Ind AS, in respect of certain long-term land leases, classification between finance lease and operating lease is required. In case of finance leases, where the Company is lessee, the underlying assets and corresponding finance lease obligation determined at the inception of respective arrangements have been recognized on the date of transition with the adjustment of difference, if any, in the opening retained earnings.

#### Note – 4 Measurement of financial assets at fair value

Under Previous GAAP, current investments were stated at lower of cost and fair value.

Under Ind AS, these financial assets have been classified as fair value through profit and loss on the date of transition to Ind AS and fair value changes after the date of transition have been recognised in the statement of profit and loss.

#### Note – 5 Measurement of financial assets and liabilities at amortised cost

Under Previous GAAP, financial assets and financial liabilities were typically carried at the contractual amount receivable or payable.

Under Ind AS, financial instruments carried at amortised cost are initially recognised at fair value, and subsequently measured at amortised cost, at effective interest rate. For certain financial assets and financial liabilities, the fair value thereof at the date of transition to Ind AS has been considered as the new amortised cost of that financial asset and financial liability at the date of transition to Ind AS.

## **Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018**

### **Note – 6 Prior Period item**

Under Previous GAAP, prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the Statement of profit and loss. Under Ind AS, prior period items are adjusted retrospectively by restating the comparative amount for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening reserves.

### **Note - 7 Remeasurements of post-employment benefit obligations**

Under the Previous GAAP, these remeasurements were forming part of the profit or loss for the year. Under Ind AS, remeasurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of the statement of profit and loss.

### **Note - 8 Reclassification of moulds to property, plant and equipment**

Under the Previous GAAP, mould development costs are expensed out and revenue is recognised in profit and loss account, when accrued.

Under Ind AS, development cost incurred meets the recognition criteria of property plant and equipment. Hence the same is capitalised and subsequently depreciated on the basis of useful life of the asset. Further, revenue is recognised over the useful life of mould.

### **Note - 9 Deferred tax**

Under previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/ liability on timing differences between taxable income and accounting income.

Under Ind AS, deferred tax is accounted as per the balance sheet approach which requires creation of deferred tax asset/ liability on temporary differences between the carrying amount of an asset/ liability in the Balance Sheet and its corresponding tax base. The adjustments in equity and net profit, as discussed above, resulted in additional temporary differences on which deferred taxes are calculated.

### **Note - 10 Investment Property**

Under previous GAAP, investment properties were presented as part of property, plant and equipment.

Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

### **Note - 11 Excise Duty**

Under previous GAAP – Revenue from sale of goods was presented net of excise duty.

Under Ind AS, Revenue from sale of goods was presented inclusive of excise duty. The excise duty is presented on the face of the statement of profit and loss as a part of expenses.

### **Note - 12: Retained Earnings**

Retained earnings as at 1st April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

## Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2018

### 41 Micro, Small and Medium Enterprises

Based on the information available with the Company, there are no dues in respect of micro and small enterprises at the balance sheet date. Further no interest during the years has been paid or is payable in respect thereof. This disclosure has been determined to the extent such parties have been identified on the basis of the information available with the Company.

### 42 Contingent liabilities and Capital commitments

	As at 31 March 2018	As at 31 March 2017	(₹ in lakhs) As at 1 April 2016
<b>(i) Contingent Liabilities not provided for</b>			
Show cause notices received from Excise Authorities under dispute	153.60	282.30	259.17
Sales Tax demands under dispute	633.01	2,286.16	2,286.16
Income Tax Contingent	-	0.63	0.63
Guarantees given on behalf of the Company by Bank	301.09	177.15	93.28
Open Letter of Credit	693.80	807.97	616.71
Product Warranties	(Amount not ascertainable)		
<b>(ii) Capital commitments</b>			
Estimated amount of contracts on capital account and not provided for (net of advances)	34.08	12.37	22.18

### 43 Segment information

#### (a) Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment of "Alloy and steel castings". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

#### (b) Entity wide disclosures

As per Ind AS 108 - Operating Segments, the Company is required to disclose revenue from individual external customers when it is 10 per cent or more of entity's revenue. Revenue of ₹1,655.62 Lakhs and ₹2,167.86 Lakhs is derived from external customers during the year ended 31 March 2018 and 31 March 2017 respectively.

### 44 Authorization of financial statements

The standalone financial statements for the year ended 31 March 2018 (including comparatives) were approved by the Board of Directors on 23 May 2018.

For and on behalf of Board of Directors

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N / N500013  
KHUSHROO B. PANTHAKY  
Partner  
Membership No.: 42423

F. D. NETERWALA  
Chairman  
DIN: 00008332  
F. K. BANATWALLA  
Chairman of the Audit Committee  
DIN: 02670802

K. K. TAMHANEY  
Chief Executive Officer

J. D. DIVEKAR  
Chief Financial Officer

M. S. ASHAR  
Company Secretary

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2018

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## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**UNI ABEX ALLOY PRODUCTS LIMITED**
**CIN No.: L27100MH1972PLC015950**

Registered Office: Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020.

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**
**ANNUAL GENERAL MEETING – WEDNESDAY, 8<sup>TH</sup> AUGUST, 2018 AT 3.00 P. M.**
**Folio No/DPID & Client ID:**
**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Forty Fifth Annual General Meeting of the Company at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001 on **Wednesday, 8<sup>th</sup> August, 2018**.

\_\_\_\_\_  
First / Sole holder/ Proxy

\_\_\_\_\_  
Second holder/ Proxy

\_\_\_\_\_  
Third holder/ Proxy

**Notes:**

1. Registration will start at 2.30 P. M. and close at 3.00 P. M. on the day of Annual General Meeting (AGM).
2. There will be separate entrance for AGM at the M. C. Ghia Hall, The Members are, therefore, requested to co-operate and use only the AGM entrance and not any other entrance.
3. There will be no parking facility opposite to Hall. The Members are requested to park their vehicle at the BMC parking area.
4. The Members are required to produce their duly signed Attendance Slips and get their coupon from the registration counter.
5. The Members are informed that in case of joint holders attending the meeting, only such joint holder whose name appear in the chronological order in the Demat Account/Folio will be entitle to vote.
6. This attendance slip is valid only in case shares are held on the date of the AGM.
7. The Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the registration counter to attend the AGM.

**Electronic Voting (e-voting):**

8. **The Company is pleased to offer the option of e-voting facility to the Members. The Members shall have the option to vote either through e-voting or in person at the Annual General Meeting. The voting period will commence at 10.00 A.M. on Sunday, 5<sup>th</sup> August, 2018 and will end 5.00 P.M. on Tuesday, 7<sup>th</sup> August, 2018. The Members desiring to exercise e-voting option may refer to the detailed procedure on electronic voting provided in the Notice of the AGM.**



Route Map to the venue of the AGM



**UNI ABEX ALLOY PRODUCTS LIMITED****CIN No.: L27100MH1972PLC015950**

Registered Office: Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020.

**PROXY FORM**

Form No. MGT-11

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

CIN : **L27100MH1972PLC015950**

Name of the Company : **UNI ABEX ALLOY PRODUCTS LIMITED**

Registered office : **Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020**

Name of the member (s) : .....

Registered address : .....

E-mail ID : .....

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

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint:

(1) Name : ..... Address : .....  
 E-mail Id : ..... Signature : ..... or failing him/her

(2) Name : ..... Address : .....  
 E-mail Id : ..... Signature : ..... or failing him/her

(3) Name : ..... Address : .....  
 E-mail Id : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company, to be held on the **Wednesday, 8<sup>th</sup> August, 2018 at 3.00 p. m.** at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1	Receive Consider and Adopt Audited Financial Statements and Reports thereon for financial year ended March 31 <sup>st</sup> , 2018. (Ordinary Business)		
2	To declare Divided of ₹1.50/- (15%) on Equity Shares.		
3	Re-appointment of Mr. M. K. Fondekar (DIN: 01089689), who retires by rotation. (Ordinary Business)		
4	Re-appointment of Mr. F. D. Neterwala (DIN: 00008332), who retires by rotation. (Ordinary Business)		
5	<b>Special Business</b> To appoint Mr. H. R. Prasad (DIN: 00133853) as an Independent Director (Special Resolution).		

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

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

Affix  
revenue  
stamp of  
₹ 1

**NOTES:**

- (1) The proxy in order to be effective should be duly filled up, stamped, and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) A proxy need not be a member of the Company.
- (3) A person can act a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for and other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



## Financial Highlights

(₹ in Lakhs)

	2013-14	2014-15	2015-16	2016-17	2017-18
Sales & Other Income	7,949.82	7,960.08	6,429.05	6,925.97	8,457.50
Profit Before Interest, Depreciation & Tax	1,806.61	55.75	688.23	63.29	944.25
Net profit after Tax for the year	781.72	-772.47	-311.96	-851.33	135.29
Share Capital : Equity	197.46	197.46	197.46	197.50	197.50
Reserves and Surplus	5,279.72	4,429.42	4,069.92	2,987.29	3,122.58
Shareholders' Funds	5,477.18	4,626.88	4,267.38	3,184.79	3,320.08
Loan Funds	4,556.96	4,395.66	4,169.17	3,002.25	2,516.04
Total Capital Employed	10,034.14	9,022.54	8,436.55	6,187.04	5,836.12
Gross Block	6,335.87	6,427.04	6,787.90	6,734.26	6,951.84
Depreciation	1,442.60	2,167.88	2,864.56	3,254.56	3,740.52
Net Block	4,893.27	4,259.16	3,992.35	3,479.70	3,211.32
Net Current Assets	2,138.97	748.32	355.53	1,865.58	1,761.13
EPS (₹) Equity	39.58	(39.11)	(15.80)	(42.57)	6.88
Return on Shareholders' funds	14%	-17%	-7%	-26%	4%
No. of Shareholders	7519	7170	6970	6910	4920
Dividend %	60%	30%	20%	NIL	15%*

\*If approved by the members

*Dharwad Factory*



If undelivered please return to :  
**UNI ABEX ALLOY PRODUCTS LIMITED**  
Liberty Building, Sir Vithaldas Thakersey Marg, Mumbai - 400 020.