MODISON METALS LIMITED
Regd. Office: 33 Nariman Bhavan, 227 Nariman Point, Mumbai-400 021
Email Id: shareholder@modison.com. **Website**: www.modison.com
Tel.: +91-22-2202 6437 **Fax:** +91- 22-2204 8009
CIN No: L51900MH1983PLC029783

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIFTH ANNUAL GENERAL MEETING OF MODISON METALS LIMITED will be held at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005 on Tuesday, 7th August, 2018 at 11.30 A.M., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :
   a) the Audited financial statements of the Company for the year ended March 31st, 2018, the Director's Report and Auditor's Report thereon and

   b) the Audited Consolidated financial statements of the Company for the year ended March 31st, 2018.

2. To confirm the Interim Dividend of Re.1 per equity share, already paid during the year for the year ending March 31st, 2018.

3. To declare final dividend on equity shares of Re.0.50 per equity share for the financial year ended March 31st, 2018 as recommended by the Board of Directors of the Company.

4. To appoint a Director in place of Mr. Rakesh Singh (DIN No: 07319353), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Mr. Kumar Jay Modi (DIN No: 00059396), who retires by rotation and being eligible, offers himself for reappointment.

6. To ratify the appointment of M/s Kanu Doshi and Associates LLP, Statutory Auditors and to fix their remuneration and to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   "RESOLVED THAT pursuant to the provisions of Section 139,142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules,2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Kanu Doshi and Associates LLP (Firm Registration No : 104746W / W100096), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors."

SPECIAL BUSINESS

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act,2013 read with Companies (Audit and Auditors)Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company be and hereby ratifies the appointment of M/s. N. Ritesh & Associates, Cost Accountant (N. Ritesh, Proprietor) (Certificate of Practice No.R100675), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost accounting records of the Company for the financial year ending 31st March, 2019 be paid professional fees of Rs.50,000/- (Rupees Fifty Thousand only) plus goods and service tax as applicable be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

8. To re-appoint and fix remuneration of Mr. G.L.Modi, Managing Director and in this regard to consider and if thought fit, to pass with or without modification(s) , the following resolution as a **Special Resolution**:-

   "RESOLVED THAT subject to the approval of the Central Government and in accordance with the provisions of sections 2(78), 2(94), 196,197 read with Schedule V of the Companies Act, 2013, the rules made there under and all other applicable provisions, if any, of the said Act, including any statutory modification(s) or re-enactment thereof, for the time being in force, from time to time, approval of the company, be and is hereby accorded for the re-appointment of Mr. G. L. Modi as Managing Director of the company who has attained the age of 70+ years for a period of 3 (three) years, with effect from 9th July 2018 to 8th July 2021 upon the terms and conditions as set out in the Agreement entered by the Company with Mr. G L. Modi, approved by the Remuneration Committee / Board at its meeting held on 23rd May,2018 as set out in the explanatory statement annexed hereto.

   RESOLVED FURTHER THAT in any financial year, if the Company has no profits or its profits are inadequate, the Company pays Mr. G. L. Modi, remuneration by way of salary, perquisites and allowances as set out in above referred Agreement as Minimum Remuneration.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To reappoint and fix remuneration of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director and in this regard to consider and if thought fit, to pass with or without modification(s) ,the following resolution as **Special Resolution**:-

   "RESOLVED THAT subject to the approval of the Company pursuant to the provisions of Section 2(78), 2(94), 196, 197 read with Schedule V , the rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the reappointment of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director of the Company, for a period of 3 (three) years with effect from 01.04.2018 to 31.03.2021 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said appointment and/ or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT in any financial year, if the Company has no profits or its profits are inadequate, the Company pays Mr. Kumar Jay Modi, remuneration by way of salary, perquisites and allowances as set out in the Agreement as Minimum Remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

10. To appoint Mr. Sureshchandra Mody as a consultant and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT consent of the Company be and is hereby accorded under Section 197 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Sureshchandra Mody, a Director of the Company, be appointed as a consultant of the Company for the period of 3(three) years with effect from 01.04.2018 to 31.03.2021 authorising the said Mr. Sureshchandra Mody, Director of the Company to draw Professional charges of Rs. 15,00,000/- per annum plus goods and service tax, as applicable."

11. To approve amendment in agreement and approve the remuneration of Mr. Rakesh Singh, Whole Time Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 2(78), 2(94), 196, 197 read with Schedule V , the rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded for the amendment in agreement and remuneration of Mr. Rakesh Singh (DIN No: 07319353),Whole-time Director of the Company, w.e.f 01.04.2017 to 01.11.2018 as set out in the Explanatory Statement annexed to the Notice convening this Meeting (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) and other terms and conditions remains same.

RESOLVED FURTHER THAT in any financial year, if the Company has no profits or its profits are inadequate, the Company pays Mr. Rakesh Singh, remuneration by way of salary, perquisites and allowances as set out in above referred Agreement as Minimum Remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

12. To authorise the personnel of the Company to comply with the SEBI Circular No. IMD/FPIC/CIR/P/2018/61 dated April 05, 2018 (including any statutory modification(s) or re-enactment thereof, for the time being in force) therein as **Ordinary resolution**:

    "RESOLVED THAT consent of the Company be and is hereby accorded to authorise Mr. G.L.Modi or Mr. Rajkumar Modi or Mr. Kumar Jay Modi or any other officer so authorised of the Company to intimate the Designated Depository in the event of any changes along with the supporting documentation, such as increase/decrease of the aggregate FPI/NRI limits or the sectoral cap or a change of the sector of the company, etc as per SEBI Circular No. IMD/FPIC/CIR/P/2018/61 dated April 05, 2018 (including any statutory modification(s) or re-enactment thereof, for the time being in force)."

MUMBAI, 23rd May, 2018

By Order of the Board
For **MODISON METALS LTD.,**

Registered Office:

33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

G. L. MODI
Managing Director

NOTES:

a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself. Such a proxy need not be a member of the Company.

   The Proxy form must be deposited at the Registered Office of the Company duly completed and signed not later than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolutions/authority, as applicable.

b) A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

c) Members/ proxies should bring their Attendance Slips duly filled in for attending the meeting.

d) Members are requested to note that the company's shares are under compulsory demat trading for all the investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.

e) Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their email address , bank details, ECS mandates, nominations, power of attorney, change of address/ name etc.

to their depository participant only and not to Company or its registrar and transfer Agent. The said intimation will be automatically reflected in the Company's records.

f) The Register of Members and transfer books of the Company will be closed from 31^{th} July, 2018 to 7^{h} August, 2018 (Both days inclusive).

g) The dividend, after declaration will be paid to those shareholders whose names stand on the Register of Members on 7^{th} August, 2018. The dividend in respect of Shares held in the electronic form will be paid to beneficial owners of the shares whose names appear in the list furnished by the Depositories for this purpose as on 7^{th} August, 2018. The dividend will be paid by 5^{th} September, 2018 to the Shareholders.

h) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company / Registrar.

i) The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No.17/2011, dated 21.04.2011 and Circular No.18/2011, dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/documents (including notices, annual report, etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.

j) Members who have not registered their email 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 with Depository Participant or Registrar.

k) Members are hereby informed that Dividend which remains unclaimed/ un-encashed over a period of 7 years, has to be transferred as per the provisions of Section 124(6) of the Companies Act, 2013, by the Company to The Investor Education & Protection Fund", constituted by the Central Government under Section 125 of the Companies Act, 2013.

Hereunder are the details of Dividends paid by the Company and their respective due dates of transfer of unclaimed/ un-encashed dividends to the designated fund of the Central Government:-

Date of Declaration of Dividend	Dividend for the year	Due date of transfer to the Government
26.07.2011	2010-2011	25.07.2018
07.08.2012	2011-2012	06.08.2019
10.09.2013	2012-2013	09.09.2020
09.09.2014	2013-2014	08.09.2021
11.08.2015	2014-2015	10.08.2022
09.03.2016 (Interim Dividend)	2015-2016	08.03.2023
17.02.2017(Interim Dividend)	2016-2017	16.02.2024
02.02.2018(Interim Dividend)	2017-2018	01.02.2025

It may please be noted that once the unclaimed/ un-encashed dividend is transferred to "The Investor Education & Protection Fund", as above, no claim lie in respect of such amount by the shareholder.

l) Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had transferred 350 equity shares of Re.1/- each to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 26th July, 2017 after following the prescribed procedure.

Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2011 are requested to claim the same by 30th August,2018. In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer for the dividend of 2010-11 are uploaded on the "Investors Section" of the website of the Company viz. www.modison.com

m) The Company is listed at:
BSE Ltd,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001.
The listing fees have been paid in time.

n) As per the requirements of Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is given below:

	Name of the Director	**Mr. Rakesh Singh**	**Mr. G.L. Modi**
i)	Date of birth	01.03.1968	04.06.1941
ii)	Date of Appointment	02.11.2015	01.01.1997
iii)	Qualification	BE (Mechanical) with Graduate Diploma in Materials Management	Diploma in Mechanical Engineering
iv)	Expertise in specific functional area	27 years in various areas of operations	53 years of experience in Engineering Industry.
v)	List of other public limited companies (in India) in which outside directorship held	Nil	Nil
vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	Nil	Nil
vii)	Relationship with other Director	None	Father of Mr. Kumar Jay Modi

	Name of the Director	Mr. Kumar Jay Modi
i)	Date of birth	05.12.1978
ii)	Date of Appointment	01.04.2012
iii)	Qualification	B.Com
iv)	Expertise in specific functional area	International Sales & Marketing
v)	List of other public limited companies (in India) in which outside directorship held	Nil
vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	Nil
vii)	Relationship with other Director	Son of Mr. G.L.Modi

The Annual Report 2017-2018 as circulated to the members of the Company is also available on the website of the Company www.modison.com

Voting through electronic means

I In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM)/ EGM/ EOGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

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

IV The remote e-voting period commences on 3rd August, 2018 (9:00 am) and ends on 06th August, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 31st July, 2018, may cast their vote by e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)].

The process and manner for remote e-voting are as under

<u>How do I vote electronically using NSDL e-Voting system?</u>

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

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

<u>How to Log-in to NSDL e-Voting website?</u>

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

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
c) How to retrieve your 'initial password'?
    (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

    (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

    a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

    b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mail@csraginichokshi.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VI In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) **USER ID**

PASSWORD/PIN

(ii) Please follow all steps as mentioned above, to cast vote.

VII If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com

VIII You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 31st July, 2018.

X Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 31st July, 2018, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in /RTA**.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM

XII A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII M/s. Ragini Chokshi & Co., a firm of Practising Company Secretary (Firm Registration No: BA92897) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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

XVI The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.modison.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT U/S 102(1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved at their meeting held on 23rd May, 2018 the appointment of M/s. N. Ritesh & Associates (Certificate of Practice No.R100675), Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended March 31st, 2019, at a remuneration of Rs.50,000/-(Rupees Fifty Thousand only) plus goods and service tax as applicable, subject to ratification by shareholders.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 7 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

None of the Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested in the proposed resolution.

The Board recommends this Resolution for your approval.

Item No. 8

The Board of Directors at its Meeting held on 23rd May, 2018 had approved the remuneration as well as other terms and conditions related to re-appointment of Mr. G. L. Modi as the company's Managing Director for a period of three years with effect from 9th July 2018 to 8th July 2021, subject to the approval of the Central Government and subject to the approval of the company in its General Meeting by a Special Resolution. The remuneration as well as the other terms and conditions related to the re-appointment of Mr. G. L. Modi were recommended by the Remuneration Committee and the Board of Directors have approved the same remuneration at its meeting held on 23rd May 2018.

Mr. G. L. Modi, the Managing Director is a Mechanical Engineer (Diploma) and is having 53 years of experience in engineering industry. He is the core promoter of the company and is associated with the company since its inception.

Considering Mr. G. L. Modi's proven abilities and the improvement in the company's performance and financial results, the company has an imminent need to retain his talent for future growth even though he has attained the age of 70+ years.

Whilst deciding on the remuneration package of Mr. G. L. Modi, the Remuneration Committee of the Board considered the above. The material provision of the Agreement as regards Mr. G. L. Modi's re-appointment as Managing Director, referred to in Resolution No. 8 are as under:-

REMUNERATION:

a) Salary : Rs. 9,75,000/- per month.

b) Perquisites and Allowances:

i) In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, cash allowances, allowances for utilities such as gas, electricity, water etc., medical reimbursement, club fees, leave travel concession for himself and his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Mr. G. L. Modi; such perquisites and allowances will be subject to a maximum of 100% of annual salary.

ii) Company's contribution to Provident Fund to the extent to which it is not taxable under the Income Tax Act, Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the salary or perquisites aforesaid.

Total Remuneration payable Rs. 2.50 Crore per annum

MINIMUM REMUNERATION:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. G. L. Modi, the company has no profits or its profits are inadequate, the company will pay the remuneration by way of salary and perquisites and allowances as specified above as minimum remuneration.

The Agreement entered between the company and the Managing Director is available for inspection by the member at the company's Registered Office between 10.00 a.m. and 12.00 noon on any working day up to the date of Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. G.L. Modi (father of Mr. Kumar Jay Modi) & Mr. Kumar Jay Modi (son of Mr. G.L. Modi) for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No. 9

The Board of Directors of the Company (the 'Board') at its Meeting held on February 2nd, 2018 re-appointed Mr. Kumar Jay Modi as Whole- time Director pursuant to the provisions of Section 196 of the Companies Act, 2013 (the `Act').

Mr. Kumar Jay Modi is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Further, the Board appointed, subject to the approval of Members, Mr. Kumar Jay Modi as Whole-time Director of the Company, for a period of three years with effect from 01.04.2018 to 31.03.2021.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Mr. Kumar Jay Modi, as Whole-time Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment and remuneration payable to Mr. Kumar Jay Modi is as under:

A) Salary:

(i) Basic Salary: Rs. 3,55,000/- per month in the scale of Rs.3,55,000~ Rs.5,05,000 per month with such increase within the scale as the Board may sanction from time to time.

B)

(ii) Perquisites and Allowances:

In addition to the salary, the Whole-Time Director shall also be entitled to perquisites and allowances like House Rent Allowance, medical reimbursement, leave travel concession for himself & his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company. The perquisites and allowances will be subject to a maximum of 50% of annual salary.

(iii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.

Gratuity payable should not exceed half a month's salary for each completed year of service.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and the use of the car for private purposes shall be billed by the Company to the individual appointee concerned.

The above salary & perquisites may be increased from time to time as decided by the Board, but shall not exceed Rs.100 Lacs per annum.

Subject to the provisions of the Companies Act, 2013, and any other laws for the time being in force, the Wholetime Director shall not be liable to the acts, receipts, neglects or defaults of any Director, Officer or employee of the Company or for any other loss, damage or misfortune whatever which shall happen in execution of the duties of his office or in relation thereto, unless the same happens through his own willful default or otherwise.

The remuneration shall be paid in accordance with the provisions of Part II of the Schedule V of The Companies Act, 2013.

In case of no profits or inadequate profits, he shall be paid the above remuneration as minimum remuneration.

The terms as herein contained are without prejudice to any changes in the Government Policy or any action that may be taken by the Government in pursuance of the provisions of The Companies Act, 2013 or any amendment thereto that may be enacted by parliament from time to time.

The Agreement between the Company and the Whole-time Director is available for inspection by the Members at the Company's Registered Office between 10.00 a.m. and 12.00 noon on any working day up to the date of Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Kumar Jay Modi (son of Mr. G.L. Modi) & Mr. G.L. Modi (father of Mr. Kumar Jay Modi) for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No.10

The Board of Directors at its meeting held on 02nd February,2018 had approved the professional fees charges @ Rs.15,00,000/- per annum plus goods and service tax, if applicable, to Mr. Sureshchandra Mody, Director of the Company from 01.04.2018 to 31.03.2021, subject to approval of the Company in the General Meeting by a Special Resolution.

Mr. Sureshchandra Mody is well qualified with a wide experience in the field of finance, taxation and legal.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Sureshchandra Mody for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No.11

The Board of Directors at its meeting held on 02nd February,2018 had approved the amendment in the agreement and remuneration of Mr. Rakesh Singh, Whole time Director of the Company w.e.f 01.04.2017 to 01.11.2018, subject to approval of the Company in the General Meeting by a Special Resolution.

The Revised Remuneration is as under:

1. a) Salary

   (i) Salary & Allowances : Rs. 3,85,310/- per month.

   (ii) Bonus /Ex-Gratia : As per Rules of the Company

   (iii) Perquisites will be paid in addition to salary

   b) Perquisites are classified as follows:

   (i) Medical Reimbursement: Rs. 15,000 per annum towards medical expenses incurred for appointee and the family.

   (ii) Leave Travel Concession: Rs. 94,500 per annum for the appointee and his family once in a year incurred in accordance with any rule specified by the Company.

(iii) Reimbursement of Driver Salary: Rs. 16,000 per month for provision of car used for company business.

(iv) Personal Accident Insurance: Personal Accident insurance of an amount, annual premium of which does not exceed Rs. 5,000 per annum.

(v) Mediclaim Insurance Policy for the appointee and his family members annual policy amount shall not exceed Rs.5,00,000/-

The above salary & perquisites may be increased from time to time as decided by the Board, but shall not exceed Rs.75 Lac per annum.

All other terms and conditions of the Agreement dated 2nd November, 2015 remain the same.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Rakesh Singh for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No: 12

The Board of Directors at its meeting held on 23rd May, 2018 had authorised Mr. G.L.Modi or Mr. Rajkumar Modi or Mr. Kumar Jay Modi or any other officer so authorised of the Company to comply with the SEBI Circular No. IMD/FPIC/CIR/P/2018/61 dated April 05, 2018 (including any statutory modification(s) or re-enactment thereof, for the time being in force). As per the circular, the Company needs to intimate the Designated Depository in the event of any changes along with the supporting documentation, such as increase/decrease of the aggregate FPI/NRI limits or the sectoral cap or a change of the sector of the company, etc."

The Board recommends this Resolution for your approval.

MUMBAI, 23rd May, 2018

By Order of the Board

For **MODISON METALS LTD.,**

Registered Office:
33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

G. L. MODI
Managing Director

STATEMENT GIVING INFORMATION TO SHAREHOLDERS AS REQUIRED BY SCHEDULE V OF THE COMPANIES ACT, 2013 IN TERMS OF ITEM NO. 8 REGARDING APPOINTMENT OF MR.G.L.MODI AS MANAGING DIRECTOR.

I.General information:	
1) Nature of Industry:	Manufacturing (Electrical Contact Industry)
2) Date or expected date of commencement of commercial production:	21st October, 1985
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable
4) Financial performance based on given indicators:	Rs. In Lakhs **F.Y 2017-18** **F.Y 2016-17** Revenue & Other Income (Net of Excise Duty) 20,267.38 19,131.85 Net Profit before tax 2,350.66 2,207.93 Export 3,239.32 2,622.21
5) Foreign investments or collaborations, if any:	No Foreign investments or collaborations. Not Applicable
II. Information about the appointee:	
1) Background details:	An Electrical engineer by qualification Mr G L Modi is the person who gave INDIA 99.9 % purity good silver bar. Till that time in India 98.6 % was considered good silver bar. This unique feat paved the way for him to become the largest exporters of silver from India to Europe, Asia and North America. Post the very successful stint as exporter Mr G L Modi decided to move up the value chain by setting up a manufacturing facility for electrical contacts for Low voltage switchgear industry in 1978. He did it with technical collaboration with DODUCO, Germany which was the flag bearer of these products during those days. Post successful execution of LV electrical contacts he ventured into something which nobody has ever done that in India till date i.e. to produce state of the art, highly technology oriented and precision engineered high voltage electrical contacts for switchgear with the help of technology partner DODUCO. This made Mr G L Modi only person having been able to manufacture such products in India .The two FIRSTs “999 good silver

	bar" and "High voltage electrical contacts manufacturing" makes Modison and Mr G L Modi unique in its own way. In fact till date no body in India has been able to produce high voltage electrical contacts. This also helped INDIA to indigenise this particular product group which till that time was 100% imported. This vision of Mr G L Modi helped companies in India to save forex and make their products more competitive. Today Modison under the able leadership of Mr G L Modi can make everything under the orbit of LV, MV & HV electrical contacts for switchgear industries. Long before CSR was made mandatory for corporate world Mr G L Modi was engaged in this for social up liftment of poor in the area of Education, health and Sanitation. He runs a charitable trust which runs a maternity hospital where patients are given free treatment and under the BBBP (beti bachao beti padhao). He has done exemplary work for children suffering from cancer and accommodation of relatives of cancer patients. He has been relentlessly trying to improve the overall atmosphere of education in schools by providing basic infrastructure. In addition to this, free scholarship is given to students in pre-primary section to ensure higher enrolment in school.
2) Past remuneration:	Following remuneration is being paid to him by the Company till date: Salary: Rs. 6,11,000/- per month Perquisites: Restricted to 100% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.1.55 crore per annum
3) Recognition or Awards:	MODISON Silver bars are recognized as 'Good Delivery Bar' by the Reserve Bank of India and India Government Mint. Our contacts have been tested and Successfully type approved by various agencies like: CESI-Italy, KEMA Laboratories-Holland and CPRI, Bangalore-India. Mr. G L Modi inspiring leadership has helped Modison to be selected as top three companies in "EMERGING INDIA" award 2014 by CNBC TV18 sponsored by ICICI Bank and powered by CRISIL. In addition to this highly prestigious award, Modison also won INC.500 awards for the exemplary growth shown in its field. These awards are testimony of his vision and inspiring leadership that acts a huge

	motivation for whole Modison family.
4) Job profile and his suitability:	The Managing Director shall exercise and perform such power and duties as the Board of Directors of the Company shall from time to time determine, and subject to any directions and restrictions from time to time given and imposed by the Board, Managing Director shall have the general control, management and superintendence of the business of the Company in the ordinary course of the business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.
5) Remuneration proposed:	Following remuneration is being paid to him by the Company till date: Salary: Rs. 9,75,000/- per month Perquisites: Restricted to 100% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.2.50 crore per annum
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	It is difficult to get a person of his calibre particularly in Electrical /HVC-SF6 Contacts Industry. Person abroad of his experience would not get less than US$ 6.35 Million p.a. In India, first of all, it is difficult to find his replacement-may be if we get somebody, remuneration not less than Rs. 400Lakhs p.a.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	Chief Promoter of the company appointed as Managing Director of the company w.e.f. 01.01.1997. Mr. G.L Modi is the father of Mr.Kumar Jay G Modi, a Director of the Company
III. Other information:	
1) Reason of loss or inadequate profit:	The company is a leading manufacturer of electrical contacts / hvc/SF6 Contacts used in transmission, distribution and utilization of power. Since its business area predominantly relates to infrastructure facilities in the power and other industrial sector, the pace of progress in these sectors to a large extent affects the results of the company. As there was no significant addition in real terms in power manufacturing capacity and addition in Transmission and Distribution facilities for power, it has an immediate negative effect on demand growth.
2) Steps taken or proposed to be taken for improvement:	A focussed restructuring program with thrust on improving efficiency of operations, cost control, restructuring of debt, aggressive Working Capital management and also a re-direction to the company's marketing efforts.
3) Expected increase in production and profits	The company hopes to achieve a turnover of

in measurable terms:	Rs.22,000 Lakhs and net profit before tax of Rs.2,530 Lakhs in Financial Year: 2018-2019. The effect of expansion and restructuring will improve further the results of the company in coming years.

IV. Disclosures:
1. The shareholders of the Company shall be informed of the remuneration package of the managerial personnel.
2. The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance", if any, attached to the annual report:
i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
ii) Details of fixed components and performance linked incentives along with the performance critics;
iii) Service contracts, notice period, severance fees;
iv) Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

MUMBAI, 23rd May,2018 Registered Office: 33 Nariman Bhavan 227 Nariman Point Mumbai- 400 021.	By Order of the Board For **MODISON METALS LTD.,** **G. L. MODI** Managing Director

STATEMENT GIVING INFORMATION TO SHAREHOLDERS AS REQUIRED BY SCHEDULE V OF THE COMPANIES ACT, 2013 IN TERMS OF ITEM NO. 9 REGARDING APPOINTMENT OF MR.KUMAR JAY MODI AS WHOLE-TIME DIRECTOR.

I.General information:	
1) Nature of Industry:	Manufacturing (Electrical Contact Industry)
2) Date or expected date of commencement of commercial production:	21st October, 1985
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable
4) Financial performance based on given indicators:	Rs. In Lakhs **F.Y 2017-18** **F.Y 2016-17** Revenue & Other Income (Net of Excise Duty) 20,267.38 19,131.85 Net Profit before tax 2,350.66 2,207.93 Export 3,239.32 2,622.21

5) Foreign investments or collaborations, if any:	No Foreign investments or collaborations. Not Applicable
II. Information about the appointee:	
1) Background details:	After Graduation, Mr Kumar Jay Modi got trained in tool room then got experience in Purchase dept. In Sales and Marketing he introduced Silver products to European market and Copper products to American market in 1993. Also he was the force behind developing import substitutes for one of the Navratna companies in India. He was welcomed as Director in the board of the company in 2012. At present, his focus is for the organic and inorganic growth of the group. Mr Jay Modi worked on securing the supply chain for overall input material of HV business .He is instrumental in launching new business vertical of flatware .Under his guidance company has worked to make overall supply chain management robust and effective.
2) Past remuneration:	Basic Salary Rs. 1,90,000/- per month in the scale of Rs.1,90,000 – Rs.2,60,000 Perquisites: Restricted to 20% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.42Lacs p.a.
3) Recognition or Awards:	MODISON Silver bars are recognised as 'Good Delivery Bar' by the Reserve Bank of India and India Government Mint. Our contacts have been tested and successfully type approved by various agencies like CESI- Italy, KEMA Laboratories-Holland and CPRI- Bangalore- India.
4) Job profile and his suitability:	The Whole-time Director shall perform such duties as the Company may require him to do from time to time and devote his whole-time and attention and do the utmost of his power and ability for the benefit of the Company. The Whole-time Director with strong hold in export market and excellent administrative capabilities is suitable for the Company.
5) Remuneration proposed:	Basic Salary Rs.3,55,000/- per month in the scale of Rs.3,55,000/- to 5,05,000/- per month. Perquisites: Restricted to 50% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.100Lacs p.a.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Rs.125 Lakhs per annum.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	Promoter of the Company appointed as Whole-time Director of the Company w.e.f 01.04.2012
III. Other information:	
1) Reason of loss or inadequate profit:	The Company is a leading manufacturer of electrical contacts/hvc/SF6 Contacts used in transmission, distribution and utilization of power. Since its business area predominantly relates to infrastructure facilities in the power and other industrial sector, the pace of progress in these sectors to a large extent affects the results of the Company. As there was no significant addition in real terms in power manufacturing capacity and addition in Transmission and Distribution facilities for power, it has an immediate negative effect on demand growth.
2) Steps taken or proposed to be taken for improvement:	A focussed restructuring program with thrust on improving efficiency of operations, cost control, restructuring of debt, aggressive Working Capital management and also a re-direction to the Company's marketing efforts.
3) Expected increase in production and profits in measurable terms:	The Company hopes to achieve a turnover of Rs. 22,000/- Lakhs and Net Profit before Tax of Rs.2,530/- Lakhs in Financial Year 2018-19. The effect of expansion and restructuring will improve further the results of the Company in coming years.

IV. Disclosures:
1. The shareholders of the Company shall be informed of the remuneration package of the managerial personnel.
2. The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance", if any, attached to the annual report:
i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
ii) Details of fixed components and performance linked incentives along with the performance critics;
iii) Service contracts, notice period, severance fees;
iv) Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

MUMBAI, 23rd May,2018 Registered Office: 33 Nariman Bhavan 227 Nariman Point Mumbai- 400 021.	By Order of the Board For **MODISON METALS LTD.,** **G. L. MODI** Managing Director

STATEMENT GIVING INFORMATION TO SHAREHOLDERS AS REQUIRED BY SCHEDULE V OF THE COMPANIES ACT, 2013 IN TERMS OF ITEM NO. 11 REGARDING APPOINTMENT OF MR.RAKESH SINGH AS WHOLE-TIME DIRECTOR.

I.General information:	
1) Nature of Industry:	Manufacturing (Electrical Contact Industry)
2) Date or expected date of commencement of commercial production:	21st October, 1985
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable
4) Financial performance based on given indicators:	Rs. In Lakhs **F.Y 2017-18** / **F.Y 2016-17** Revenue & Other Income (Net of Excise Duty): 20,267.38 / 19,131.85 Net Profit before tax: 2,350.66 / 2,207.93 Export: 3,239.32 / 2,622.21
5) Foreign investments or collaborations, if any:	No Foreign investments or collaborations. Not Applicable
II. Information about the appointee:	
1) Background details:	Mr. Rakesh Singh who is of 50 years old is Bachelor of Engineering (Mechanical) with Graduate Diploma in Materials Management and is responsible for operational & strategic activities of the organisation. Prior to joining M/s. Modison Metals Ltd, he was with engineering conglomerate M/s. Larsen & Toubro and had a distinguished career spanning over 17 years in various areas of operations .He started his career with M/s. Eaton and worked there for 6 years. Mr Rakesh Singh in his stint with Modison has achieved the 80% of volume growth in 5 years with CAGR of 15% in spite of sluggish and muted switchgear industry and overall economy as well. His effort in customer intimacy led to development of many new customers and revival of key few. He developed North America& Brazil market which has given rich dividend as of now. Mr Rakesh Singh institutionalised PMS (performance management system) which has enabled the objectives of

	individuals with the respective functions and organisation overall with clear focus on KRA/KPI. His implementation of GMP (Good manufacturing practices), procurement optimisation & Robust QC tools has ensured better responsiveness, cost reduction and mature systems and processes. Mr Rakesh Singh Developed & launched new business verticals as part of creating diversified and sustainable business portfolio. He also De- Risked the business model by moderating the highly skewed customer concentration and in the process creating a balanced customer profile with right size revenues.
2) Past remuneration:	Following remuneration is being paid to him as Chief Executive officer (CEO) of the Company till 1st November,2018: Salary & Allowance : Rs 3,11,300/- per month Bonus/Ex-Gratia and Perquisite: As per rules of the Company. Maximum Remuneration: Rs.55 lakhs per annum.
3) Recognition or Awards:	Selected as "CEO of the year" in World Non Ferrous 2017 Award show held in Hyatt regency Mumbai on 08th Sept'17. Certified Auditor and Lead Assessor for ISO 9001:2000 conferred by MFQ and a Master Black Belt in Six Sigma awarded by the Indian Statistical Institute and Received "Best people and business manager award-2008" at L &T in a survey conducted by International HR Agency GALLUP and he was also a member of winning team of Ramkrishna Bajaj National Award. Under his leadership, the Modison participated in Emerging India award for SME by CNBC TV18 and was nominated as top 3 companies in the engineering and capital goods category. In addition to this, Modison also won certificate of excellence from Inc.500 for exhibiting sustainable growth.
4) Job profile and his suitability:	Responsible for all operational & strategic aspects of the Organisation, with overall responsibilities of profitable & sustainable growth with good corporate Governance. Since, his appointment Mr. Rakesh Singh has done commendable work in the area of manufacturing excellence, Business development, Cost optimisation, customer satisfaction, administration, employees' welfare. The Whole-time Director with his clear vision for growth, expansion, customer satisfaction and reputation of the organization is suitable for the Company.
5) Remuneration proposed:	Salary & Allowances: Rs. 3,85,310/- per month Bonus/Ex-Gratia and Perquisites: As per Rules of the Company.

	Other Benefits : As per Rules of the Company. Maximum Remuneration: Rs.75 lakhs per annum.
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Rs.100 Lakhs per annum.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	None
III. Other information:	
1) Reason of loss or inadequate profit:	The Company is a leading manufacturer of electrical contacts/hvc/SF6 Contacts used in transmission, distribution and utilization of power. Since its business area predominantly relates to infrastructure facilities in the power and other industrial sector, the pace of progress in these sectors to a large extent affects the results of the Company. As there was no significant addition in real terms in power manufacturing capacity and addition in Transmission and Distribution facilities for power, it has an immediate negative effect on demand growth.
2) Steps taken or proposed to be taken for improvement:	A focussed restructuring program with thrust on improving efficiency of operations, cost control, restructuring of debt, aggressive Working Capital management and also a re-direction to the Company's marketing efforts.
3) Expected increase in production and profits in measurable terms:	The Company hopes to achieve a turnover of Rs.22,000 /- Lakhs and Net Profit before Tax of Rs. 2,530/- Lakhs in Financial Year 2018-19. The effect of expansion and restructuring will improve further the results of the Company in coming years.

IV. Disclosures:
1. The shareholders of the Company shall be informed of the remuneration package of the managerial personnel.
2. The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance", if any, attached to the annual report:
i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
ii) Details of fixed components and performance linked incentives along with the performance critics;
iii) Service contracts, notice period, severance fees;
iv) Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

MUMBAI, 23rd May,2018 Registered Office: 33 Nariman Bhavan 227 Nariman Point Mumbai- 400 021.	By Order of the Board For **MODISON METALS LTD.,** **G. L. MODI** Managing Director

PROXY FORM

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

Name of the Member(s): ______________________________

Registered address: ______________________________

E-mail Id: ______________________________

Folio No. / Client Id: ______________________________

DP ID: ______________________________

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

1. Name : ____________ Address : ______________________________
   ______________ E-mail Id: ____________ Signature: ________, or failing him
2. Name :____________ Address :______________________________
   ______________ E-mail Id: ____________ Signature: ________, or failing him

as my/our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on ________ at ______ a.m. at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Item No	Resolutions	No. of Shares	For	Against
			I/We assent to the resolution	I/We dessent to the resolution
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, together with the reports of Auditors thereon.			
2.	Approve the payment of Interim dividend for the Financial year 2017-18.			
3.	Declare final dividend on equity shares of Re.0.50 per equity share for the financial year ended March 31st, 2018 as recommended by the Board of Directors of the Company.			
4.	Re-appointment of Mr. Kumar Jay Modi who retires by rotation, being eligible, who offers himself for re-appointment.			
5.	Re-appointment of Mr. Sureshchandra Mody who retires by rotation, being eligible, who offers himself for re-appointment.			
6.	Ratification of appointment of M/s. Kanu Doshi and Associates LLP, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration.			
7.	Ratification of remuneration of M/s. N.Ritesh & Associates, Cost Accountants as Cost Auditors of the Company.			

8.	Reappointment and fixing of remuneration of Mr. G.L Modi as Managing Director.			
9.	Reappointment and fixing of remuneration of Mr. Kumar Jay Modi as Whole time Director.			
10.	To appoint Mr. Sureshchandra Mody as consultant and fix consultancy fees.			
11.	To approve amendment in agreement and approve the remuneration of Mr. Rakesh Singh, Whole time Director of the Company			
12.	To Authorize personnel to comply with SEBI circular No. IMD/FPIC/CIR/P/2018/61 dated April 05, 2018 and modification and re-enactment therein.			

Signed this ….th day of **………..** 2018

Affix revenue stamp

Signature of share holder

Signature of first proxy holder   Signature of second proxy holder   Signature of third proxy holder

****This is only optional. Please put a '✓'**in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2. A Proxy need not be a member of the Company.

3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by the officer or an attorney duly authorized by it and authenticated copy of such authorization should be attached to the proxy form.

4. A person can act as proxy on behalf of such number 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. Further, 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 for any other person or Member.

5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

MODISON
METALS LIMITED

ANNUAL REPORT: 2017-2018

ANNUAL REPORT: 2017-18

BOARD OF DIRECTORS:
ASHOK JATIA
Chairman
G.L. MODI
Managing Director
RAJKUMAR MODI
Whole-time Director
KUMAR JAY MODI
Whole-time Director
RAKESH S. SINGH
Whole-time Director
SURESH MODY
R.A. GOENKA
B.B. SINGH (Resigned on 02.02.2018)
RITA BHATIA
Women Director

DEEPASHREE MAKARAND DADKAR
Company Secretary

AUDITORS:
KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
203, THE SUMMIT, LEVEL-2, WING-F
SAMARTH NAGAR, HANUMAN ROAD
W.E.HIGHWAY, VILE PARLE (E)
MUMBAI - 400 057

BANKERS:
HDFC BANK LIMITED

REGISTERED & HEAD OFFICE
33 NARIMAN BHAVAN
227 NARIMAN POINT
MUMBAI – 400021
Tel: 022 2202 6437
Email Id: shareholder@modison.com

Web: www.modison.com

WORKS ADDRESS
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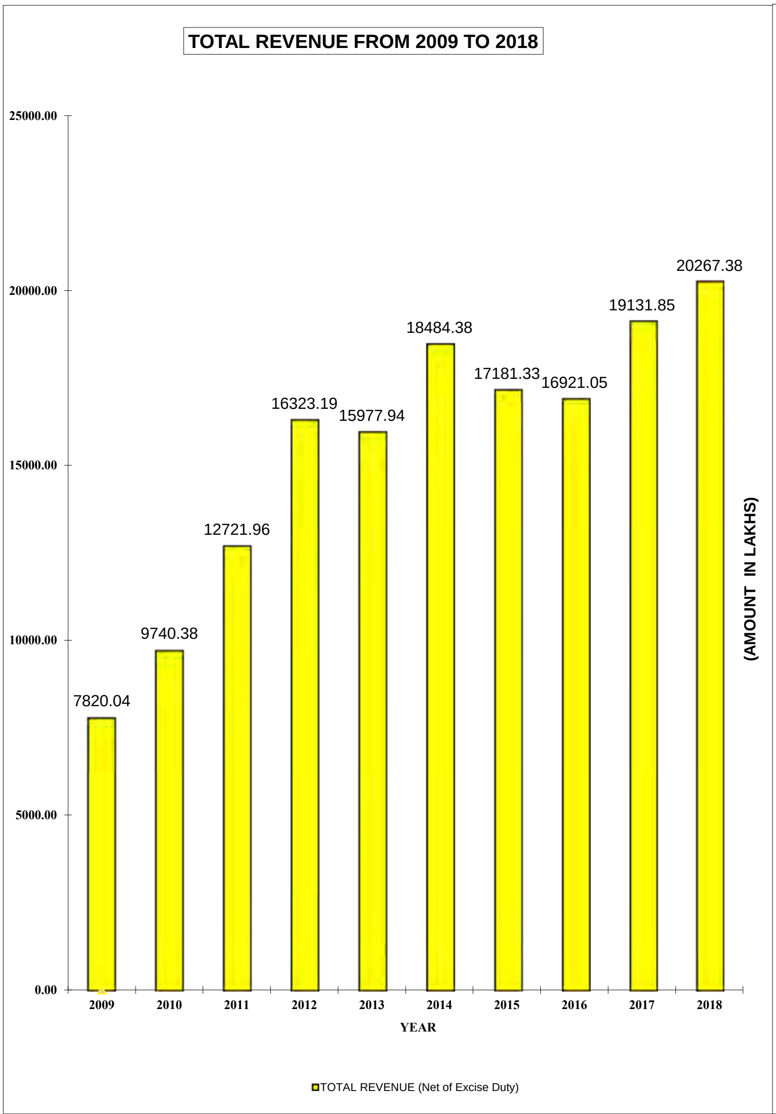
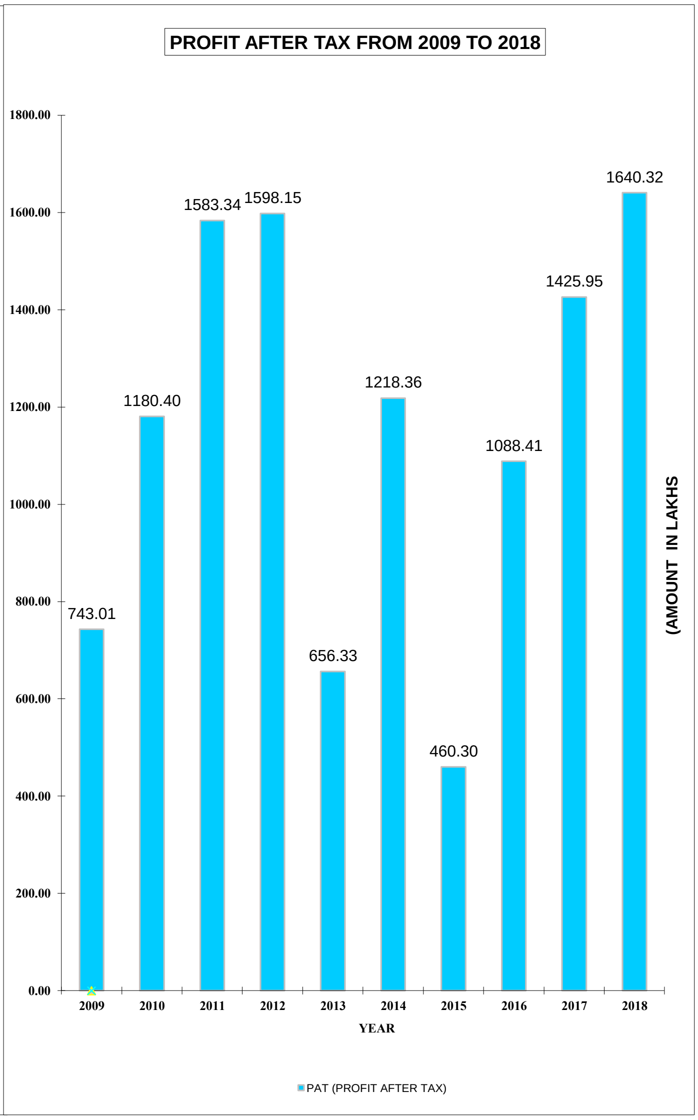
FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
TOTAL REVENUE (Net of Excise Duty)	7820.04	9740.38	12721.96	16323.19	15977.94	18484.38	17181.33	16921.05	19131.85	20267.38
EBITDA	1668.07	2272.24	2944.68	3162.47	1948.43	2678.77	1674.63	2690.79	3117.08	3164.28
DEPRECIATION & AMORTISATION	351.00	396.89	461.37	526.31	604.58	622.38	662.70	637.36	639.76	628.16
EBIT	1317.07	1875.35	2483.31	2636.16	1343.85	2056.39	1011.93	2053.43	2477.32	2536.12
TAXATION	403.59	592.40	794.05	768.66	371.82	627.59	204.24	630.26	781.98	710.34
PAT (PROFIT AFTER TAX)	743.01	1180.40	1583.34	1598.15	656.33	1218.36	460.30	1088.41	1425.95	1640.32
EBITDA TO TOTAL REVENUE (%)	21.33	23.33	23.15	19.37	12.19	14.49	9.75	15.90	16.29	15.61
EBIT TO TOTAL REVENUE (%)	16.84	19.25	19.52	16.15	8.41	11.13	5.89	12.14	12.95	12.51
PAT TO TOTAL REVENUE (%)	9.50	12.12	12.45	9.79	4.11	6.59	2.68	6.43	7.45	8.09
NET BLOCK (+ CWIP)	4102.71	4404.99	4663.80	5473.56	6208.67	6064.59	5900.50	6197.60	5875.91	5838.51
PAID UP CAPITAL	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50
RESERVES AND SURPLUS	4953.82	5840.93	7039.15	8252.67	8522.31	9259.58	9411.13	10108.97	11122.18	12368.76
NET WORTH	5199.22	6096.42	7302.95	8526.78	8803.88	9547.80	9699.35	10397.20	11410.44	12657.26
FEW KEY RATIOS									0.00	0.00
EARNINGS PER SHARE (Rs.)	2.29	3.64	4.88	4.93	2.02	3.75	1.42	3.35	4.39	5.05
BOOK VALUE (Rs.)	16.02	18.79	22.51	26.28	27.13	29.53	29.89	32.04	35.17	39.01
DIVIDEND (%)	40.00	75.00	100.00	100.00	100.00	125.00	75.00	100.00	100.00	150.00





DIRECTORS' REPORT

To
The Members of
Modison Metals Ltd

The Directors have pleasure in presenting the Thirty Fifth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2018.

FINANCIAL RESULTS **(Rupees in Lakhs)**

	2017-18	**2016-17**
Revenue from operation & other income (Net of Excise Duty)	**20,267.38**	**19,131.85**
Gross Profit before Finance Cost & Depreciation/Amortisation	**3,164.28**	**3,117.08**
Less: Finance Cost	**185.45**	**269.39**
Less: Depreciation / Amortisation	**628.16**	**639.76**
Profit before Exceptional items	**2,045.20**	**2,257.48**
Exceptional items	**305.46**	**(49.55)**
Profit before taxation	**2,350.66**	**2,207.93**
Less: Provision for Taxation Current tax	**846.10**	**790.00**
Less: Taxation adjustment of previous year	**3.01**	**12.03**
Less: Deferred tax	**(138.77)**	**(20.05)**
Profit after taxation	**1,640.32**	**1,425.95**
Add: Balance brought forward from the previous year	**9,805.34**	**8,769.91**
Profit available for appropriation	**11,445.66**	**10,195.86**
Add: Transfer from Revaluation Reserve	**0.24**	**0.04**
Less: Interim Dividend	**324.50**	**324.50**
Less: Corporate Dividend Tax on Interim Dividend	**66.06**	**66.06**
Balance carried over to Balance Sheet	**11,055.34**	**9,805.34**

DIVIDEND

The Board of Directors has declared and paid the interim dividend of Re.1/- per Equity share of Re.1 each for the Financial Year ended 31st March, 2018.

The Board in their meeting dated 23.05.2018 also recommended final dividend @ Rs.0.50/- (50%) per equity share of Re.1/- each for the year ended 31st March, 2018, subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting.

TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves for the Financial Year ended 31st March 2018.

OPERATIONS

During the year under review, the Company has achieved the turnover of Rs. 20267.38 Lakhs (net of excise duty) as compared to Rs. 19,131.85 Lakhs (net of excise duty) during previous year. The turnover is increased by 5.93% i.e; by Rs.1135.53 Lakhs, Profit before tax increased by 6.46% i.e; by 142.73 Lakhs & Net Profit after tax increased by 15.03% i.e; by Rs 214.37 Lakhs.

EXPORTS

The Exports (FOB) including export in INR during the year amounts to Rs.3,239.32 Lakhs as against Rs. 2,622.21 Lakhs achieved in the previous year. The export is increased by 23.53% i.e; by Rs.617.11Lakhs.

SHARE CAPITAL

The paid up equity capital as on 31st March 2018 stood at Rs.324.50 Lakhs. During the year under review, the Company has not issued equity share with differential voting rights, sweat equity shares, employee's stock options & not made any provision for purchase of its own shares.

RESEARCH AND DEVELOPMENT

A state-of-the-art recognized R & D Division set up by the Company in Financial Year 2002-2003 got renewed in April, 2016 from Department of Science & Technology Industrial Research, New Delhi. The R & D Division is working for development of new product as well as improvement in existing products. The company continue to invest in R&D towards new product development and capability building

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year.

LOANS, GUARANTEES AND INVESTMENTS

No loan was given during the year.

CHANGE IN NATURE OF BUSINESS

There being no change in the nature of business of the Company during the year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

PARTICULARS OF CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required to be given under Section 134 of the Companies Act,2013 read with Rule 8 of Companies(Accounts) Rules,2014 is provided in Annexure I forming part of this Board Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as prescribed in form MGT 9 is annexed herewith as Annexure II.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of Mr. G.L. Modi, Mr. Suresh Mody and Mr. R.A. Goenka as the members. Mr. G.L. Modi is the Chairman of the Committee.

The details of the various projects and programs which can be undertaken by the Company as a part of its CSR policy framework is available on the company's website. The web-link is http://www.modison.com/pdf/Modison-Metals-Ltd-CSR-Policy.pdf.

The disclosures required to be given under Section 135 of the Companies Act,2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure III forming part of this Board Report.

DIRECTORS

Mr. Rakesh Singh and Mr. Kumar Jay Modi, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re- appointment.

Mr. G.L. Modi, is reappointed as Managing Director of the Company in the ensuing Annual General Meeting subject to Central Government approval for the period of three years.

Mr. Kumar Jay Modi, is reappointed as Whole time Director of the Company in the ensuing Annual General Meeting subject to approval of the Company for the period of three years.

Mr. Suresh Mody is appointed as consultant in the ensuing Annual General Meeting for the period of three years.

Mr. B.B Singh resigned as Director of the Company on 02nd February, 2018. The Board places on record its appreciation of the contribution by Mr. B.B. Singh as Director of the Company.

The notice convening the Annual General Meeting includes the proposal for reappointment of Directors.

KEY MANAGERIAL PERSONNEL

Mr. G.L. Modi, is reappointed as Managing Director of the Company in the ensuing Annual General Meeting subject to Central Government approval for the period of three years.

Mr. Kumar Jay Modi, is reappointed as Whole time Director of the Company in the ensuing Annual General Meeting subject to approval of the Company for the period of three years.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of the performance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Independent Director was carried out by the entire Board except concerned Independent Directors. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with evaluation process.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS :

A familiarization program for independent directors as approved by the Board and details for the same is available on the Company's website. The weblink is http://www.modison.com/pdf/financial/2018/april/DETAILS-OF-FAMILARIZATION-PROGRAMME-2017-18.pdf.

BOARD MEETINGS :

The Board of Directors duly met 5 times during the financial year from 1st April, 2017 to 31stMarch, 2018. The dates on which the meetings were held are as follows :

17th May, 2017, 11th September ,2017, 15th November, 2017, 2nd February, 2018 and 14th March,2018.
A separate report on Corporate Governance includes the detailed particulars of Board & Committee Meetings is annexed and forms part of this Report of the Directors.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION :

The Nomination & Remuneration Committee has formulated a Nomination and Remuneration Policy, approved by the Board is available on the Company's website.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

AUDITORS

i) Statutory Auditors

M/s. Kanu Doshi Associates LLP, Chartered Accountants having firm registration No. 104746W /W100096, are statutory auditors of the Company. The appointment to be ratified in the ensuing Annual general meeting, pursuant to Section 139 of the Companies Act, 2013.

Your Directors recommends for the ratification of appointment of M/s. Kanu Doshi Associates LLP, Chartered Accountants as the statutory auditors of the Company at the ensuing Annual General Meeting.

The report of the auditor's on Financial Statements for the Period ended 31st March, 2018, issued by M/s. Kanu Doshi Associates LLP, Chartered Accountants, having firm registration No. 104746W /W100096, contains emphasis of matter relating to inventory valuation which is self-explanatory and does not contain any qualification.

ii) Cost Auditors

M/s. N. Ritesh & Associates, Cost Accountants are appointed as Cost Auditors for auditing the cost records of your Company for the year ended 31st March, 2019 by the Board of Directors on recommendation of Audit Committee.

iii) Secretarial Auditor

Secretarial Audit was conducted during the year by the Secretarial Auditor's, Ragini Chokshi & Co, Practicing Company Secretaries, Mumbai in accordance with provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is enclosed and forms a part of this Directors Report. There are no qualifications or observations or remarks made by the Secretarial Auditor's in their Report.

MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

SUBSIDIARY

In the year 2014-2015, your company acquired M/s. Modison Contacts Private Limited for the purpose of expansion of business. It is the subsidiary of your Company. The subsidiary is not a material subsidiary company. The material subsidiaries policy is available on Company's website and the web link is http://www.modison.com/pdf/financial/Material-Subsidiaries-Policy-MML.pdf. The subsidiary company has recorded a profit of Rupees 0.30 Lakhs during the Financial Year 2017-18. During the year, the Board of Directors reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act,2013, we have prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiary is annexed as **Annexure IV**. In accordance with Section 136 of the Companies Act,2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of subsidiary is available on our website www.modison.com.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report. The Auditor's Certificate on its compliance form part of this Report and is annexed hereto.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Act, on the basis of information placed before them, the Directors state that:

i) in the preparation of the annual accounts, the applicable IndAs accounting standards has been followed along with proper explanation relating to material departures, if any;
ii) appropriate accounting policies have been selected and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the said period;
iii) proper and sufficient care has been taken for the 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 fraud and other irregularities
iv) the annual accounts have been prepared on a going concern basis;
v) the internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
vi) there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in form AOC-2 is not required. Further, there are no material related party transactions during the year under review with the promoters, Directors or Key Managerial Personnel. All related party transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained for transactions which are of repetitive nature. The policy on Related Party Transactions as approved by the Board is available on the Company's website www.modison.com.

RISK MANAGEMENT

The Company is exposed to the risk of price fluctuation of silver (raw material). The Company proactively manages this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence mitigates the impact of price risk on finished goods.

Also, the Company is exposed to Strategic Risk, Allocation of funds for CAPEX, Operational Risks, Regulatory and environmental non-compliances. The Company copes these risks by developing alternate plans, framing various policies, initiatives, guidelines, using automated systems.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal financial control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Whistle blower Policy for Directors and employees to deal with instance of fraud and mismanagement, if any, has been established. The Whistle blower Policy has been uploaded on the website of the Company at www.modison.com.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act,2013 ('Act') and Rules made thereunder, your Company has adopted a policy for prevention of sexual harassment at work place and has constituted an Complaint Redressal Committee. During the year, the Company has not received any complaints on sexual harassment under the said Act.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited. The Company confirms that it has paid the Annual Listing Fees for the year 2017-18.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the assistance and support extended by all Government Authorities, Financial Institutions, Banks, Consultants, Solicitors and Shareholders of the Company. The Directors express their appreciation for the dedicated and sincere services rendered by the employees of the Company at all levels.

For and on behalf of the Board of Directors

	G.L. MODI	**SURESH MODY**
Mumbai, 23rd May, 2018	Managing Director	Director

ANNEXURE I TO DIRECTORS' REPORT

Particulars Required Under Section 134 Of The Companies Act, 2013 Read With Rule 8 of Companies (Accounts) Rules,2014

A. CONSERVATION OF ENERGY

a) Steps taken or impact on conservation of energy:

In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the Company in this direction is by installing :

- Solar energy, being a clean and green power help reducing state's carbon emission level. With basic intention to utilize and promote this renewable energy i. e. solar energy , we installed and commissioned 60 KWh roof top TATA solar plant
- Power factor to get rebate in electricity bill.

b) Steps taken by the Company for utilizing alternate sources of energy:

During the year under review, the Company utilized solar energy for self-consumption and received rebate in electricity bill.

c) Capital investment on energy conservation Equipments:

Rupees 32.59 Lakhs

B.TECHNOLOGY ABSORPTION

a) Efforts made towards technology absorption

The efforts made by the Company in

- Developing 'H' Grade high performance Tungsten Alloys by acquiring machines from Doduco GmbH.
- By entering into agreement with CMET for development of silver powder for PV cell.

b) Benefits derived like product improvement, cost reduction, product development or import substitution

Product development- By development of silver powder for renewable energy and EMI shield application.

Import substitution- By Acquiring machines from Doduco GmbH used in HV Contact business.

c) Information regarding technology imported during the last three years:

Nil

d) Research & Development:

Specific areas in which R&D carried out by the company:

- Dispersion strengthened copper.
- Copper Chromium contacts disc for vacuum interrupters.
- Eutectic Brazing alloy for vacuum interrupters.
- High performance current carrying parts.
- Development of Beryllium Copper.

- To develop silver salts, silver nitrate, silver sulphate.
- Development of Percussion Welded parts.
- Development of Fully Automatic Horizontal Welding Line.

Benefits derived as a result of above R & D:

- Foray into identified segment of MV business
- More cost competitive products made available
- Import substitution

Future Plan of action:

- To develop silver oxide, silver chloride, silver tin oxide

e) Expenditure in R&D	**Rupees in Lakhs**
• Capital	8.55
• Recurring	53.20
• Total	**61.75**
• Total R&D Expenses as a percentage of total Turnover	**0.30%**

C.FOREIGN EXCHANGE EARNINGS AND OUTGO :

a) Activities Relating To Exports:

- The Company is contributing towards imports substitution in Electrical & Switchgear Industries and making the country self-reliant in this regard.

b) Total Foreign Exchange Used and Earned (2017-2018)	**Rupees in Lakhs**
i) CIF Value of Imports:	**1,746.27**
ii) Expenditure in Foreign Currency:	**52.67**
iii) Foreign Exchange earned:	**3,138.80**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN (Annexure II)
As on the financial year ended on March 31,2018.
[Pursuant to section 92 (3) *of the Companies Act, 2013* and rule 12 (1) of the

Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN:	L51900MH1983PLC029783
2	Registration Date:	13/04/1983
3	Name of the Company:	MODISON METALS LIMITED
4	Category / Sub-Category of the Company:	Company limited by Shares
5	Address of the Registered office & contact details:	33 Nariman Bhavan, 227, Nariman Point, Mumbai-400021. Email Id: rkothari@modison.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Freedom Registry Limited Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik – 422007 Tel No. 0253-2354032 Fax No.0253-2351126 support@freedomregistry.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturers of electrical contacts	8538	**80.41 %**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	MODISON CONTACTS PRIVATE LIMITED	U26912MH1982PTC027005	Subsidiary Company	60%	Section 2(87)

IV. **SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i. **Category-wise Shareholding:**

Category of Shareholders	**No. of Shares held at the beginning of the year**				**No. of Shares held at the end of the year**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a)Individual / HUF	16662532	-	16662532	51.35	16662532	-	16662532	51.35	-
b)Central Govt.	-	-	-	-	-		-	-	-
c) State Govt.	-	-	-	-	-		-	-	-
d) Bodies Corporate	96918	-	96918	0.30	185289		185289	0.57	0.27
e) Banks /FI	-	-	-	-					-
f) Any other…	-	-	-	-					-
Sub-Total A(1)	**16759450**	-	**16759450**	**51.65**	**16847821**		**16847821**	**51.92**	**0.27**
(2) Foreign									
a)NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any Other…	-	-	-	-	-	-	-	-	-

Sub- Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)=(A)(1) + (A)(2)	**16759450**	-	**16759450**	**51.65**	**16847821**		**16847821**	**51.92**	**0.27**
B. Public Shareholding									
(1)Institutions									
a) Mutual Fund / UTI	-	-	-	-	-	-	-	-	-
b)Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d)State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	-

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	
(2) Non – Institutions									
a) Bodies Corporate									
i) Indian	874214	-	874214	2.69	612526	-	612526	1.89	(0.80)
ii) Overseas	-	-	-	-	-	-	-	-	-
b)Individuals									
i) Individual Shareholders holding nominal share capital upto 1 lakh	4969978	40070	5010048	15.44	5618064	34070	5652134	17.42	1.98
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	9570413	-	9570413	29.49	8168996	-	8168996	25.17	(4.32)
c) Others (specify)									
i) Shares held by Pakistani citizens	-	-	-	-	-	-	-	-	-

vested with the Custodian of Enemy Property									
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI	235875	-	235875	0.73	326597	1.01	326597	1.01	0.28
v) Clearing Members / Clearing House	-	-	-	-	227490	-	227490	0.70	0.70
vi) Trusts	-	-	-	-	-	-	-	-	-
vii)Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	50000	-	50000	0.15	0.15
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
x) HUF	-	-	-	-	564086	1.74	564086	1.74	1.74
xi) Unclaimed or Suspense or Escrow Account	-	-	-	-	350	-	350	-	-
Sub – Total (B)(2)	**15650480**	**40070**	**15690550**	**48.35**	**15568109**	**34070**	**15602179**	**48.08**	**0.00**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**15650480**	**40070**	**15690550**	**48.35**	**15568109**	**34070**	**15602179**	**48.08**	**0.00**
C. Share held by Custodian	-	-	-	-	-	-	-	-	-

for GDRs & ADRs									
Grand Total (A+B+C)	**32409930**	**40070**	**32450000**	**100.00**	**32415930**	**34070**	**32450000**	**100.00**	**0.27**

ii. Shareholding of Promoters

Shareholders Name	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% Change in Shareholding during the year**
	No. of Shares	**% of total shares of the Company**	**% of Shares Pledged / encumbered to total shares**	**No. of Shares**	**% of total shares of the Company**	**% of Shares Pledged / encumbered to total shares**	
A.Individual							
Girdharilal Modi	-	-	-	-	-	-	-
Rajkumar Modi	6701210	20.65	-	6701210	20.65	-	-
Suresh Chandra P Mody	237240	0.73	-	237240	0.73	-	-
Kumar Jay G Modi	1774000	5.47	-	1774000	5.47	-	-
Girdharilal Modi(HUF)	7582130	23.37	-	7582130	23.37	-	-
Chandramani Devi Modi	10	0.00	-	10	0.00	-	-
Kashiprasad Madanlal Modi	1000	0.00	-	1000	0.00	-	-
Manju Kashiprasad Modi	1000	0.00	-	1000	0.00	-	-
Rashmi R Modi	1000	0.00	-	1000	0.00	-	-
Sarla Girdharilal Modi	279575	0.86	-	279575	0.86	-	-
Paridhi Kumar Jay Modi	41000	0.13	-	41000	0.13	-	-
Anshika	44367	0.14	-	44367	0.14	-	-

Rajkumar Modi							
B.Bodies Corporate							-
Modison Copper Private Limited	96918	0.30	-	185289	0.57	-	0.27
Total (A+B)	**16759450**	**51.65**	-	**16847821**	**51.92**	-	**0.27**

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		**Cumulative Shareholding during the year**	
	No. of Shares	**% of total shares of the Company**	**No. of Shares**	**% of total shares of the Company**
At the beginning of the year	**16759450**	**51.65**	**16759450**	**51.65**
Date wise Increase/(Decrease) in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.) 1. Purchase (+) 2. Sale/Transfer (-)	+4525 +14568 +8518 +760 +20000 +20000 +20000	0.01 0.05 0.03 0.00 0.06 0.06 0.06	16763975 16778543 16787061 16787821 16807821 16827821 16847821	51.66 51.71 51.74 51.74 51.80 51.86 51.92
At the end of the year	**16847821**	**51.92**	**16847821**	**51.92**

iv. Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	**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**
PrakashChandra Modi a. At the Beginning of the Year	4660488	14.36	4660488	14.36
b. Changes during the Year	No change during the year			
c. At the end of the year	4660488	14.36	4660488	14.36
OmPrakash Modi a. At the Beginning of the Year	898000	2.77	898000	2.77
b. Changes during the Year		Increase by	0.39% during	the year
c. At the end of the year	1025000	3.16	1025000	3.16
Lalitadevi Modi a. At the Beginning of the Year	592000	1.82	592000	1.82
	Increase by 0.04% during the year			

b. Changes during the Year c. At the end of the year	604000	1.86	604000	1.86
Rajeev Goyal a. At the Beginning of the Year	540500	1.67	540500	1.67
b. Changes during the Year	No change during the year			
c. At the end of the year	540500	1.67	540500	1.67
Vijaykumar Modi a. At the Beginning of the Year	507000	1.56	507000	1.56
b. Changes during the Year	Increase by 0.06% during the year			
c. At the end of the year	525000	1.62	525000	1.62
Satish Ramesh Mody a. At the Beginning of the Year	313475	0.97	313475	0.97
b. Changes during the Year	Increase by 0.01% during the year			
c. At the end of the year	317292	0.98	317292	0.98
Ashish Ramesh Mody a. At the Beginning of the Year	289282	0.89	289282	0.89
b. Changes during the Year	Decrease by 0.08% during the year			
c. At the end of the year	263716	0.81	263716	0.81
Maheshkumar Mody a. At the Beginning of the Year	251000	0.77	251000	0.77
b. Changes during the Year	Decrease by	0.05% during	the year	
c. At the end of the year	233000	0.72	233000	0.72
Ramesh P Mody a. At the Beginning of the Year	246917	0.76	246917	0.76
b. Changes during the Year	Decrease by	0.26% during	the year	
c. At the end of the year	162314	0.50	162314	0.50
Ravi Pareek a. At the Beginning of the Year	-	-	-	-
b. Changes during the Year	Increase by	0.45% during	the year	
c. At the end of the year	144608	0.45	144608	0.45

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Director and KMP	Name of Director			
	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
GIRDHARILAL MADANLAL MODI				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	Nil	Nil	Nil	Nil
SURESHCHANDRA PURUSHOTTAMDAS MODY				
At the beginning of the year	237240	0.73	237240	0.73
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	237240	0.73	237240	0.73
RAJKUMAR MOHANLAL MODI				
At the beginning of the year	6701210	20.65	6701210	20.65
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	6701210	20.65	6701210	20.65
KUMAR JAY GIRDHARILAL MODI				
At the beginning of the year	1774000	5.47	1774000	5.47

Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	1774000	5.47	1774000	5.47
RAMAVTAR NATHUMAL GOENKA				
At the beginning of the year	1000	0.00	1000	0.00
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	Decrease during the year			
At the end of the year	Nil	Nil	Nil	Nil
RITA DILIP BHATIA				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	Nil	Nil	Nil	Nil
ASHOK JATIA				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	Nil	Nil	Nil	Nil
RAKESH SINGH				
At the beginning of the year	10000	0.03	10000	0.03
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	Increase by 0.01% during the year			
At the end of the year	12000	0.04	12000	0.04

RAMESH MANGILAL KOTHARI				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	Nil	Nil	Nil	Nil
DEEPASHREE DADKAR				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

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

(Rupees in Lakhs)

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	320.05	1,500.00	-	1,820.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.40	4.43	-	4.83
Total (i+ii+iii)	**320.45**	**1,504.43**	**-**	**1,824.88**
Change in Indebtedness during the financial year				
Addition	894.11	-	-	894.11
Reduction	-	1,385.08	-	1,385.08

Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1,214.56	119.09	-	1,333.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	0.26	-	0.26
Total (i+ii+iii)	**1,214.56**	**119.35**	**-**	**1,333.91**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rupees in Lakhs)

Sr. No.	Particulars of Remuneration	Shri G.L Modi, Managing Director
	Gross Salary	
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	141.31
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	3.14
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- Others, specify………	-
5	Others, please specify	3.75
	Total (A)	**148.19**

Sr. No.	Particulars of Remuneration	Shri Rajkumar Modi, Whole-time Director
	Gross Salary	
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	73.35
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	2.10
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- Others, specify………	-
5	Others, please specify	2.56
	Total (A)	**78.00**

Sr. No.	Particulars of Remuneration	Shri Kumar Jay Modi, Whole-time Director
	Gross Salary	
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	24.70
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	3.22
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- Others, specify………	-

5	Others, please specify	1.32
	Total (A)	**29.24**

Sr. No.	Particulars of Remuneration	Shri Rakesh Singh, Whole-time Director
	Gross Salary	
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	58.04
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.55
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- Others, specify………	-
5	Others, please specify: Provident Fund	0.22
	Total (A)	**58.81**

B. Remuneration to other Directors:

1. Independent Directors **(Rupees in Lakhs)**

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount Rs.
		Shri Ramavtar Goenka	**Mrs. Rita Bhatia**	**Mr.Ashok Jatia**	
1	Fee for attending Board/Committee Meetings	0.90	1.30	1.30	**3.50**
2	Commission	-	-	-	
3	Other, please specify……	-	-	-	

3. **Other Non- Executive Directors**

(Rupees in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount.
		Shri Suresh Mody	Shri B.B. Singh	
	Fee for attending Board/Committee Meetings	0.60	0.10	**0.70**
	Commission	-	-	-
	Other, please specify……	-	-	-
	Total (B)(2)= 0.70			
	Total (B)=(B)(1) + (B)(2)= 4.20			

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

(Rupees in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Shri Ramesh Kothari Chief Financial Officer
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	20.59
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.16
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify……	-
5	Others, please specify: Provident Fund	0.22
	Total (C)	**20.97**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Ms. Deepashree Dadkar Company Secretary
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.45
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.08
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify……	-
5	Others, please specify: Provident Fund	0.20
	Total (C)	**4.73**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Property/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishments					
Compounding					
B. DIRECTORS					
Penalty					

Punishments	**None**
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	
Punishments	**None**
Compounding	

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (Annexure III) FOR THE FINANCIAL YEAR 2017-2018.

Pursuant to Section 135 of Companies Act 2013 read with Rule 9 of Companies (Accounts) Rules, 2014

Modison strongly believes in giving back to the society and do its part in making a small change for the better. For several years, Modison has supported various social causes, extended medical aid to the needy and even contributed significantly to the hospitals. Scholarships have been given out to deserving candidates to help them progress and to see them through initial limitations of progress. The group has also committed to fight TB by donating towards the treatment and beds of 5 underprivileged people every year to Shree Kalyan Arogya Sadan Sikar, Rajasthan. Also, A Small Step is undertaken towards Honourable Prime Ministers 'Beti Bachao' Movement.

The upcoming plans of the Company is to get tie up with major medical institute to formulate procedures to ease up the medical facilities and urgent medical treatment. The Company also help to run a maternity hospital and will also donate free beds for needy patients from time to time.

CSR Policy is stated herein below:

Weblink:
http://www.modison.com/pdf/Modison-Metals-Ltd-CSR-Policy.pdf

1	The Composition of CSR Committee Shri G L Modi – Chairman Shri Suresh Mody- Member Shri R. A. Goenka – Member	
2	Meeting of CSR Committee :	01.02.2018
3	Average Net Profit of the Company for last 3 Financial Years	Average Net profit: Rupees 1,532.39 Lakhs
4	Prescribed CSR Expenditure (2% of this amount as in 3 above)	The Company is required to spend Rupees 30.65 Lakhs towards CSR.
5	Details of CSR spend during the Financial Year	
	a) Total Amount spent for the Year	Rupees 35.73 Lakhs
	b) Amount unspent (if any)	Nil

c) Manner in which the amount during the financial year is as follows:

Rupees in Lakhs

Sr No.	Projects/Activities	Locations	Amount outlay (Budget) project or Programs wise	Amount spent on the project/ Programs	Cumulative spend upto to the reporting period	Amount spent: Direct/through implementing agency*
1	Education	Rajasthan	15.00	15.30	15.30	Implementing agency and direct
2	Medical	New Delhi	19.00	20.20	35.50	Implementing agency
3	Health	Mumbai	0.20	0.23	35.73	Direct

*Implementing Agency is Modison Charitable Trust and Rotary Foundation India.

Responsibility Statement of CSR Committee :
This is to certify that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company

G.L. Modi
Chairman CSR Committee

Suresh Mody
Director

Form AOC-1 **ANNEXURE IV**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Rupees in Lakhs)

Part "A" : Subsidiaries

Sr.no	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before tax	Provision for taxation	Proposed Dividend	% of Shareholding
1	MODISON CONTACTS PRIVATE LIMITED	Not Applicable	Not Applicable	8.00	16.92	25.34	0.42	18.35	0.57	0.30	0.43	-	60%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr.no	Name of Associates/Joint Ventures	1.Latest Audited Balance Sheet Date	2.Shares of Associate/Joint Ventures held by the Company on the year end	3.Description of how there is significant influence	4. Reason why the associate/joint venyure is not consolidated	5. Networth attributable to shareholding as per latest audited Balance Sheet	6. Profit/ Loss for the year

Not Applicable as the Company don't have any associates and joint ventures.

G.L.MODI
MANAGING DIRECTOR

SURESH MODY
DIRECTOR

Place: Mumbai
Date: 23 rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE PERIOD 01-04-2017 TO 31-03-2018

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

To,
The Members,
MODISON METALS LIMITED
33 Nariman Bhavan,
227, Nariman Point
Mumbai 400021.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MODISON METALS LIMITED (CIN: L51900MH1983PLC029783)** (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 **MODISON METALS 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 **1st April, 2017 to 31st March, 2018** 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 **MODISON METALS LIMITED** ("the Company") for the audit period **1st April, 2017 to 31st 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 Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable to the Company during the audit period.**

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable to the Company during the audit period.**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued any debt securities during the period under review.**

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 as the Company has not delisted its equity shares from any stock exchange during the period under review.**

h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009- **Not applicable as the Company has not bought back any of its securities during the period under review.**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws;
4. Environment Protection Act, 1986 and other Environmental Laws;
5. Employees State Insurance Act, 1948;
6. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003;
7. Indian Contract Act, 1872;
8. Minimum Wages Act, 1948;
9. Negotiable Instruments Act, 1881;
10. The Trade Marks Act 1999;
11. The Legal metrology Act, 2009;
12. Acts as prescribed under Shop and Establishments act of various local authorities.

Based on the Compliance Certificates obtained by the Company from the various functional heads and Factory Managers, we relied on the Compliances of the above mentioned statutes.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.

2. The Listing Agreement entered into by the Company with Stock Exchanges as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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.

Adequate notice is given to all directors to schedule the Board Meetings, and the same was sent at least seven days in advance, agenda and detailed notes on agenda were sent at least two days before the date of Meeting, 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. One meeting of the Board of Directors was conducted at shorter notice which was complied by the presence of 3 Independent Directors.

We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Service tax has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

For Ragini Chokshi & Co.

Place : Mumbai
Date : 23rd May 2018

Makarand Patwardhan
(Partner)
C.P. No:- 9031
ACS No :- 11872

Management Analysis & Discussion Report

Industry structure & Outlook

The year 2017-18 started on the back drop of Demonetisation and witnessed the biggest post-independence tax reform GST during the course of year.

This to a large extent was double whammy for business and most of the businesses did witness the adverse impact as a temporary phenomenon.

However the Indian economy showed signs of revival as real GDP grew by 7.2 percent Y-O-Y in 3rd quarter .This was mainly attributed to sharp pickup in services sector, a rebound in agriculture & manufacturing, fall in inflation and revival in estimated demand among other factors, indicating that the adverse impacts of GST & demonetisation might be petering off.

Macroeconomic signs are trending positively in Europe and the United States, with growth expected to continue in China. The overall global market is back to growth whilst still impacted by uncertainties in various parts of the world. Oil prices and foreign exchange translation effects are expected to continue to influence the industry performance.

Copper prices witnesses the northward journey whereas precious metal Silver was range bound relatively however it still was less than previous fiscal on an average.

Government significant interest & huge infusion of funds in infrastructure projects is likely to propel growth and having achieved 100% electrification of the villages the distribution part of the chain will be in focus and that is likely to augur well for the Company.

Vision

The Company's vision is to retain and enhance its leadership position and in the process tread the growth path so as to serve all the stakeholders. The Company has prepared a blue print to expand its horizon in the range completion and intent to manufacture every product which can be manufactured under the umbrella of LV, MV and HV electrical contacts manufacturing industry to serve its customer. The Company has formulated robust strategic plan to achieve the same. In addition to this the Company intends to broader its horizon and enter into few new products which are complementing the Company's ecosystem and cater to non-switchgear market thus enabling the growth potential.

Business Strategy

The Company deploys robust business strategy which mainly deals with de-risking of the business, expansion of geographies through customer intimacy movement & diversifying the portfolio.

Company intends to achieve profitable growth through operational excellence, Procurement optimisation, Customer intimacy & and Quality First approach.

To achieve the above mentioned objectives a robust HR policy mainly driven by PMS (performance management system) is in place and is driven by top management. This facilitates the Company to retain and nurture talent.

Operational, Product wise & Financial Performance

FY18 was more like a work in progress year where we could continue the incremental journey for our existing businesses.

The volume growth script continued its 5th Successive year which created an envious track record of ability to garner business in not so many vibrant positive Macro & Micro indicators for manufacturing. Our ability to grow in volume continuously in double digit at higher base is indication of maturity we have acquired for this segment.

Entry into automotive segment resulted into some key potential & prospective customers with more than 15 customers showing interest and around 3 customers commenced the business with us in the auto sector .This segment will be continued to be treated with same vigour.

We also took major step in building capacity & capability for HV business by acquiring key assets for High voltage business from DODUCO with 5 years of no compete agreement .This will give us opportunity to establish ourselves in H grade high performance tungsten parts besides improving the capacity & capability in HV space.

The year was mixed bag for new businesses like silver salts, bullion & Cutlery .Though Silver salts witnessed disruption in the form of pricing which pulled the business back to an extent .However successful audit by few top notch players for qualification has gone well which is positive.

The new maintenance software for checking health of key equipment is implemented .This will help the Company to track, monitor and improve the overall effectiveness of key assets.

The Company's quest for excellence has been endorsed by CARE Rating agency as the Company's rating was reaffirmed for short and long term bank facilities.

All financial ratios of the Company were robust with significant improvement in current ratios.

The Company is manufacturing Electrical Contacts for Low, Medium & High Voltage Switchgear. During the year under review, the Company has achieved the turnover (net of excise duty) Rs. 20267.38 Lakhs clocking 5.93% growth . In volume terms the Company achieved double digit growth. The PAT is 1640.32 Lakhs which is more by 15.03%.

Opportunity

It has been Company's endeavour to continuously invest in capacity and in capability .Since most of Company's HV competitors are from Europe it is imperative that Company remain in sync with the global manufacturing norms and the same has been achieved with fair degree of certainty and success.

Company established full-fledged state of the art silver salts manufacturing facility enabling the Company to diversify its product portfolio. This project will elevate the operational profile, help in diversify and improve the growth prospect of the Company.

The expansion and upgradation of refinery is well and truly established and is on its way to pay rich haul with respect to Company's overall growth trajectory and strategy.

The Company's current capacity is in line with the future expansion plan and at the same time is north bound with respect to capability which enables it to remain in sync with international competition.

Internal Control system & their adequacy

Given the nature of business and size of operations, the Company's internal control system has been designed to:

- Adherence to applicable accounting standards and policies
- To ensure efficiency of operations and compliance with applicable legislation
- To ensure adequate management reporting system comprising of managerial reporting and analysis on various performance indicators, for corrective directions as and when necessary.

The Company has in place the internal auditor and Company's secretary to ensure the compliance and adequacy of the process and systems.

R&D

Research & Design continue to be the epicentre of all development & diversifying product range efforts of the organisation. The Company continue to spend in R&D in sync with its need and in line with industry practices.

The effort in R&D has seen some very encouraging results in the development of Silver powder. The aim of the Company is to enter EMI shield & renewable energy.

The Company has also initiated work on developing H grade high performance Tungsten alloy which can give us head on advantage in the HV business especially with key multinationals.

Our effort in getting the R&D lab NABL approved is at advance stage and we shall be able to get the certification this fiscal.

Threats & Risk Management

Since the Company deals in precious metal the credit policy is something which assumes greater significance to strike the balance between revenue versus risk of bad debts. This becomes critical when the Company exports to various countries

The Company has adequate system in place to deal with this in the form of internal credit policy and selection of customers with exhaustive mapping and scanning.

There is special market like electricity board projects which are driven only by price and in such orders low end imported switchgears eat into market.

The Company has implemented various cost optimisation initiatives, better working capital management and operational excellence to become more competitive that will be leveraged along with our proven performance in quality and responsiveness. This shall help us to selectively address such market.

In certain part of the world prohibition of few products due to traces of particular material is in place and the same can be major exports opportunity in some other parts of the world. The Company has developed the alternate products to address these types of markets and is treading the path to establish the same.

Development in Human Resources

The Company continue to stress the importance of talent acquisition and is also aware the challenges faced in this area more significantly for mid-size companies.

The Company has given more focus on attracting, retaining and nurturing talent by creating a vibrant working atmosphere and cohesive workforce.

Company has formulated basic competency framework that shall help for better and consistent hiring helping the organisation at all levels. The Company has identified few hot skilled employees identified as “core” and the career mapping of this core is being put in place. This will facilitate the trust and transparency and same shall be cornerstone in nurturing the talent pool critical in achieving the short term and long term goal of the organisation.

Suggestion scheme which has been implemented has met with the limited success .The Company is emphasising more on the successful roll out of the same. The middle management has been roped in with clear cut plan and the same is expected to engage & involve more and more people. The Company continue to believe that more engagement of our prime mover –people in suggestion scheme can be road to success in various functions.

“Spot Recognition” policy which enables the employees to be rewarded immediately for the good work/improvement done in the concerned areas. This has yielded good results and helped in the area of productivity, responsibility and ownership. The scheme foster a very conducive atmosphere for working and at the same time instil a very healthy competition among all employees which benefits the organisation overall.

HR has implemented Key performance indicators for all functions leading to target driven culture which also helps to identify gaps and improve upon it .This has brought transparency and homogeneity in overall operations

One of the most high impact and high importance initiative PMS (performance management system) has matured to a great extent. This has given clarity to the individual and also helps him to align his individual goal with organisational objectives. The review mechanism along with feedback system has brought transparency & trust.

This is being achieved through Balance score card (BSC) provides clear prescription as to what companies should measure in order to “balance” the financial perspective.

It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results.

BSC has four different perspectives:

- The Financial Perspective
- The Customer Perspective
- The Business Process Perspective
- The Learning & Growth Perspective

Company is confident of achieving major transformation by this initiative and expects it to be a catalyst in achieving the desired results.

Business development & growth

Company has four pronged strategy for business development & growth viz new product development, new geographies, new customers & increased share of wallet of existing customers by treading customer intimacy.

Continuing the same strategy our appointment of agency in Brazil has started yielding results .The country saw robust growth in this year which to an extent negated the effect of subdued business in Russia & Turkey. The Company expects the business to grow in South America.

In North America also the Company could build upon the momentum and registered a very healthy growth rate. This is testimony of acceptance of our product in North America which shall form the basis of sustained business growth.

The silver salt business went through small disruptions commercially which was need to maintain the overall market strategy, positioning & penetration. Post recalibration of commercial terms the Company's has started the efforts of repositioning itself and is sure about the sustained business growth in near to mid-term.

In HV business the Company could add more units for supplies with our existing customers which augur well from growth perspective .With look India approach by many multinationals it is expected that more business will get transferred to India which should be beneficial for the Company.

The new products viz bullion business & cutlery are still at nascent stage and Company has rolled out a plan for flatware business and the same will be treaded with for the current year. The bullion business has witnessed 2 key channel partners on board .This should provide the required impetus to the same.

Corporate Social responsibility

The Company's philosophy of contributing to society in its humble way is mainly in the area of health, education & sanitation as India needs to do lot of work in these areas to move forward.

The Company runs a charitable trust named Modison charitable trust which in turn runs maternity hospital.
The Company ventured into providing basic amenities in the village school by ensuring the basic needs of providing class rooms and necessary furniture for the same so that village students can get the basic comfort which will facilitate improved learnings.

The Company also contributed significantly in treatment of children suffering from cancer at state of the art hospitals.

Charity was made to dental associations and in the mid-day meals for the school children.

The Company will continue to make humble contribution in the area of health, education & sanitation as it believes that these three areas are the one needing maximum attention towards inclusive society.

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

We, at Modison Metals Limited (MML), believe that for a company to succeed it must maintain global standards of corporate conduct towards its employees, customers and society. The company believes that it is rewarding to be better managed and governed and to identify and align its activities with national interest. To that end, we, as a company, have always focused on good corporate governance – which is a key driver of sustainable corporate growth and long term value creation.

At Modison Metals Limited, we view Corporate governance in its widest sense, almost like a trusteeship. Corporate governance is not simply a matter of creating checks and balances; it is about creating an outperforming organization. The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness; and to develop capabilities and identify opportunities that best serve the goal of value creation. Good Governance is an integral part of MML Management, in its pursuit of excellence, growth and value creation with a clear focus on its employees, customers, shareholders and the community at large – its stakeholders, beyond the metric of stock market and market capitalization.

Corporate Governance is not merely compliance – it is an on-going measure of superior delivery of Company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to customer need, shareholder benefit and employee growth, thereby delighting all its stakeholders while minimizing risks.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time, under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been implemented in a manner so as to achieve the objectives of Corporate Governance.

2. RIGHTS OF THE SHAREHOLDERS

The Company believes in protecting the rights of the shareholders. It ensures adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, issues to be discussed thereat and rules regarding holding and conducting the general meetings. All shareholders are treated equitably.

3. ROLE OF THE STAKEHOLDERS

The Company recognises the rights of the stakeholders who are provided opportunity to obtain effective redressal for violation of their rights. Keeping the same in view, the Company has laid down an effective whistle blower policy enabling stakeholders, including employees to freely communicate their concerns about illegal or unethical practices.

4. BOARD OF DIRECTORS

a) Composition and Category of Directors

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents the optimum mix of professionalism, knowledge and experience.

The Board's composition is in accordance with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2018, the Board of the Company comprises eight Directors - Four Executive Directors and four Non-Executive Directors, of whom three are Independent Directors. The current strength of the Board includes one Women Director as required under applicable legislation. The Chairman of the Board is a Non-Executive Independent Director.

Directors' Attendance Record and Directorship / Committee Membership / Chairmanship held as on 31.03.2018

Name of Director	Executive / Non-Executive / Independent	Relation ship with Other Directors	Board Meetings attended during the year	Whether attended last AGM	Director-ships* including MML)	Committee Position (Including MML)	
						Chairman	Member
Mr.Ashok Jatia - Chairman	Non-Executive & Independent	None	5	Yes	1	1	1
Mr. G. L. Modi - Managing Director	Executive	Father of Mr. Kumar Jay Modi	4	Yes	1	-	1
Mr. Rajkumar Modi - Wholetime Director	Executive	None	5	Yes	1	-	2
Mr.Kumar Jay. Modi-Wholetime Director	Executive	Son of Mr. G.L.Modi	5	Yes	1	-	-
Mr.Rakesh Singh-Wholetime Director	Executive	None	5	Yes	1	-	-
Mr. Suresh Mody	Non-Executive	None	5	Yes	1	-	-
Mr. R A Goenka	Non-Executive & Independent	None	3	Yes	1	-	1
Mr. B.B. Singh (Resigned on 02.02.2018)	Non-Executive	None	1	Yes	1	-	-
Mrs.Rita Bhatia-Women Director	Non-Executive & Independent	None	5	Yes	1	1	-

* Number of Directorships/memberships and Committee position held in other companies excludes directorship/member in Private Limited Companies, Foreign Companies and Companies under section 8 of the Companies Act, 2013 and includes Audit Committee, Stakeholders Relationship Committee in Public Limited

Companies including Modison Metals Limited as on 31st March, 2018.

b) Appointment / Reappointment of Directors

Mr. Rakesh Singh and Mr. Kumar Jay Modi retire by rotation at the ensuing Annual General meeting and being eligible, offer himself for re-appointment. Approval of the shareholders is sought at the ensuing Annual General Meeting for their re-appointment as Directors of the Company.

The list containing the details of the Directors seeking re-appointment at the 35th Annual General Meeting is given below:

	Name of the Director	**Mr. Rakesh Singh**	**Mr. G.L. Modi**
i)	Date of birth	01.03.1968	04.06.1941
ii)	Date of Appointment	02.11.2015	01.01.1997
iii)	Qualification	BE (Mechanical) with Graduate Diploma in Materials Management	Diploma in Mechanical Engineering
iv)	Expertise in specific functional area	27 years in various areas of operations	53 years of experience in Engineering Industry.
v)	List of other public limited companies (in India) in which outside directorship held	Nil	Nil
vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	Nil	Nil
vii)	Relationship with other Director	None	Father of Mr. Kumar Jay Modi

	Name of the Director	**Mr. Kumar Jay Modi**
i)	Date of birth	05.12.1978
ii)	Date of Appointment	01.04.2012
iii)	Qualification	B.Com
iv)	Expertise in specific functional area	International Sales & Marketing
v)	List of other public limited companies (in India) in which outside directorship held	Nil

vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	Nil
vii)	Relationship with other Director	Son of Mr. G.L.Modi

c) Independent Directors

The Independent Directors of the Company fully meet the requirements laid down under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.:

An independent director in relation to a company, means a non-executive director other than a nominee director of the Company,

- who, in the opinion of the Board of Directors , is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;
- who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- Who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- who, neither himself nor whose relative(s)
  (i) holds or has held the position of a key managerial personnel or is or has been employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of
  (A) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
  (B) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm
- holds together with his relatives two per cent or more of the total voting power of the listed entity; or
- is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
- is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- who is not less than 21 years of age.

Notes:

1) **“associate company”,** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.—For the purposes of this clause, “significant influence” means control of at least twenty per cent of total share capital, or of business decisions under an agreement.

2) **‘‘relative’’**, with reference to any person, means anyone who is related to another, if—
(i) they are members of a Hindu Undivided Family;
(ii) they are husband and wife; or
(iii) one person is related to the other in such manner as may be prescribed;

3) **“key managerial personnel”,** in relation to a company, means—
(i) the Chief Executive Officer or the managing director or the manager;
(ii) the company secretary;
(iii) the whole-time director;
(iv) the Chief Financial Officer; and
(v) such other officer as may be prescribed

The **tenure** of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

All the Independent Directors has furnished a declaration that he / she meets the criteria of independence as laid down in Section 152 of the Companies Act, 2013.The Company has provided the appointment letter to Independent Directors alongwith code for independent directors which are also available on the Company’s website.

d) Performance Evaluation of Directors

The Nomination and Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non Executive Directors. The parameters of performance evaluation of the Non Executive Directors will capture the following points:

- Attendance at meetings of the Board and Committee thereof.
- Participation in Board meetings or Committee thereof.
- Contribution to strategic decision making.
- Review of risk assessment and risk mitigation
- Review of financial statements, business performance and
- Contribution to the enhancement of brand image of the Company.

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on 02nd February, 2018 evaluated the performance of all the Directors on the Board.

e) Separate meetings of the Independent Directors

As required under Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors were held on 02nd February, 2018, without the attendance of Executive Directors and members of Management. At the Meeting, they:

(i) reviewed the performance of non-independent directors and the Board of Directors as a whole;
(ii) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
(iii) assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

f) Familiarisation Programme for Independent Directors

All the Directors are aware and are also updated as and when required, of their role, responsibilities and liabilities. The Company conduct programmes/ presentations periodically to familiarise the Independent Directors with the strategy, operations and functions of the Company through its Executive Directors or Senior Management Personnel.

The details of such familiarisation programmes have been disclosed on the Company's website at www.modison.com

5. BOARD MEETINGS AND GENERAL MEETINGS

(a)The Board meets at least four times in a year with a maximum time gap of one hundred and twenty days between two Board Meetings as per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The meetings of the Board of Directors/Committee are held in Mumbai. The Board meets at least once in a quarter interalia to review the quarterly performance and financial results. A total of five Board Meetings were held during the year 2017-2018 on the following dates: 17.05.2017, 11.09.2017, 15.11.2017, 02.02.2018 and 14.03.2018.

The Board is apprised and informed of all the important matters relating to the business of the Company including those information as prescribed in Schedule II (Part A &B) of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director finalises the items to be included in the agenda of the meeting and the same is sent to the members of the Board well in advance along with the relevant details and explanatory notes wherever required.

Information Supplied to the Board / Committees

Among others, information supplied to the Board / Committees includes:

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of the Meetings of the audit committee and all other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board of Directors, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an

adverse view regarding another enterprise that may have negative implications on the Company.

- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards, goodwill, brand equity or intellectual property.
- 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 investments, subsidiaries, assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-Compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer etc.

b) GENERAL MEETINGS

Annual General Meetings held during last three years:

Financial year	Date	Time	Venue
2014-2015	11.08.2015	11:30 A.M.	Radio Room, The Bombay Presidency Radio Club Ltd., Arthur Bunder Road, Colaba, Mumbai-400005
2015-2016	09.08.2016	11.30 A.M.	
2016-2017	25.07.2017	11.30 A.M.	

The following Special Resolutions were passed at the AGM held on **11.08.2015**

i) Re-appointment and Remuneration of Mr. G.L.Modi, Managing Director of the Company.
ii) Re-appointment and Remuneration of Mr. Kumar Jay Modi, Whole time Director of the Company.
iii) Appointment of Mr. Suresh Mody, Director of the Company as a consultant.
iv) Appointment of Mr. Ranjan Dasgupta, Director of the Company as a consultant.
v) Appointment of Mr. B.B.Singh, Director of the Company as a consultant.
vi) To approve the proposal of delegation of authority to the Board of Directors of the Company to deal with the transactions including material transactions with related parties.

The following Special Resolutions were passed at the AGM held on **09.08.2016**

i) Appointment and Remuneration of Mr. Rakesh Singh as Whole time Director of the Company.
ii) Re-appointment and Remuneration of Mr. Rajkumar Modi as Whole time Director of the Company.

Postal Ballots

The following resolutions were passed through postal ballot

i) To approve amendment of title and Clause III of Memorandum of Association
ii) To approve amendment of Clause IV of Memorandum of Association.
iii) To approve amendment of Articles of Association.
iv) To increase Authorised Share Capital.

The following Special Resolutions were passed at the AGM held on **25.07.2017**

i) To appoint Mr. B.B.Singh as a consultant.

c. EXTRA ORDINARY GENERAL MEETING

No Extra Ordinary General Meeting of the Shareholders was held during the financial year ended 31st March, 2018.

6. BOARD COMMITTEES

As mandated by Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has become applicable to the Company with effect from 1st December, 2015, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairman of more than five (5) Committees across all Listed Entities in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies.

To align with the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended 31 March, 2018, the Board of Directors amended the terms of references, wherever required

The Board has constituted the following committees of Directors

I. Audit Committee.
II. Nomination and Remuneration Committee.
III. Stakeholders Relationship Committee.
IV. Corporate Social Responsibility Committee.
V. Risk Management Committee.
VI. Share Transfer Committee.
VII. Finance Committee.

I. Audit Committee

a)Terms of Reference

The term of reference of the Audit Committee include the matters specified under Schedule II: Part C of Regulation 18(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Composition

The Audit Committee comprises of four Directors as on 31st March, 2018, three of whom are Non-Executive Independent Directors including the Chairman of the Audit Committee.

The details of the members are as under :

Name of the Directors	Category	Designation
Mrs. Rita Bhatia	Non-Executive and Independent	Chairperson
Mr. R A Goenka	Non-Executive and Independent	Member
Mr. Ashok Jatia	Non-Executive and Independent	Member
Mr. Rajkumar Modi	Executive	Member

Ms. Deepashree Dadkar acts as Secretary of the Audit Committee. The members of the Audit Committee are financially literate and three members have accounting and related financial management expertise. The Statutory Auditor and Chief Financial Officer are invitees to the meetings.

c) Power of Audit Committee

The Audit Committee has the following powers:

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

d) Role of Audit Committee

i) Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the Financial Statement is correct, sufficient and credible;

ii) Recommending the appointment, reappointment and terms of appointment of auditors of the Company;

iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

iv) Reviewing with 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 Director's responsibility statement to be included in the Board's Report on 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 statement arising out of audit findings;
e) Compliance with Listing and other legal requirements relating to financial statements
f) Disclosures of related party transactions
g) Modified opinion(s) in the draft Audit Report.

v) Reviewing with the management, the quarterly financial statement before submission to the Board for approval.

vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii) Approval or any subsequent modification of transactions of the Company with related parties;

ix) Scrutiny of inter-corporate loans and investments

x) Valuation of undertakings or assets of the Company, wherever it is necessary;

xi) Evaluation of internal financial controls and risk management systems.

xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv) Discussion with internal auditors of any significant findings and follow up there on;

xv) Reviewing the findings of any internal investigations 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.

xvi) Discussion with the Statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

xvii) To look into the reasons for the substantial defaults in the payment to the depositors, debenture holders, shareholder (in case of non-payment of declared dividends) and creditors.

xviii) To review the functioning of Whistle Blower Mechanism

xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx) Carrying out any other function as mentioned in the terms of reference of Audit Committee

e) Review of Information by the Audit Committee

The Audit Committee reviews the following information:

i) The management discussion and analysis of financial condition and results of operations.
ii) The statement of significant related party transactions (as defined by the Audit Committee) submitted by the Management.
iii) Management letters / letters of internal control weaknesses issued by statutory auditors
iv) Internal audit reports relating to internal control weaknesses
v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
vi) Statement of deviations, if any.

f. Audit Committee meetings and attendance

Four Audit Committee Meetings were held during the year ended 31st March, 2018 on 17.05.2017, 11.09.2017, 15.11.2017 and 02.02.2018. Details of attendance of each Director at the Audit Committee Meetings are given below:-

Sr.No	Name	No. of Meetings Attended
1	Mrs. Rita Bhatia	4
2	Mr. R A Goenka	2
3	Mr. Rajkumar Modi	4
4	Mr. Ashok Jatia	4

NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference

The Company's Nomination and Remuneration Committee is vested with all the necessary powers and authority to :

- Ensure appropriate disclosure on the remuneration of director and to deal with all the elements of remuneration package of Directors and Management Personnel.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Formulate the criteria for evaluation of Independent Directors and the Board of Directors
- Devise a policy on diversity of Board of Directors
- Identify 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;
- 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

b) Composition and Details of Attendance of Nomination and Remuneration Committee:

Sr.No	Name of the Directors	Category	Designation
1	Mr. R A Goenka	Non-Executive and Independent	Chairman
2	Mrs. Rita Bhatia	Non-Executive and Independent	Member
3	Mr. Ashok Jatia	Non-Executive and Independent	Member

c) **Nomination and Remuneration Committee meetings and attendance**

Two Nomination and Remuneration Committee Meetings were held during the year ended 31st March, 2018 on 17.05.2017 and 02.02.2018. Details of attendance of each Director at the Nomination and Remuneration Committee Meetings are given below:-

Sr.No	Name	No. of Meetings Attended
1	Mr. R A Goenka	2
2	Mrs. Rita Bhatia	2
3	Mr. Ashok Jatia	2

The Chairman was present in the Last Annual General Meeting to answer shareholder's queries.

d) Remuneration Policy

The remuneration policy is based on three tenets: Pay for responsibility, Pay for Performance and potential and Pay for growth.

e) Remuneration paid to all the Directors

Remuneration of Directors, Sitting Fees, Salary, Perquisites:
Executive Director: Managing Director / Wholetime Directors.

The Remuneration of Managing Director has been approved by the Central Government and remuneration to the Wholetime Director is being paid in accordance with and subject to the limits laid down in Schedule V to the Companies Act, 2013.

The remuneration to the Managing Director / Wholetime Director is approved by the Nomination and Remuneration Committee, Board of Directors and subsequently ratified by the Shareholders in the meeting, wherever applicable.

The Remuneration (including perquisites and benefits) paid to the Managing Director/ Wholetime Director during the year ended 31st March 2018 is as follows:-

(Rupees in Lakhs)

Name of director	**Sitting Fees**	**Salary(*)**	**Perquisites**	**Gratuity Provision**	**Contribution to Provident Fund**	**Total Amount**
G. L. Modi, Managing Director	-	141.31	3.14	3.53	0.22	**148.19**
Rajkumar Modi, Whole Time Director	-	73.35	2.10	2.34	0.22	**78.00**
Kumar Jay Modi, Whole Time Director	-	24.70	3.22	1.10	0.22	**29.24**
Rakesh Singh, Whole Time Director	-	58.04	0.55	-	0.22	**58.81**

(*) Salary includes leave salary also.

e) Service Contracts, Severance Fees and Notice Period

The reappointment of the Managing Director Mr. G L Modi is for a period of 3 years from 09.07.2015 to 08.07.2018.
The reappointment of Mr. Kumar Jay Modi, Wholetime Director is for a period of 3 years from 01.04.2015 to 31.03.2018.
The reappointment of Mr. Rajkumar Modi, Wholetime Director is for a period of 3 years, from 01.06.2016 to 31.05.2019.
The appointment of Mr. Rakesh Singh, Wholetime Director is for a period of 3 years, from 02.11.2015 to 01.11.2018.
There is no provision for separate payment of severance fee under the resolution appointing the Managing Director and Wholetime Directors.

f) Performance linked incentive criteria

No such performance linked incentive are given to the appointees.

g) Employee Stock Option Scheme

The Company does not have any stock option scheme.

h) Payment to Non-Executive Directors

Non-Executive directors are paid in the form of sitting fees for attending the Board and Committee Meetings as fixed by the Board of Directors from time to time subject to the limits prescribed under the Companies Act, 2013.

Under the Companies Act, 2013, Section 197 allows a Company to pay remuneration to its Non-Executive Directors for services rendered by any such Director if:
a) The services rendered are of Professional nature;

b) In the opinion of Nomination and Remuneration Committee, the Director possesses the requisite qualification for the practice of the profession.

As per the provision of Section 188 of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company shall approve the Professional fees to be paid to Non-Executive Director and with the approval of the Shareholders where ever required.

The Non-Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings except as mentioned below.

Mr. Suresh Mody is also paid Professional Fees of Rs.10 Lakhs for the F.Y.2017-18 for rendering Professional Services.

Mr. B.B.Singh is also paid Professional Fees of Rs.26 Lakhs for the F.Y.2017-18 for rendering Professional Services.

Mr. Rita Bhatia is also paid Professional Fees of Rs.0.12 Lakhs for the F.Y.2017-18 for rendering Professional Services.

The details of Sitting Fees paid to Non-Executive Directors for attending Board and Committee Meetings during the year 2017-2018 are given below:

(Rupees in Lakhs)

Sr. No.	Name Of Director	Directors Sitting Fees (*)
1	Mr. Suresh Mody	0.60
2	Mr. Ramavtar Goenka	0.90
3	Mr. B B Singh(Resigned on 02.02.2018)	0.10
4	Mrs. Rita Bhatia	1.30
5	Mr. Ashok Jatia	1.30

* Includes fees for Audit Committee & Nomination and Remuneration Committee Meetings

i) The shareholding of Non-Executive Directors are as under:-

Sr. No.	Name of the Director	No. of Shares
1	Mr. Suresh Mody	237240
2	Mr. Ramavtar Goenka	Nil
3	Mr. B.B Singh (Resigned on 02.02.2018)	2180
4	Mrs. Rita Bhatia	Nil
5	Mr. Ashok Jatia	Nil

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors had constituted the Stakeholders Relationship Committee. The Committee focuses primarily on monitoring and ensuring that all shareholder and investor services operate in an efficient manner and that shareholder and investor grievances / complaints including that of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently.

Mr. Ashok Jatia, Non-Executive and independent Director is the Chairman of the Shareholders' Relationship committee.

The Composition of the Stakeholders Relationship Committee is detailed below:

Name of the Director	Category	Designation
Mr Ashok Jatia	Non- Executive and Independent	Chairman
Mr. G L Modi	Executive	Member
Mr. Rajkumar Modi	Executive	Member

Ms.Deepashree Dadkar, Company Secretary, is acting as the Compliance Officer of the Committee. The Committee also noted that there was one investor/shareholder complaint received during the year ended on 31st March 2018 which was resolved successfully. There are no pending complaints as on date.

Stakeholders Relationship Committee meetings and attendance

One Stakeholders Relationship Committee Meeting was held during the year ended 31st March, 2018 on 02.02.2018. Details of attendance of each Director at the Stakeholders Relationship Committee Meeting is given below:-

Sr.No	Name	No. of Meetings Attended
1	Mr. Ashok Jatia	1
2	Mr. G.L.Modi	1
3	Mr. Rajkumar Modi	1

IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to the provision of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The terms of reference of the CSR Committee include the matters specified under Section 135 of Companies Act, 2013.

Mr. G L Modi, Executive and Managing Director is the Chairman of the CSR Committee .One meeting of the CSR Committee was held on 01.02.2018.The Chairman was present in the last Annual General Meeting

The Composition of the CSR Committee is detailed below:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. G L Modi	Executive	Chairman	1
Mr. Suresh Mody	Non- Executive	Member	1
Mr. R A Goenka	Non- Executive and Independent	Member	1

V. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee include implementation and monitoring the risk management plan for the Company. One Risk Management Committee Meeting was held during the year ended 31st March, 2018 on 01.11.2017.

Mr. Rajkumar Modi, Executive and Whole Time Director is the Chairman of the Risk Management Committee. The Chairman was present in the last Annual General Meeting.

The Composition of the Risk Management Committee is detailed below:

Name of the Director	Category	Designation
Mr. Raj Kumar Modi	Executive	Chairman
Mr. Kumar Jay Modi	Executive	Member
Mr. Rakesh Singh	Executive	Member

SHARE TRANSFER COMMITTEE

The terms of reference of the Share transfer Committee includes approving or dealing with applications for transfer, transmission, transposition and mutation of shares and certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters. One Share transfer Committee Meeting was held during the year ended 31st March, 2018 on 29.09.2017.

There was one physical transfer during the year.

The Composition of the Share Transfer Committee is detailed below:

Name of the Director/Officer	Category
Mr. Rajkumar Modi	Executive Director
Mr. Ramesh Kothari	Chief Financial Officer

FINANCE COMMITTEE

The terms of reference of the Finance Committee include primarily to provide financial oversight for the organization.

Mr. G.L. Modi, Executive & Managing Director is the Chairman of the Finance Committee.

The Composition of the Finance Committee is detailed below:

Name of the Director	Category	Designation
Mr. G.L Modi	Executive	Chairman
Mr. Suresh Mody	Non-Executive	Member
Mr. R A Goenka	Non-Executive and Independent	Member

7. DISCLOSURES

a) Whistle Blower Policy/Vigil Mechanism

In line with the best Corporate Governance practices, Modison Metals Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Higher level and Compliance Officer.

The Whistle-blower Policy is placed on the website of the Company

b) Subsidiary Company

Modison Contacts Private Limited, an unlisted Private Limited Company is a subsidiary Company of Modison Metals Limited w.e.f. 05/03/2015. The subsidiary is not a material subsidiary Company.

8. OTHER DISCLOSURES

a) There are no materially related party transactions. Related party transactions are disclosed in Note No. 46 to the financial statement in the Annual Report. The Audit Committee had reviewed and approved the related party transactions as mandatory requirement under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy of related party transactions is available on the website of the Company.

b) The Company has prepared the financial statements in compliance with the Accounting Standards applicability to the Company. There is no material departure from the accounting treatment prescribed under the Accounting Standards

c) The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No pecuniary structures have been imposed on the Company by any of the above mentioned authorities

d) The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.

e) The Company has formulated a policy on Related Party Transactions and also on dealing with Related Parties which is disclosed on the website of the Company and the weblink is http://www.modison.com/pdf/financial/Related-Party-Transaction-Policy-MML.pdf.

All Related Party Transactions have been approved by the Audit Committee. The Company has taken omnibus approval of Audit Committee for a period of one year. The Audit Committee has reviewed on quarterly basis the details of Related Party Transactions entered into by the Company pursuant to such omnibus approval.

9. MEANS OF COMMUNICATION

a) Quarterly un-audited Financial Results , newspapers wherein results are normally published & Website

Quarterly un-audited Financial Results were published in the Economic Times, Navbharat Times and Maharashtra Times Newspaper. The half yearly report is not sent separately to the Shareholders. Annual Reports are sent to each shareholder at their Registered Address with the Company. The Company has updated the quarterly results and other requirements on its website and also in other official news. The Company also update the investor presentation on BSE website. The Company's website is: www.modison.com.

b) Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Director's Report. All matters relating to Industry Structures and Development, Opportunities and Threats, Segment wise and Product wise performance, Outlook, Risks and Concern, Internal Control System and its adequacy, Discussion on financial performance with respect to operational performance, material development in human resources are discussed in the Director's Report.

10. NON-MANDATORY REQUIREMENTS

a) Chairman's Office

During the year under review, the Company has not maintained any office for Non Executive Chairman.

b) Audit Qualifications

There are no qualifications in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2018.

c) Shareholders' Rights

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company shares are listed. The Quarterly, Half yearly and Annual Financial Results are also available on Company's' website. The Audited annual report is also sent to every shareholders of the Company.

d) Other Non-Mandatory Requirements

The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.

11.SECRETARIAL AUDIT

A qualified Practising Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-a-viz the issued and listed capital.

The report by M/s. Ragini Chokshi & Co, a Practising Company Secretary confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Also, the secretarial audit report by M/s. Ragini Chokshi & Co, a Practising Company Secretary have no adverse remarks for the year ended 31st March, 2018.The report is self-explanatory.

12. GENERAL SHAREHOLDER INFORMATION

35TH AGM DATE		7th August,2018
a)	Time	11.30 A.M.
	Venue	Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai – 400005.
b)	Financial Year	April – March each year.
c)	Book Closure Date	31.07.2018 to 07.08.2018
d)	Period of e-voting	03.08.2018 (9.00 a.m) to 06.08.2018 (5.00 p.m)
e)	Listing on Stock Exchanges	BSE Ltd., Mumbai.
f)	Stock Code	506261 (BSE Ltd)
g)	Payment of annual Listing Fee	Listing Fees for the Financial Year: 2017-2018 has been paid to the BSE.
h)	Custodial fees to Depositories	The Company has paid custodial fees for the year 2017-18 to National Securities Depository Limited (NSDL) and Central Depository Securities Limited (CDSL).

i)	Dividend Payment	The Interim dividend declared for the financial year 2017-18 was paid on 21.02.2018. The final dividend recommended by the Board of Directors, if declared, in the ensuing AGM should be deposited in a separate bank account within five days of its declaration and shall be paid by 06th September 2018 to the shareholders.	
j)	Financial Calendar (provisional):	1st Quarterly Result	Second week of August 2018
		2nd Quarterly Result	Second week of November 2018
		3rd Quarterly Result	Second week of February 2019
		Annual Results	Last week of May 2019

k) Share Market price data

The monthly high and low prices of equity shares of the company traded at The Stock Exchange, Mumbai and BSE Sensex are as under:-

	Stock Exchange, Mumbai		**BSE Sensex**	
Month	Highest (Rs.)	Lowest (Rs.)	Highest (Rs.)	Lowest (Rs.)
Apr. 2017	76.20	59.00	30,184.22	29,241.48
May 2017	74.80	62.20	31,255.28	29,804.12
June 2017	67.80	59.00	31,522.87	30,680.66
July 2017	63.70	57.50	32,672.66	31,017.11
Aug. 2017	63.25	52.70	32,686.48	31,128.02
Sep. 2017	73.90	59.20	32,524.11	31,081.83
Oct. 2017	83.00	65.20	33,340.17	31,440.48
Nov. 2017	80.00	67.00	33,865.95	32,683.59
Dec. 2017	77.10	71.00	34,137.97	32,565.16
Jan. 2018	92.50	74.10	36,443.98	33,703.37
Feb. 2018	81.40	63.00	36,256.83	33,482.81
Mar. 2018	66.80	53.15	34,278.63	32,483.84

l) Share Transfer System:

Trading in Equity Shares of the Company is permitted in dematerialized form. Shares sent for transfer in physical form are registered and returned in a period of fifteen days of the receipt of the document, provided the documents are valid and complete in all respect.

m) Registrar & Transfer Agent (For physical and Demat)

FREEDOM REGISTRY LIMITED
Plot No. 101/102 MIDC, 19th Street, Satpur,
Nasik – 422 007
Tel: 95-253-2354032 Fax: 95-253-2351126
Email : support@freedomregistry.in

n) Distribution of Shareholding — As on 31st March, 2018

Slab	No. of shareholders		No. of Equity Shares	
	Total	%	Total	%
1-100	2361	36.52	146814	0.45
101-200	1006	15.56	180712	0.56
201-500	1460	22.58	563902	1.74
501-1000	752	11.63	650561	2.00
1001-5000	668	10.33	1534690	4.73
5001-10000	86	1.33	655733	2.02
10001 & Above	132	2.04	28717588	88.50
Total:	**6465**	**100**	**32450000**	**100**

o) Shareholding Pattern — As on 31st March, 2018

Non-Promoters Holding

Category	No. of Equity shares	%
Promoters	16847821	51.92
FIIs/FPIs	50000	0.15
Mutual Funds	-	-
Private Corporate Bodies	612526	1.89
NRIs / OCBs	326597	1.01
Indian Public	14613056	45.03
Total:	**3,24,50,000**	**100.00**

p) Dematerialisation of shares and liquidity: The Equity Shares of Company are dematerialized with National Security Depository Limited and Central Depository Services (India) Limited and the total number of Shares dematerialized as on 31.03.2018 is 32415930.

q) Outstanding GDRs / Warrants or any convertible instruments: Nil

r) Registered Office: 33 Nariman Bhavan,
227 Nariman Point,
MUMBAI – 400021.

s) Works: Plot No. 85/A, B, D & E, Phase 1, Road 'E', VAPI- 396195

t) Address for correspondence: 33 Nariman Bhavan, 227 Nariman Point, MUMBAI – 400021

u) **Commodity price risk or foreign exchange and hedging activities**

The Company is exposed to the risk of price fluctuation of silver (raw material). The Company proactively manages this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence mitigates the impact of price risk on finished goods.

Also, the Company is exposed to Strategic Risk, Allocation of funds for CAPEX, Operational Risks, Regulatory and environmental non-compliances. The Company copes these risks by developing alternate plans, framing various policies, initiatives, guidelines, using automated systems.

The Company has a robust Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

v) **Compliance Certificate by Auditors**

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is given as an annexure to Directors' Report.

w) **Certification by CEO for compliance with Code of Conduct**

As required under Regulation 17 read with Schedule V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board Members and Senior Management Personnel have affirmed compliance with the Company's code of conduct for the year ended 31st March,2018. The code of conduct of the Company also includes Code of Independent Directors which is available on the Company's website.

Mr. G. L. MODI	**Mr. SURESH MODY**
Managing Director	Director

Place: Mumbai
Date: 23rd May,2018

The above Corporate Governance Report has been adopted by the board of Directors at their meeting held on 23rd May,2018

Mr. G. L. MODI	**Mr. SURESH MODY**
Managing Director	**Director**

Place: Mumbai
Date: 23rd May,2018

t) **CERTIFICATION**

We, the undersigned of the Company hereby certify that

1. We have reviewed the financial statements and the cash flow statement of Modison Metals Limited for the year 31st March 2018 and that to the best of their knowledge and belief , we state that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

- These statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. That 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. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies and

4. We have indicated to the auditors and the Audit committee that there are:

- No significant changes in internal control over financial reporting during the year;

- The significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and

- No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mr. G. L. Modi	**Ramesh Kothari**
Managing Director	**Chief Financial Officer**

Place: Mumbai
Date: 23rd May,2018

Auditors' Certificate on Corporate Governance

To,
The Members of
Modison Metals Limited

We have examined the compliance of conditions of Corporate Governance by Modison Metals Limited (the Company), for the year ended 31 March 2018, as per the relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) of Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

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

For **Kanu Doshi Associates LLP**
Chartered Accountants
Firm Regn No.: 104746W/W100096

Jayesh Parmar
Partner
Membership No.:45375

Date : May 23, 2018
Place : Mumbai

Independent Auditor's Report

To,
The Members of **MODISON METALS LIMITED**

Report on the Standalone Ind AS Financial Statements

We have audited accompanying standalone Ind AS financial statements of **MODISON METALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including other comprehensive income) and Cash Flow Statement and the statement for changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, 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, read with relevant rules issued thereunder.

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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone

Ind AS 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 Standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid the Standalone Ind AS 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 the Ind AS, of the state of affairs (financial position) as at March 31, 2018, and its financial performance including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note No. 12.2 of the Standalone Ind AS Financial Statement which state that as per the policy of inventory valuation of the company, the silver booked has been valued at the rate at which the same is booked by the customer which is not in consonance with the IND AS 2, on "Inventory Valuation". However, the impact on the profit is not material. Our opinion is not qualified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006. For the year ended March 31, 2017 and March 31, 2016 on which the predecessor auditor expressed an unmodified opinion vide audit report dated May 17, 2017 and May 26,2016 respectively on those Standalone Ind As financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on other Legal and Regulatory Requirements

1. 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 of the aforesaid Standalone Ind As financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind As financial statements have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Ind As financial statements.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31 (a) to the Standalone Ind AS financial statements;

ii. The Company did not have any material foreseeable losses on long-Term contracts including derivatives contracts.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (‘the Order’) issued by the Central Government in terms of Section 143(11) of the Act, we give in ‘Annexure A’ a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration Number: 104746W/W100096

Jayesh Parmar
Partner
Membership No:45375

Place: Mumbai
Date: May 23,2018

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 2 of '**Report on other Legal and Regulatory Requirements'** in our Report of even date on the accounts of MODISON METALS LIMITED for the year ended March 31, 2018

i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed during the year.

(c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventories have been physically verified by the management. In our opinion, the frequency of the verification done by the management is reasonable. The discrepancies noticed on physical verification of the inventories as compared to book records were not material and have been properly dealt with in the books of account.

iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) & (b) of clause 3(iii) of the order are not applicable to the Company.

iv. According to information and explanation provided to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the companies Act, 2013.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause (v) is not applicable.

vi. The Central Government has prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the company. However, no detailed examination of such records and accounts have been carried out by us.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise duty, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating Rupees 42.90 Lakhs pending before the appropriate authorities are as under:

(Rupees in Lakhs)

Sr. No.	Name of the Statute	Nature of the dues	Forum where the dues is pending	Amount
1	Gujarat Value Added Tax Act, 2003	Interest on sales tax dues	Gujarat Value Added Tax Tribunal (F.Y 2006-07)	**0.97**
2	Central Excise Act, 1944	Excise Duty Dues	Honorable CESTAT (2006-07 to 2009-10)	**2.66**
		Service Tax Dues	Commissioner of Central Excise {Appeals} (2006-07 to 2011-12)	**39.27**
			Total	**42.90**

viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders as at the Balance Sheet date.

ix. The Company has not raised any money by way of public issue/ further offer including debt instruments.

x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The managerial remuneration paid by the Company is in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. The Company has complied with the provisions of Section 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and has disclosed the details in the Financial Statements in accordance with the Indian Accounting Standard 24.

xiv. The Company has not made any preferential allotment or private placement of shares or has fully or partly convertible debentures during the year under review and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us the Company is not required to obtain registration under Section 45IA of the Reserve Bank of lndia Act, 1934 and therefore clause 3(xvi) of the Order is not applicable.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm registration No: 104746W/W100096

Jayesh Parmar
Partner
Membership No:45375

Place: Mumbai
Date: May 23,2018

ANNEXURE B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MODISON METALS LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm registration No: 104746W/W100096

Jayesh Parmar
Partner
Membership No:45375

Place: Mumbai
Date: May 23,2018

MODISON METALS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

(Rupees in Lakh

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
(1) Non - current assets				
(a) Property, Plant and Equipment	3	5,743.03	5,778.09	6,049.05
(b) Capital work - in - progress	4	75.10	77.66	121.72
(c) Investment Property	5	216.04	227.10	-
(d) Other Intangible Assets	6	12.67	12.45	26.83
(e) Intangible Assets under development	7	7.71	7.71	-
(f) Financial assets				
(i) Investments	8	14.92	14.92	14.92
(ii) Other financial assets	9	82.88	80.36	81.52
(g) Other tax assets (Net)	10	67.76	183.28	181.53
(f) Other non - current assets	11	578.62	369.24	538.28
Total Non Current Assets		**6,798.73**	**6,750.81**	**7,013.85**
(2) Current Assets				
(a) Inventories	12	4,705.14	4,168.48	3,995.81
(b) Financial assets				
(i) Trade receivables	13	4,189.15	3,927.55	2,882.18
(ii) Cash and cash equivalents	14	67.06	19.99	9.09
(iii) Bank balances other than (ii) above	15	151.93	138.75	178.00
(iv) Other financial assets	16	38.34	27.01	26.35
(c) Other tax assets (Net)	17	-	-	50.66
(d) Other current assets	18	267.78	168.61	296.14
Total Current Assets		**9,419.40**	**8,450.39**	**7,438.23**
Total Assets		**16,218.13**	**15,201.20**	**14,452.08**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	19	324.50	324.50	324.50
(b) Other Equity	20	12,368.76	11,122.18	10,108.98
Total Equity		**12,693.26**	**11,446.68**	**10,433.48**
LIABILITIES				
(1) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	80.83	-	4.06
(ii) Other financial liabilities	22	8.89	-	-
(b) Provisions	23	94.22	87.01	72.00
(c) Deferred tax liabilities (Net)	24	674.74	813.51	833.56
Total Non Current Liabilities		**858.68**	**900.52**	**909.62**
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	1,214.56	1,820.05	2,066.05
(ii) Trade payables	26	599.61	376.43	460.82
(iii) Other financial liabilities	27	67.91	37.32	61.39
(b) Other current liabilities	28	582.49	538.14	363.48
(c) Provisions	29	47.16	49.09	35.74
(d) Current tax liabilities (Net)	30	154.46	32.97	121.50
Total Current Liabilities		**2,666.19**	**2,854.00**	**3,108.98**
Total Liabilities		**3,524.87**	**3,754.52**	**4,018.60**
Total Equity & Liabilities		**16,218.13**	**15,201.20**	**14,452.08**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

MODISON METALS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rupees in Lakhs)

Particulars	Note No.	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operation	32	20,518.64	20,789.91
Other income	33	150.34	60.66
Total Income		**20,668.98**	**20,850.57**
Expenses:			
Cost of material consumed	34	14,296.53	12,773.34
Purchases of Stock - in - Trade	35	0.10	84.50
Changes in inventories of Finished goods, work - in - progress and Stock - in - trade	36	(412.59)	(186.17)
Excise Duty on Sales	37	401.60	1,718.72
Employee benefit expenses	38	1,282.29	1,163.22
Finance Cost	39	185.45	269.39
Depreciation & amortization expenses	40	628.16	639.76
Other Expenses	41	2,242.24	2,130.33
Total Expenses		**18,623.78**	**18,593.09**
Profit before exceptional items & tax		2,045.20	2,257.48
Exceptional Items Income/(Expense)	42	305.46	(49.55)
Profit before tax		**2,350.66**	**2,207.93**
Less: Tax expenses			
(1) Current tax			
of Current years		846.10	790.00
of Earlier years		3.01	12.03
(2) Deferred tax		(138.77)	(20.05)
Total Income Tax Expense		**710.34**	**781.98**
Profit after tax		**1,640.32**	**1,425.95**
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		(3.18)	(22.19)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year		**(3.18)**	**(22.19)**
Total Comprehensive Income for the year		**1,637.14**	**1,403.76**
Earning per equity share (Face Value of Rs. 1/- each)	43		
(1) Basic		5.05	4.39
(2) Diluted		5.05	4.39
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

MODISON METALS LIMITED

STATEMENT OF CHANGES IN EQUITY (Rupees in Lakhs)
for the year ended 31 March 2018

a. Equity

Particulars	No of Shares	Amount
Balance at at 1st April, 2016	**3,24,50,000**	**324.50**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2017	**3,24,50,000**	**324.50**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2018	**3,24,50,000**	**324.50**

b. Other Equity

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total Other Equity
	Capital Reserve	General Reserve	Retained Earning	Remeasurement of net defined benefit plans	Revaluation Reserve	
Balance as at April 1, 2016	**190.88**	**1,114.72**	**8,769.91**	**(2.81)**	**36.28**	**10,108.98**
Profit for the year	-	-	1,425.95	-	-	1,425.95
Disposal of revalued assets	-	-	0.04	-	(0.04)	-
Remeaurements of Defined Benefit Plan	-	-	-	(22.19)	-	(22.19)
Interim Dividend paid	-	-	(324.50)	-	-	(324.50)
Dividend Distribution tax paid	-	-	(66.06)	-	-	(66.06)
Balance as at March 31, 2017	**190.88**	**1,114.72**	**9,805.34**	**(25.00)**	**36.24**	**11,122.18**
Profit for the year	-	-	1,640.32	-	-	1,640.32
Disposal of revalued assets	-	-	0.24	-	(0.24)	-
Remeaurements of Defined Benefit Plan	-	-	-	(3.18)	-	(3.18)
Interim Dividend paid	-	-	(324.50)	-	-	(324.50)
Dividend Distribution tax paid	-	-	(66.06)	-	-	(66.06)
Balance as at March 31, 2018	**190.88**	**1,114.72**	**11,055.34**	**(28.18)**	**36.00**	**12,368.76**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Rupees in Lakhs)

			2017-18		2016-17
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax & Extraordinary Items		2,350.66		2,207.93
	Adjustment for:				
	Depreciation /Amortisation	628.16		639.76	
	Interest Income	(19.90)		(46.79)	
	Reclassification of remeasurement of employee benefits	(3.18)		(22.19)	
	Interest Expenses	142.64		243.26	
	Bad debts	-		1.77	
	Allowance for Bad Debts	-		12.10	
	(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	12.93		(1.18)	
	Excess Provision written back (Net)	(5.16)		-	
	Sundry balance written back (Net)	0.39		(2.16)	
	Exchange Rate Fluctuation (Net)	(22.28)		18.76	
			733.61		843.33
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		3,084.27		3,051.26
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES :				
	Other non - current assets	6.05		1.24	
	Inventories	(536.66)		(172.67)	
	Trade Receivable	(239.37)		(1,081.09)	
	Other Bank Balances	(13.18)		39.25	
	Other Non Current financial assets	(2.53)		1.16	
	Other financial assets	(7.51)		(2.00)	
	Other current assets	(99.70)		125.25	
	Other non current financial liabilities	8.89		-	
	Trade payables	222.72		(80.70)	
	Other current financial liabilities	1.30		-	
	Other current liabilities	44.46		178.48	
	Provisions	5.27		28.36	
			(610.25)		(962.72)
	Cash Generated from Operations		2,474.02		2,088.55
	Direct Taxes paid		(612.10)		(841.65)
	NET CASH FROM OPERATING ACTIVITIES		1,861.92		1,246.90
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property Plant and Equipment including Capital Work in Progress	(822.56)		(362.23)	
	Purchases of investments property	-		(55.14)	
	Sale of Property Plant and Equipment	22.17		25.80	
	Interest Received	16.08		48.13	
			(784.31)		(343.44)
	NET CASH USED IN INVESTING ACTIVITY		(784.31)		(343.44)
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net (Decrease)/ Increase in Borrowings	(490.66)		(260.09)	
	Interest Paid	(147.22)		(241.92)	
	Dividend Paid (Inclusive of Dividend Distribution Tax)	(392.66)		(390.55)	
			(1,030.54)		(892.56)
	NET CASH USED IN FINANCING ACTIVITY		(1,030.54)		(892.56)
	NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)		**47.07**		**10.90**
	OPENING BALANCE OF CASH & CASH EQUIVALENTS		19.99		9.09
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS		67.06		19.99
			47.07		**10.90**

Notes

		2017-18	2016-17
	Closing Balance of Cash & Cash Equivalents		
1	Cash and Cash Equivalents Includes: (Refer Note No 14)		
	CASH IN HAND	3.47	1.75
	BALANCE WITH SCHEDULED BANKS		
	- In Current Account	63.59	18.24
		67.06	**19.99**

2 Interest received excludes interest received for overdue payments from customers of Rs.15.68 Lakhs (Previous Year Rs.5.40 Lakhs), which has been considered from operational activities of the company.

3 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

PLACE : MUMBAI
DATED : 23rd MAY, 2018

FOR AND ON BEHALF OF BOARD OF DIRECTORS

G.L. MODI	**SURESH MODY**
DIRECTOR	**DIRECTOR**
DIN: 00027373	**DIN: 00027432**
RAMESH KOTHARI	**DEEPASHREE DADKAR**
CHIEF FINANCIAL OFFICER	**COMPANY SECRETARY**

NOTES TO THE FINANCIAL STATMENTS
for the year ended March 31, 2018

1 CORPORATE INFORMATION

Modison Metals Limited (herein referred to as "MML" or " the company") is public limited company incorporated and domiciled in India. The address of its registered office is 33, Nariman Bhavan, 227, Nariman Point, Mumbai-400021, Maharashtra, India. The Company is a leading manufacturer of Electrical contacts in all the three segments, LV, MV & HV. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).

2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to IND AS is 1st April, 2016. Refer note 53 related to First-time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company's first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018 and two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented.

The financial statements were authorized for issue by the Company's Board of Directors on 23rd May, 2018.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

(b) Defined benefit plans where plan assets are measured at fair value.

iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

(C) 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) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) those measured at amortised cost.

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

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive incomeand there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(c) Fair Value Hedge

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised in statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs(in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Segment Report

(i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisaiton and mangagement structure. The operating segement are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

(ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(F) Inventories Valuation

(i) Consumable tools, raw material, packing material, work in progress, finished goods and stores & spares have been valued at lower of cost and net realisable value.

(ii) Cost of raw material has been ascertained on weighted average cost basis. Cost of finished goods and work-in-progress comprises, raw materials, direct labour, other direct costs and related production overheads.

(iii) Cost of other inventories has been ascertained on First-In-First-Out method (FIFO).

(iv) Silver booked by customers for their process work has been valued at the rates at which the same is booked by them. Scrap is valued at Net Realizable Value.

(G) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(H) Income tax, deferred tax and dividend distribution tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

(I) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

(i) Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(iii) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for it intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

(iv) Depreciation methods, estimated useful lives and residual value:

(a) Fixed assets are stated at cost less accumulated depreciation.

(b Depreciation in respect of tangible assets i.e. Factory Building for SF6, Electric Installation for SF6 project, Factory Buildings at Plot No. 85-B and Plot Nos. 85/D & E has been provided on straight line method (SLM) and in respect of all other tangible assets on written down method (WDV) as per the useful life prescribed in Schedule II to the Companies Act,2013. Depreciation in respect of the following tangible assets, whose life of the assets has been assessed by the management as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. is charged as under:

Assets	
Plant & Machinery AG	13.91% on WDV Basis
Plant & Machinery SF6	4.75% on SLM Basis
R&D Plant & Machinery	4.75% on SLM Basis

(c) Certain assets had been revalued by the Company in the year 1993 - 1994, these assets are appearing at revalued amounts less accumulated depreciation. All other assets are appearing at historical cost less accumulated depreciation.

(d) No amortisation is provided in accounts in respect of Leasehold Land.

(e) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.

(f) The residual values are not more than 5% of the original cost of the asset.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Investment Property
Property that is held for rental or Capital appreciation and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property,Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(K) Intangible assets
On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(ii) Cost of technical know-how is amortised over a period of 10 years.

(iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(L) Leases

(i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

(1) Sales

(i) The Company recognizes revenue from sale of goods when:

(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.

(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

(c) The amount of revenue can be reliably measured.

(d) It is probable that future economic benefits associated with the transaction will flow to the Company.

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) The Company recognizes revenue from sale of services when:

(a) The amount of revenue can be measured reliably.

(b) It is probable that future economic benefits associated with the transaction will flow to the Company.

(c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.

(d) The cost incurred for transaction and the cost to complect the transaction can be measured reliably.

(2) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(N) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit gratuity plan:

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Life Insurance Corporation of India (LIC) . The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss. In case of non member of the gratuity fund, the same is provided as per the approval of central Government and/or as per payment of the Gratuity Act, 1972.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined benefit provident fund plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

(O) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(P) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(Q) Earnings per share
(i) Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share
Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing 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.

(R) Impairment of Assets
Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(S) Provisions, contingent liabilities and contingent assets
(i) Provisions:
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(T) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for mutual fund which is fair value through Statement of Profit and Loss.

Investment in subsidiaries which are of equity in nature carried at cost in the separate financial statements.

(U) Trade receivables

Trade receivables are recognisedinitially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(V) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(W) Operating Cycle

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

(X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

(Rupees in Lakhs)

NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Leasehold Land	94.46	-	-	94.46	-	-	-	-	-	94.46
Buildings	976.52	24.07	-	1,000.59	55.08	54.17	-	-	109.25	891.34
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	434.98	18.48	-	453.46	21.16	21.21	-	-	42.37	411.09
Plant & Machinery	2,583.02	291.02	29.91	2,844.13	337.44	322.55	-	6.33	653.66	2,190.47
Plant & Machinery (SF6)	2,165.07	89.87	4.18	2,250.76	166.80	163.90	-	1.44	329.26	1,921.50
Furniture & Fixtures	31.95	1.65	-	33.60	6.91	6.03	-	-	12.94	20.66
Vehicles	79.44	173.24	14.22	238.46	24.22	28.56	-	5.48	47.31	191.15
Office Equipments	36.80	9.81	0.10	46.51	12.55	11.66	-	0.06	24.15	22.36
Total Property, Plant and Equipment	**6,402.26**	**608.14**	**48.41**	**6,961.98**	**624.16**	**608.09**	**-**	**13.30**	**1,218.95**	**5,743.03**

NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 3.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Leasehold Land	94.46	-	-	94.46	-	-	-	-	-	94.46
Buildings	958.58	17.94	-	976.52	-	55.08	-	-	55.08	921.44
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	434.98	-	-	434.98	-	21.16	-	-	21.16	413.82
Plant & Machinery	2,343.24	240.24	0.45	2,583.02	-	337.46	-	0.02	337.44	2,245.58
Plant & Machinery (SF6)	2,099.13	90.39	24.44	2,165.07	-	167.08	-	0.28	166.80	1,998.27
Furniture & Fixtures	25.00	6.95	-	31.95	-	6.91	-	-	6.91	25.04
Vehicles	71.24	8.20	-	79.44	-	24.22	-	-	24.22	55.22
Office Equipments	22.42	14.41	0.02	36.80	-	12.55	-	-	12.55	24.26
Total Property, Plant and Equipment	**6,049.05**	**378.12**	**24.92**	**6,402.26**	**-**	**624.46**	**-**	**0.29**	**624.16**	**5,778.09**

Note No. 3.1: Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

	Gross carrying as at 01April 2016	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
Leasehold Land	94.46	-	-	94.46
Buildings	1,335.66	-	377.07	958.58
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	674.42	-	239.44	434.98
Plant & Machinery	5,392.23	-	3,048.99	2,343.24
Plant & Machinery (SF6)	3,692.71	-	1,593.58	2,099.13
Furniture & Fixtures	120.47	-	95.47	25.00
Vehicles	261.70	-	190.46	71.24
Office Equipments	142.49	-	120.07	22.42
Total	**11,714.14**	**-**	**5,665.08**	**6,049.05**

MODISON METALS LIMITED

(Rupees in Lakhs)

NOTE NO 4
CAPITAL WORK-IN-PROGRESS

PARTICULARS	AS AT 01.04.2017	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Capital Work- in- Progress (Refer Note No 4.1)	**77.66**	**-**	**2.56**	**75.10**
Previous Year	121.72	-	44.06	77.66

Note No 4.1: Capital work-in-progress mainly comprises for Building & Plant & Machinery.

NOTE NO 5
INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Residential Flats	227.10	-	-	227.10	-	11.06	-	-	11.06	216.04
Total Investment Property	**227.10**	**-**	**-**	**227.10**	**-**	**11.06**	**-**	**-**	**11.06**	**216.04**

INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Residential Flats	-	227.10	-	227.10	-	-	-	-	-	227.10
Total Investment Property	**-**	**227.10**	**-**	**227.10**	**-**	**-**	**-**	**-**	**-**	**227.10**

Amount recognised in profit or loss for Investment Properties

Particulars	**March 31st, 2018**	**March 31st, 2017**
Rental Income	13.24	-
Direct expenses related to property	8.08	1.10
There are no restictions on the realisability of investment property.		
The company is using same life for the same class of asset as applicable for property plant and equipment.		
Fair Value		
The Company has not taken third party independent valuation for the property.		
The estimated fair value is Approx. Rs. 365.00 Lakhs based on the ready reckoner rates.		

MODISON METALS LIMITED

(Rupees in Lakhs)

NOTE NO 6

OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Computer Software	27.76	9.23	-	36.99	15.30	9.01	-	-	24.31	12.67
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	**27.76**	**9.23**	**-**	**36.99**	**15.30**	**9.01**	**-**	**-**	**24.31**	**12.67**

OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 6.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Computer Software	26.83	0.92	-	27.76	-	15.30	-	-	15.30	12.45
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	**26.83**	**0.92**	**-**	**27.76**	**-**	**15.30**	**-**	**-**	**15.30**	**12.45**

Note No. 6.1: Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

	Gross carrying amount as at April 01, 2016	**Reclassified as Investment property**	**Accumulated Depreciation**	**Net carrying amount**
Computer Software	94.59	-	67.76	26.83
Technical Know How	8.09	-	8.09	-
Total	**102.68**	**-**	**75.85**	**26.83**

NOTE NO 7

INTANGIBLE ASSETS UNDER DEVELOPMENT

PARTICULARS	AS AT 01.04.2017	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Intangible assets under development (Note No 7.1)	**7.71**	**-**	**-**	**7.71**
Previous Year	-	7.71	-	7.71

Note No 7.1: Intangible assets under development is related to Website Development.

Notes:

(a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 1, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 1, 2016.

(b) The Company has availed the deemed cost exemption in relation to the property, plant and equipment, capital work-in-progress and intangibles on the date of transition and hence the net carrying amount has been considered as the gross block carrying amount on that date.

(Rupees in Lakhs)

8 INVESTMENTS

Particulars		As at March 31, 2018		As at March 31, 2017		April 1, 2016
Unquoted						
In Equity Instruments						
Investment in Subsidiary Company (At cost)						
Modison Contact Pvt. Ltd	4800	14.92	4,800	14.92	4,800	14.92
		14.92		**14.92**		**14.92**

9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits	82.60	79.82	79.87
Loans and Advances to Employees	0.28	0.54	1.65
	82.88	**80.36**	**81.52**

10 OTHER TAX ASSETS (NET)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax and Tax Deducted at Source (Net of Provision for Taxation)	67.76	183.28	181.53
	67.76	**183.28**	**181.53**

11 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Advances	577.13	367.44	535.25
Advance recoverable in cash or kind or for value to be received	1.49	1.80	3.03
	578.62	**369.24**	**538.28**

12 INVENTORIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Material (Refer Note No 12.1)	655.97	533.58	535.75
Work-in-progress (Refer Note No 12.2)	3,878.00	3,519.46	3,221.94
Finished Goods	90.18	44.26	102.91
Stores & Spares (Refer Note No 12.3)	9.82	7.70	18.23
Others		-	-
Packing Material	3.74	4.17	4.98
Scrap	67.43	59.30	112.00
	4,705.14	**4,168.48**	**3,995.81**

Note No 12.1: Raw Material inventory includes Goods-in transit Rs. Nil (31st March 2017 Rs. 126.11 Lakhs and 1st April 2016 Rs. 123.62 Lakhs)
Note No 12.2: As per the policy of inventory valuation of the company, the Silver booked by the customer has been valued at the rate at which the same is booked by customers which is not in consonance with IND AS 2, on "Inventories". However the impact on the profit is not material.
Note No 12.3: Stores & Spares includes Goods-in transit Rs. Nil (31st March 2017 Rs. Nil and 1st April 2016 Rs. 5.62 Lakhs)

13 TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, Considered Good, unless specified otherwise)			
Considered good	4,189.15	3,927.55	2,882.18
Considered Doubtful	9.83	35.30	23.20
Less : Allowance for Expected Credit Loss (Refer Note No 13.1)	(9.83)	(35.30)	(23.20)
	4,189.15	**3,927.55**	**2,882.18**

Note No 13.1: Movement in the allowance of doubtul receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at the beginning of the year	35.30	23.20	8.19
Less: Amounts written off during the year (net)	(25.47)	-	-
Changes in allowance for doubtful receivables	-	12.10	15.01
Balance at end of the year	**9.83**	**35.30**	**23.20**

The average credit period is around 60 days for Sales depending upon Terms of the Purchase Orders. Normally no interest is charged on trade receivables. The Company is providing for expected credit loss based on past trends of receivable.

(Rupees in Lakhs)

14 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance With Banks			
- In Current Account	63.59	18.24	6.07
Cash on Hand	3.47	1.75	3.02
	67.06	**19.99**	**9.09**

15 BANK BALANCES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unpaid Dividend Account (Refer Note No 15.1)	3.58	5.69	5.68
Margin Money Account (Refer Note No 15.2)	148.35	133.06	172.32
	151.93	138.75	178.00

Note No 15.1: The company can utilise balances only towards settlement of the unpaid dividend.

Note No 15.2: Margin money deposits amounting to Rs. 71.76 Lakhs (31st March 2017 Rs. 83.06 Lakhs and 1st April 2016 Rs. 172.32 Lakhs) are lying with bank against Bank Guarantees, Buyers Credit and Letter of Credit & Rs. 76.59 Lakhs (31st March 2017 Rs. 50.00 Lakhs and 1st April 2016 Rs. Nil) is lying with Reliance Commodities Limited towards margin for forward commodity contract (Hedging).

16 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	13.81	7.14	1.89
Advances to Staff	7.69	6.86	10.10
Interest Receivable	16.84	13.01	14.35
	38.34	**27.01**	**26.35**

17 OTHER TAX ASSETS (NET)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax and Tax Deducted at Source (Net of Provision for Taxation)	-	-	50.66
	-	**-**	**50.66**

18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Government Authorities	52.26	84.79	113.39
Advance to supplier	37.82	6.83	66.78
Advance recoverable in cash or kind or for value to be received	168.34	71.79	70.70
Duty Drawback Receivable	9.36	4.88	44.96
Other Receivable	-	0.32	0.31
	267.78	**168.61**	**296.14**

19 EQUITY SHARE CAPITAL & OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorized Share Capital			
100,000,000 Equity shares, Re. 1/- par value	1,000.00	1,000.00	324.50
(31st March 2017: 10,00,00,000 equity shares Re. 1/- each)			
(1st April 2016: 3,24,50,000 equity shares Re. 1/- each)	**1,000.00**	**1,000.00**	**324.50**
Issued, Subscribed and Fully Paid Up Shares			
3,24,50,000 Equity Shares, Re. 1/- par share	324.50	324.50	324.50
(31st March 2017: 3,24,50,000 equity shares Re. 1/- each)			
(1st April 2016: 3,24,50,000 equity shares Re. 1/- each)			
Total Issued, Subscribed and Fully Paid Up Share Capital	**324.50**	**324.50**	**324.50**

Note No 19.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31st March 2018 :

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Number of shares at the beginning	3,24,50,000	324.50	3,24,50,000	324.50	3,24,50,000	324.50
Add: Shares issued during the year	-	-	-	-	-	-
Less : Shares bought back	-	-	-	-	-	-
Number of shares at the end	**3,24,50,000**	**324.50**	**3,24,50,000**	**324.50**	**3,24,50,000**	**324.50**

(Rupees in Lakhs)

Note No 19.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(B) 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.

Note No 19.3: The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares held	% held as at March 31, 2018	No. of shares held	% held as at March 31, 2017	No. of shares held	% held as at April 1, 2016
Mr. G.L. Modi	-	-	-	-	71,58,370	22.06%
Mr. Rajkumar Modi	67,01,210	20.65%	67,01,210	20.65%	67,01,210	20.65%
Mr. Prakashchandra Modi	46,60,488	14.36%	46,60,488	14.36%	46,60,488	14.36%
Mr. Kumar Jay Modi	17,74,000	5.47%	17,74,000	5.47%	17,74,000	5.47%
G.L. Modi HUF	75,82,130	23.37%	75,82,130	23.37%	4,23,760	1.31%

Note No 19.4: The details of Interim Divided paid per share is as under- **(In Rupees)**

Year	Interim Dividend paid per share	Proposed Final Dividend per share
2017-18	1.00	0.50
2016-17	1.00	-
2015-16	1.00	-

20 OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
* **Reserve & Surplus**			
# Capital Reserve	190.88	190.88	190.88
## General Reserve	1,114.72	1,114.72	1,114.72
Retained Earnings	11,055.34	9,805.34	8,769.91
Other Comprehensive Income (OCI)			
-Remeasurement of net defined benefit plans	(28.18)	(25.00)	(2.81)
- Revaluation Reserve ###	36.00	36.24	36.28
	12,368.76	**11,122.18**	**10,108.98**

* For movement, refer statement of changes in equity.

Capital reserve mainly represents amount on capital nature account.

General reserve reflects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.

Revaluation reserve represent revaluation done of certain property plant & equipment in earlier years.

21 BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured Loan			
Term Loans			
From Bank			
Vehicle Loans (Refer Note No 21.1)	80.83	-	4.06
	80.83	**-**	**4.06**

Note No 21.1: Terms of Repayment, Nature of Securities in respect of Term Loans

Vehicle loan taken from ICICI Bank Limited carried interest @ range between 8.49% to 10.49% and is repayable in range between 36 to 37 monthly installment. The loan is secured by hypothecation of Vehicle.

22 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits	8.89	-	-
	8.89	**-**	**-**

23 PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions for Employee Benefits			
For Gratuity	94.22	87.01	72.00
	94.22	**87.01**	**72.00**

(Rupees in Lakhs)

24 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax liabilities			
Difference between depreciation as per books and as per Income-tax Act, 1961	713.41	865.40	875.51
	713.41	865.40	875.51
Less: Deferred tax assets			
Expenses allowable on payment basis	35.81	39.67	33.92
Allowance for Bad & Doubtful Debts	2.86	12.22	8.03
	38.67	51.89	41.95
Deferred tax liabilities (Net)	674.74	813.51	833.56
	674.74	**813.51**	**833.56**

Note No 24.1:

Particulars	Net balance as at 1st April, 2017	Recognised in statement of profit and loss	Net balance as at 31st March, 2018
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	865.40	(151.99)	713.41
Expenses allowable under income tax on payment basis	(39.67)	3.86	(35.81)
Allowance for Expected Credit Loss	(12.22)	9.35	(2.86)
	813.51	**(138.77)**	**674.74**

Particulars	Net balance as at 1st April, 2016	Recognised in statement of profit and loss	Net balance as at 31st March, 2017
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	875.51	(10.12)	865.40
Expenses allowable under income tax on payment basis	(33.92)	(5.75)	(39.67)
Allowance for Expected Credit Loss	(8.03)	(4.19)	(12.22)
	833.56	**(20.05)**	**813.51**

Income tax

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current tax – including earlier years: Rs. 3.01 Lakhs (31 March 2017: Rs. 12.03 Lakhs)	849.11	802.03
Deferred Tax	(138.77)	(20.05)
	710.34	**781.98**

Reconciliation of tax expenses and accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before income tax expenses	2,350.66	2,207.93
Tax at the Indian tax rate @ 34.608 %	813.52	764.12
Add: Item giving rise to difference in tax		
Permanent difference of income as per books vs income as per income tax	7.70	3.16
Timing difference of depreciation on Property Plant & Equipment	28.25	14.09
Timing difference of Gratuity & Leave Eancashment	6.86	9.37
Allowance for doubtful debts	(8.81)	2.05
Others	(137.18)	(10.81)
	710.34	**781.98**

25 BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured Loan (Refer Note No 25.1)			
From Bank			
Working Capital Loan	1,214.56	320.05	1,889.84
Buyer's Credit	-	-	176.21
Unsecured Loan (Refer Note No 25.2)			
From Bank			
Working Capital Loan	-	1,500.00	-
	1,214.56	**1,820.05**	**2,066.05**

(Rupees in Lakhs)

Note No 25.1: Secured by Hypothecation of stocks & book debts and further secured by collateral security of all movable and immovable factory properties.

Note No 25.2: Unsecured Loan from HDFC Bank is repayable after 90 days and is carrying rate of interest 9.80%.

26 TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Dues of micro and small enterprises (Refer Note No 26.1)	-	-	-
Dues other than micro and small enterprises (Refer Note No 26.1)	599.61	376.43	460.82
	599.61	**376.43**	**460.82**

Note No 26.1: The company has not received information from vendors regarding their status under the Micro,Small and Medium Enterprises Development Act,2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act,have not been given.

27 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long Term Debt (Refer Note No 21.1)	37.66	3.66	13.70
Interest Accrued but not due	0.26	4.83	3.49
Unpaid Dividends	3.58	5.69	5.68
Sundry Creditors For Capital Goods	24.67	22.74	38.12
Deposits	1.15	0.40	0.40
Other Payables	0.60	-	-
	67.91	**37.32**	**61.39**

28 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances From Customers	374.59	480.36	319.57
Statutory Dues Payable	206.81	57.78	43.91
Others	1.09	-	-
	582.49	**538.14**	**363.48**

29 PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits			
For Gratuity	18.25	18.44	8.35
For Leave Salary	28.91	30.66	27.39
		-	-
	47.16	**49.09**	**35.74**

30 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for taxation (Net of tax payment)	154.46	32.97	121.50
	154.46	**32.97**	**121.50**

31 a) CONTINGENT LIABILITIES:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Disputed Income Tax Liabilites	47.96	1.91	96.80
Disputed Sales Tax Liabilites	33.18	33.18	30.15
Disputed Central Excise & Service Tax Liabilities	43.78	42.49	26.28
Bond issued under Export Promotion Capital Goods Scheme	-	156.75	228.19
	124.92	**234.33**	**381.43**

b) COMMITMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Estimated amounts of Contracts remaining to be executed on Capital account and not provided for (Net of Advances)	274.74	274.42	283.58
	274.74	**274.42**	**283.58**

The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.

(Rupees in Lakhs)

32 REVENUE FROM OPERATION

Particulars	March 31, 2018	March 31, 2017
Sales of Product (Refer Note No 32.1)	20,448.49	20,763.08
Sale of Services	1.86	2.19
Other Operating Revenue		
Export incentive received	68.29	24.64
	20,518.64	**20,789.91**

Note No 32.1: Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of previous year. Excise duty on sales amounting to Rs. 401.60 Lakhs (31st March, 2017 : Rs. 1,718.72 Lakhs) has been included in sales in Statement of Profit and Loss.

33 OTHER INCOME

Particulars	March 31, 2018	March 31, 2017
Interest Income (Refer Note No 33.1)	35.58	52.18
Rent Received	13.24	-
Other Non Operating Income		-
Net Foreign Exchange Gain (Net)	95.16	-
Profit on Sale of Fixed Assets (Net)	-	1.18
Miscellaneous Income	6.36	7.30
	150.34	**60.66**

Note No. 33.1 : Break-up of Interest Income

Interest income on deposits with banks	9.95	12.40
Interest income on deposits with others	5.73	15.50
Interest income on Income tax refund	4.22	18.88
Interest income from customers	15.68	5.40
	35.58	**52.18**

34 COST OF RAW MATERIALS CONSUMED

Particulars	March 31, 2018	March 31, 2017
Inventory at the beginning of the year	407.47	412.12
Add : Purchases of Raw Material	14,545.03	12,788.90
	14,952.50	13,201.02
Less : Sale of Raw Material	-	20.21
Less : Inventory at the end of the year	655.97	407.47
Consumption of Raw Material	**14,296.53**	**12,773.34**

35 PURCHASES OF STOCK IN TRADE

Particulars	March 31, 2018	March 31, 2017
Traded goods	0.10	84.50
	0.10	**84.50**

36 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

Particulars	March 31, 2018	March 31, 2017
Inventories at the end of the year		
Finished Goods	90.18	44.26
Work In Progress	3,878.00	3,519.46
Scrap	67.43	59.30
	4,035.61	3,623.02
Inventories at the beginning of the year		
Finished Goods	44.26	102.91
Work In Progress	3,519.46	3,221.94
Scrap	59.30	112.00
	3,623.02	3,436.85
	(412.59)	**(186.17)**

(Rupees in Lakhs)

37 EXCISE DUTY ON SALES

Particulars	March 31, 2018	March 31, 2017
Excise Duty on Sales	401.60	1,718.72
	401.60	**1,718.72**

38 EMPLOYEE BENEFIT EXPENSES

Particulars	March 31, 2018	March 31, 2017
Salaries & Wages	1,186.57	1,074.45
Contribution to Provident & Other Funds	51.67	48.01
Staff Welfare Expenses	44.05	40.76
	1,282.29	**1,163.22**

39 FINANCE COST

Particulars	March 31, 2018	March 31, 2017
Interest Expense (Refer Not No 39.1)	142.64	243.26
Unwinding of interest on security deposits	0.47	-
Other Borrowing Cost		-
Bank Finance Cost	42.33	24.69
Net Gain/Loss on Foreign currency transactions	-	1.44
	185.45	**269.39**
Note No. 39.1 : Break-up of Interest Expense		
Interest expense on bank borrowings	141.12	242.45
Interest expense on vehicle loan	1.53	0.81
	142.64	**243.26**

40 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	March 31, 2018	March 31, 2017
Depreciation on Property, Plant and Equipment	608.09	624.46
Depreciation on Investment Property	11.06	-
Amortisation on Intangible Assets	9.01	15.30
	628.16	**639.76**

41 OTHER EXPENSES

Particulars	March 31, 2018	March 31, 2017
Consumption of stores and spare parts	360.13	330.48
Consumable of tools & dies	207.67	164.38
Packing Expenses	43.47	27.21
Power & fuel	487.92	438.90
Processing & Labour Charges	366.96	377.09
Rent	10.77	12.54
Repairs to Buildings	4.63	18.91
Repairs to Machinery	73.24	72.72
Repairs to Others	24.34	23.14
Security Expenses	30.03	18.95
Freight Outward Export	60.77	73.19
Insurance	11.40	10.77
Rates and taxes	8.03	7.70
Advertisement & Sales Promotion	19.34	23.30
Bank Charges	23.02	31.34
Commission on Sales	22.59	7.74
Cost Audit Fees	0.52	0.75
Electricity Expenses	3.11	2.94
Royalty	19.39	18.61
Travelling and Conveyance Expenses	59.60	58.99
Legal & Professional Charges	68.72	48.21
Telephone & Telex Expenses	9.27	12.34
Vehicle Expenses	33.69	34.15
Directors' Fees	4.20	3.70
In house R&D Expenses	13.20	14.50
Exchange Fluctuation (Net)	-	1.12
CSR Expenditure	35.73	38.67
Loss on Sale of Property Plant & Equipment	12.93	-

(Rupees in Lakhs)

Donation		15.11	31.96
Bad Debts Written off	24.17		1.77
Less: Allowance for Doubtful debts written back	24.17	-	-
Allowances for doubtful debts		-	12.10
Payment to Statutory Auditor (Refer Note No 41.1)		4.02	4.88
Miscellaneous Expenses		208.44	207.28
		2,242.24	**2,130.33**

Note No 41.1: Payment to Statutory Auditors		
As Auditor		
Audit Fees	3.20	2.60
Tax Audit Fees	-	1.25
Limited Review Fees	0.75	0.67
GST/Service Tax *	0.12	0.68
In other capacity	-	-
Company law Matters	-	-
Certification and Other Services	0.07	0.36
GST/Service Tax *	-	0.05
	4.14	**5.61**

* Out of above Service Tax credit of Rs. 0.12 Lakhs (Previous Year Rs. 0.73 Lakhs) has been taken and the same has not been debited to Statement of Profit and Loss.

42 EXCEPTIONAL ITEMS

Particulars	March 31, 2018	March 31, 2017
Profit/(Loss) on Hedging Contracts	305.46	(49.55)
	305.46	**(49.55)**

43 EARNING PER SHARE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit attributable to Equity Shareholders (Rs.)	1,640.32	1,425.95
No. of Equity Share outstanding during the year (Nos.)	3,24,50,000	3,24,50,000
Face Value of each Equity Share (Rs.)	1.00	1.00
Basic & Diluted earning per Share (Rs.)	5.05	4.39

44 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's includes net debt is equal to trade and other payables less cash and cash equivalents.

Particulars	31 March 2018	31 March 2017	31 March 2016
Trade Payables	599.61	376.43	460.82
Other Payables	2,250.53	2,564.59	2,724.22
less- Cash and Cash equivalents	67.06	19.99	9.09
Net Debt	2,783.07	2,921.02	3,175.95
Total Equity	12,693.26	11,446.68	10,433.48
Capital and Net debt	15,476.33	14,367.69	13,609.43
Gearing ratio	17.98%	20.33%	23.34%

45 Financial Risk Management **(Rupees in Lakhs)**

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis.	Strict credit control and monitoring system based on well established & institutionalised credit policy. With high impact customer, company has a policy of taking advance against silver (raw material) booked by them.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents.
3	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis on quarterly basis.	The Company is having natural hedging as it is net exporter.
4	Price Risk – Commodity Prices	Basic ingredients of company raw material is Silver where prices are volatile.	The company is exposed to the risk of price fluctuation of silver (Raw Material).	The Company proactively manage this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence, mitigate the impact of price risk on finished goods. The company is able to pass on price hike to the customer.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, and other business risks effecting business operation. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks.

Credit Risk Management

The Company source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31 March 2018, 31 March 2017 and 1 April 2016 is the carrying value of such trade receivables as shown in note 13 of the financials.

The Credit Loss allowances are provided in the case of trade receivables as under:

Loss allowance as on 1 April 2016	**23.20**
Change in loss allowance	12.10
Loss allowance as on 31 March 2017	**35.30**
Change in loss allowance	(25.47)
Loss allowance as on 31 March 2018	**9.83**

45 Financial Risk Management **(Rupees in Lakhs)**

(B) Liquidity Risk

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company has no outstanding term borrowings. The Company believes that its working capital is sufficient to meet its current requirements. Hence the Company does not perceive any liquidity risk. The company has significant high receivables & liquid inventory compared to payable, hence significantly low liquidity risk.

(c) Market risk

Foreign currency risk

The Company operates in domestic market. The company also has export. The company is having natural hedging as its exports are more than its imports. Hence foreign currency risk towards export is insignificant.

The Company imports certain materials which is significantly less with respect to total raw material procurement. Currently, Company does not hedge this exposures as it has natural hedging due to company being net exporter. Nevertheless, Company may wish to hedge such exposures.

Open exposure

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

Particulars	**GBP**	**Euro**	**USD**	**CHF**
31 March 2018				
Trade receivables- Foreign Currency	-	12,52,927	96,179	-
Trade receivables- INR	-	1,000.09	62.05	-
Trade payables- Foreign Currency	-	2,18,934	1,23,688	1,636
Trade payables- INR	-	177.91	80.58	1.13
31 March 2017				
Trade receivables- Foreign Currency	-	8,27,627	1,72,860	-
Trade receivables- INR	-	567.50	111.43	-
Trade payables- Foreign Currency	-	10,819	1,52,897	66
Trade payables- INR	-	7.55	99.54	0.04
31 March 2016				
Trade receivables- Foreign Currency	297	8,94,667	3,92,587	-
Trade receivables- INR	0.28	663.31	258.24	-
Trade payables- Foreign Currency	3,586	4,20,623	3,80,982	-
Trade payables- INR	3.43	317.49	253.12	-

Sensitivity Anaysis-

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa. The exposures is insignificant in case of GBP & CHF.

Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
	INR	INR	INR
Euro	41.11	28.00	17.29
USD	(0.93)	0.59	0.26
Total	**40.18**	**28.59**	**17.55**

(d) Price risk

The company is exposed to price risk in basic ingrediants of Company's raw material. The Company monitors its price risk and factors the price increase in pricing of the products.

(Rupees in Lakhs)

46 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:

(A) Names of related parties and description of relationship:

1. Enterprises over which key management personnel and relative of such personnel have significant influence

(i) Modison (Partnership Firm)
(ii) Modison Copper Pvt. Ltd.
(iii) Modicon Pvt. Ltd.
(iv) Dishah Innovative Solutions Pvt. Ltd.
(v) Modison Engineering Pvt. Ltd.

2. Enterprises over which Company has Control:

(i) Modison Contacts Pvt Ltd - Subsidiary Company

3. Key Management Personnel

(i) Mr. G. L. Modi - Managing Director
(ii) Mr. Rajkumar Modi - Whole-time Director
(iii) Mr. Kumar Jay Modi -Whole-time Director
(iv) Mr. Rakesh Singh - Whole-time Director

4. Relatives of Key Management Personnel

(i) Mrs. Chandramani Devi Modi - Mother of Mr. Rajkumar Modi
(ii) Mr. Omprakash Modi - Bother of Mr. G. L. Modi

b) Details of Transactions during the year with related parties.

S.No.	Related parties	Nature of Transactions during the year	2017-18	2016-17
			(Rs.)	(Rs.)
(i)	Mr. G.L. Modi	Short-term employee benefits	144.44	137.00
		Post retirement benefits	3.74	3.42
(ii)	Mr. Rajkumar Modi	Short-term employee benefits	75.45	76.45
		Post retirement benefits	2.55	2.55
(iii)	Mr. Kumar Jay Modi	Rent Paid	1.98	1.92
		Short-term employee benefits	27.92	30.30
		Post retirement benefits	1.31	1.31
(iv)	Mr. Rakesh Singh	Short-term employee benefits	58.59	47.84
		Post retirement benefits	0.22	0.22
(v)	Mrs. Chandramani Devi Modi	Rent Paid	3.00	3.00
(vi)	Modicon Pvt. Ltd.	Sale of Goods	41.92	12.42
		Purchase of Goods	4.12	-
(vii)	Modison Copper Pvt. Ltd.	Purchase of Goods	2,224.49	907.13
		Sale of Goods	101.34	210.59
		Service Rendered	0.51	0.65
		Service Received	35.84	116.22
(viii)	Dishah Innovative Solutions Pvt. Ltd.	Sale of Goods	0.43	-
		Service Received	3.79	3.77
(ix)	Modison (Partnership Firm)	Royalty (Including GST/Service Tax Rs. 3.30 Lakhs (Previous Year Rs.2.55 Lakhs)	22.73	21.17
(x)	Modison Engineering Pvt. Ltd.	Sale of Goods	0.38	0.28
(xi)	Mr. Omprakash Modi	Service Received	5.00	-

(Rupees in Lakhs)

c) Balances at end of the year with related parties.

S.No.	Related parties	Nature of Transactions during the year	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i)	Mr. G.L. Modi	Short-term employee benefits payable	15.03	13.90	8.54
		Post retirement benefits payable	39.82	36.29	33.09
(ii)	Mr. Rajkumar Modi	Short-term employee benefits payable	9.02	8.62	6.21
		Post retirement benefits payable	39.72	37.38	27.26
(iii)	Mr. Kumar Jay Modi	Short-term employee benefits payable	5.80	3.46	3.63
		Post retirement benefits payable	10.96	9.87	8.77
(iv)	Mr. Rakesh Singh	Short-term employee benefits payable	2.81	2.49	2.12
(v)	Dishah Innovative Solutions Pvt. Ltd.	Trade Payable	-	-	0.82
(vi)	Mr. Omprakash Modi	Service Receivable	4.50	-	-

47 Employee Benefits

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Providend Fund. The expenses recognised for the year are as under :

Particulars	2017-18	2016-17
	Rs.	Rs.
Employer's Contribution to Providend Fund	33.75	32.63

(ii) Defined Benefit Plan

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(b) Leave encashment:

The Company has a policy on leave eancashment which is applicable to all. The expected cost of accumulating leave eancashment is determined based on the policy taken by the company from LIC which provides information on the obligation of the Company.

The plans of the Company exposes to acturial risks such as Investement Risk, Interest rate risk,salary risk and longitivity risk. These risks may impact the obligation of the Company.

(c) Major category of plan assets

The Company has taken plans from Life Insurance Corporation of India

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company’s financial statements as at 31 March 2018 and 31 March 2017.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	**Changes in present value of obligations**				
(a)	Present value of obligations as at the beginning of year	20.54	147.21	16.33	124.70
(b)	Interest cost	1.64	11.78	1.31	9.98
(c)	Current Service Cost	1.19	10.54	1.09	0.10
(d)	Benefits Paid	(0.52)	(4.50)	(0.32)	(7.62)
(e)	Actuarial gain on obligations	(0.98)	4.16	2.14	20.05
(f)	Present value of obligations as at the end of year	21.87	169.18	20.54	147.21

(Rupees in Lakhs)

II	**Changes in the fair value of plan assets**				
(a)	Fair value of plan assets at the beginning of year	17.22	128.77	13.75	116.35
(b)	Expected return on plan assets	1.52	11.31	1.31	10.23
(c)	Contributions	3.19	15.34	2.49	9.81
(d)	Benefits paid	(0.52)	(4.50)	(0.32)	(7.62)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	21.42	150.93	17.22	128.77
III	**Change in the present value of the defined benefit obligation and fair value of plan assets**				
(a)	Present value of obligations as at the end of the year	21.87	169.18	20.54	147.21
(b)	Fair value of plan assets as at the end of the year	21.42	150.93	17.22	128.77
(c)	Net (liability) / asset recognized in balance sheet	(0.46)	(18.25)	(3.32)	(18.44)

(e) Amount for the year ended 31 March, 2018 and 31 March, 2017 recognised in the statement of profit and loss under employee benefit expenses.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	**Expenses Recognised in statement of Profit & Loss**				
(a)	Current Service cost	1.19	10.54	1.09	0.10
(b)	Interest Cost	1.64	11.78	1.31	9.98
(c)	Expected return on plan assets	(1.52)	(11.31)	(1.31)	(10.23)
(d)	Net Actuarial gain recognised in the year	(0.98)	4.16	2.14	20.05
(e)	Expenses recognised in statement of Profit & Loss Account	0.34	15.16	3.22	19.89

(f) Amount for the year ended December 31, 2017 and December 31, 2016 recognised in the statement of other comprehensive income.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	**Actuarial Gain/Loss recognized**				
(a)	Actuarial gain for the year -Obligation	0.98	(4.16)	(2.14)	(20.05)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	(0.98)	4.16	2.14	20.05
(d)	Total actuarial (gain)/ loss included in other comprehensive income	(0.98)	4.16	2.14	20.05

48 Derivatives

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Amount Receivables	EURO	12,52,927	1,000.09	8,27,627	567.50	8,94,667	663.31
	GBP	-	-	-	-	297	0.28
	USD	96,179	62.05	1,72,860	111.43	3,92,587	258.24

(Rupees in Lakhs)

(b) Amount Payable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Amount Payable	EURO	2,18,934	177.91	10,819	7.55	1,52,165	114.85
	GBP	-	-	-	-	3,586	3.43
	USD	1,23,688	80.58	1,52,897	99.54	1,18,939	79.02
	CHF	1,636	1.13	66	0.04	-	-
Loan Liability	USD	-	-	-	-	2,60,745	173.24
	EURO	-	-	-	-	2,67,945	202.24
Interest accrued but not due	USD	-	-	-	-	1,298	0.86
	EURO	-	-	-	-	513	0.39

49 RESEARCH AND DEVELOPMENT EXPENDITURE

S.No.	Particulars	2017-18 (Rs.)	2016-17 (Rs.)
(i)	Capital Expenditure included in Fixed Assets	8.55	41.43
(ii)	Contribution to Scientific Research Association	4.60	21.15
(iii)	Revenue Expenditure included in Employee Benefit	35.13	33.84
(iv)	Revenue Expenditure included in Other Expenses & depreciation on R&D Capital assets	13.47	32.40

50 During the previous year, the details of Specified Bank Notes held and transacted during the demonetization period (8th November, 2016 to 30th December, 2016) as provided in the table below:

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	36.14	1.37	37.50
(+) Permitted receipts	-	7.79	7.79
(-) Permitted payments	-	6.25	6.25
(-) Amount deposited in Banks	36.14	1.25	37.39
Closing cash in hand as on 30.12.2016	-	1.65	1.65

51 SEGMENT REPORTING

The Company's business activity falls within a single Primary segment viz. : "Manufacturing of Electrical Contacts". Since the sales outside India is more than 10% of the total sales, geographical segment is reported as the secondary segment.

Particulars	2017-18		2016-17	
	With India	Outside India	With India	Outside India
Segment Revenue	17,375.89	3,293.09	18,160.30	2,690.27
Segment Assets	14,932.63	1,285.49	14,522.27	678.93
Addition Fixed Assets	617.37	-	606.14	-

52 LEASES:

The company's major leasing arrangements are in respect of staff quarters and office premises taken on Leave and License basis. The aggregate lease rentals of Rs 10.77 Lakhs (Previous Year: 12.54 Lakhs) are charged as Rent and shown under the Note No. 41 "Other Expenses". These leasing arrangements, which are cancelable, range between eleven months and three years generally or longer and are usually renewable by mutual consent at mutually agreed terms and conditions.

The Company's major leasing arrangements are in respect of investment properties given on leave and licence basis. These leasing arrangements, which are cancellable, is for the period of 2 years and are usually renewable by mutual consent at mutually agreed terms and conditions. The aggregate rentals of Rs. 13.24 Lakhs (March 2017: Nil) collected as Licence Fees and shown under Note No. 33 "Other Income".

(Rupees in Lakhs)

53 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Explanation 1 - 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.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment, Capital work-in-progress and Intangible Assets

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. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, Capital work-in-progress and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistant with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

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

Effects of Ind AS adoption on Balance Sheet at 31st March, 2017 and 1st April, 2016:

Particulars		Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Non - Current Assets								
(a)	Property, Plant and Equipment		5,778.09	-	5,778.09	6,049.05	-	6,049.05
(b)	Capital work - in - progress		77.66	-	77.66	121.72	-	121.72
(c)	Investment Property	1	-	227.10	227.10	-	-	-
(d)	Other Intangible Assets		12.45	-	12.45	26.83	-	26.83
(e)	development		7.71	-	7.71	-	-	-
(f)	Financial assets		-			-		
	(i) Non Current Investments	1	242.02	(227.10)	14.92	14.92	-	14.92
	(ii) Other financial assets		80.36	-	80.36	81.52	-	81.52
(g)	Other tax assets (Net)		183.28	-	183.28	181.53	-	181.53
(h)	Other non - current assets		369.24	-	369.24	538.28	-	538.28
Current Assets			-			-		
(a)	Inventories		4,168.48	-	4,168.48	3,995.81	-	3,995.81
(b)	Financial assets		-			-		
	(i) Trade receivables	2	3,933.71	(6.16)	3,927.55	2,882.18	-	2,882.18
	(ii) Cash and cash equivalents		19.99	-	19.99	9.09	-	9.09
	(iii) Bank balances other than (ii) above		138.75	-	138.75	178.00	-	178.00
	(iv) Other financial assets	3	61.72	(34.71)	27.01	29.81	(3.46)	26.35
(c)	Other tax assets (Net)		-	-	-	50.66	-	50.66
(d)	Other current assets	3	133.91	34.71	168.62	292.68	3.46	296.15
Total Assets			**15,207.36**	**(6.16)**	**15,201.20**	**14,452.08**	**-**	**14,452.08**

(Rupees in Lakhs)

Equity								
Equity Share Capital			324.50	-	324.50	324.50	-	324.50
Other equity		Refer Note below	11,126.21	(4.03)	11,122.18	10,108.97	-	10,108.97
Liabilities								
Non Current Liabilities								
(a)	Financial Liabilities							
	(i) Borrowings		-	-	-	4.06	-	4.06
(b)	Provisions		87.01	-	87.01	72.00	-	72.00
(c)	Deferred tax liabilities (Net)	4	815.64	(2.13)	813.51	833.56	-	833.56
Current Liabilities			-					
(a)	Financial Liabilities		-					
	(i) Borrowings		1,820.05	-	1,820.05	2,066.05	-	2,066.05
	(ii) Trade payables		376.43	-	376.43	460.82	-	460.82
	(iii) Other financial liabilities		37.32	-	37.32	61.39	-	61.39
(b)	Other current liabilities		538.14	-	538.14	363.48	-	363.48
(c)	Provisions		49.09	-	49.09	35.74	-	35.74
(d)	Current tax Liabilities (Net)		32.97	-	32.97	121.50	-	121.50
Total Equity and Liabilities			**15,207.36**	**(6.16)**	**15,201.20**	**14,452.08**	**-**	**14,452.08**

Statement of Reconciliation of Equity (Shareholders' funds) as at 31st March,2017 and 1st April,2016:

Particulars	**Note No.**	**As at 31st March, 2017**	**As at 1st April, 2016**
Total Equity (Shareholders' Fund) as per IGAAP		**11,450.71**	**10,433.48**
Adjustments on transition to Ind AS:			
Provision for expected credit losses on trade receivables	2	(6.16)	-
Tax effects of adjustments	4	2.13	-
Total adjustments		**(4.03)**	**-**
Total Equity (Shareholders' Fund) as per IND AS		**11,446.68**	**10,433.48**

Effects of Ind AS adoption on Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	**Note No.**	**Year ended 31st March, 2017 (End of last period presented as per IGAAP)**		
		As per IGAAP	**Adjustments on transition to Ind**	**AS As per Ind AS**
Revenue from operations	5	19,071.20	1,718.72	20,789.92
Other income		60.66	-	60.66
Total Revenue		**19,131.85**	**1,718.72**	**20,850.57**
Cost of Materials Consumed		12,773.34	-	12,773.34
Purchases of Stock-in-trade		84.50	-	84.50
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(186.17)	-	(186.17)
Excise Duty on sales of goods	5	-	1,718.72	1,718.72
Employee benefit expenses	6	1,185.41	(22.19)	1,163.22
Finance Costs		269.40	-	269.40
Depreciation & amortization expenses		639.76	-	639.76
Other Expenses	2	2,124.17	6.16	2,130.33
Total Expenses		**16,890.40**	**1,702.69**	**18,593.09**

(Rupees in Lakhs)

Profit before exceptional items & tax		**2,241.46**	**16.03**	**2,257.48**
Exceptional Items		(49.55)	-	(49.55)
Profit before tax		**2,191.91**	**16.03**	**2,207.93**
Less: Income Tax expenses				
-Current Tax		802.03	-	802.03
-Deferred Tax	4	(17.92)	(2.13)	(20.05)
Profit for the period		**1,407.79**	**18.16**	**1,425.95**
Other comprehensive income	6	-	(22.19)	(22.19)
Total comprehensive income		**1,407.79**	**(4.03)**	**1,403.76**

Statement of Reconciliation of total comprehensive income for the year ended 31st March,2017

Particulars	**Note No.**	**As at 31st March, 2017**
Net Profit after Tax previously presented under IGAAP		1,407.79
Adjustments on transition to Ind AS		18.16
Net Profit after Tax before OCI as per IND AS		1,425.95
Reclassification of remeasurement of employee benefits	6	(22.19)
Tax effects of adjustments		-
Total adjustments		(22.19)
Total Equity (Shareholders' Fund) as per IND AS		1,403.76

Effects of Ind AS adoption on Cash Flow statement for the year ended 31st March, 2017

Particulars	**Note No.**	**Year ended 31st March, 2017 (End of last period presented as per IGAAP)**		
		As per IGAAP	**Adjustments on transition to IndAS**	**AS As per Ind AS**
Cash flow from operations		1,246.91	-	1,246.91
Cash flow from Investing Activities		(343.45)	-	(343.45)
Cash flow from Financing Activities		(892.56)	-	(892.56)
Net Increase/(decrease) in cash and cash equivalents		**10.90**	**-**	**10.90**
Cash and cash equivalents at the beginning of the year		9.09	-	9.09
Cash and cash equivalents at the end of the year		19.99	-	19.99

Note No.:

1 **Property, Plant and Equipment and Investment Property**

Under the previous GAAP, Investment Property was grouped under Non- current Investment. Under Ind AS, the same is treated as Investment property under Ind AS 41 at carrying cost under previous GAAP. There is no impact on the total equity and profit.

2 **Trade Receivable**

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by Rs.6.16 Lakhs as at 31 March 2017 (1 April 2016 Rs. Nil). Consequently, the total equity as at 31 March 2017 decreased by Rs. 4.03 Lakhs (1 April 2016 Rs. Nil) and profit for the year ended 31 March 2017 decreased by Rs. 6.16 Lakhs.

3 **Deposits with Government Authorities**

Under the previous GAAP, security deposit placed with Government authorities were grouped as short term loans & advances. Under Ind AS, the security deposit placed with the government authorities is in accordance with the taxation regulations. There is no contractual agreement for placing such a deposit, it is not a financial instrument. Hence the security deposit is not a financial asset under IND AS 32 (Financial Instrumnets). This change the amount of deposits regroup with other current assets of Rs. 34.70 Lakhs as at 31 March 2017 (1 April 2016 Rs. 3.46 Lakhs). There is no impact on the total equity and profit.

(Rupees in Lakhs)

4 **Deferred Tax**
Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective tax base. The impact is on account of deferred tax on timing difference on Expected Credit Loss.

5 **Revenue from operations**
Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by Rs. 1,718.72. There is no impact on the total equity and profit.

6 **Remeasurements of post-employment benefit obligations**
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 increased by Rs. 22.19 Lakhs (1 April 2016 Rs. 2.81 Lakhs). There is no impact on the total equity as at 31 March 2017 (1 April 2016).

54 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

JAYESH PARMAR **PARTNER** **MEMBERSHIP NO. 45375**	**G.L. MODI** **DIRECTOR** **DIN: 00027373**	**SURESH MODY** **DIRECTOR** **DIN: 00027432**
PLACE : MUMBAI **DATED : 23rd May, 2018**	**RAMESH KOTHARI** **CHIEF FINANCIAL OFFICER**	**DEEPASHREE DADKAR** **COMPANY SECRETARY**

Independent Auditor's Report

To,
The Members of **MODISON METALS LIMITED**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of **MODISON METALS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary Company (the Holding Company and its subsidiary together referred to as "the Group"),comprising of the Consolidated Balance Sheet as at March 31, 2018 and the Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Cash Flow Statement and the Consolidated statement for changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, 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, read with relevant rules issued thereunder.

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 of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind As financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditor in terms of their report referred to in note no. 1 of 'Other matters' below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate financial statements and on the other financial information of a subsidiary referred to in the note no. 1 of 'Other Matters' below, the aforesaid the Consolidated Ind AS 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 the Ind AS, of the Consolidated financial position of the Group as at March 31, 2018, and its Consolidated financial performance including other comprehensive income, its Consolidated cash flow and Consolidated Statement of changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note No. 12.2 of the Consolidate Ind As Financial Statement which state that as per the policy of inventory valuation of the company, the silver booked has been valued at the rate at which the same is booked by the customer which is not in consonance with the IND AS 2, on "Inventory Valuation". However, the impact on the profit is not material. Our opinion is not qualified in respect of this matter.

Other Matters

1. We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs.25.34 Lakhs as at 31st March 2018, total revenue of Rs Nil and net cash flow amounting to Rs.1.97 lakhs for the year ended on that date, as considered in the consolidated IND AS financial statements. This financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated IND AS financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated IND AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

2. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Consolidated Ind AS

financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006. For the year ended March 31, 2017 and March 31, 2016 on which the predecessor auditor expressed an unmodified opinion vide audit report dated May 17, 2017 and May 26, 2016 respectively on those Consolidated Ind As financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other Auditor on separate financial statements of a subsidiary as noted in the note no. 1 of “Other Matters” paragraph we report, to the extent applicable 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 of the aforesaid Consolidated Ind As financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind As financial statements have been kept by the Company so far as appears from our examination of those books and reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income),and the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind As financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company, as on March 31, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of subsidiary company, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and it’s subsidiary company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of a subsidiary ,as noted in the Note no.1 of "Other Matters” paragraph :

    i. The Consolidated Ind AS financial statements disclosed the impact of pending litigations on the Consolidated financial position of the Group - Refer Note No. 31(a) to the Consolidated Ind As Financial Statements

    ii. The Group did not have any material foreseeable losses on long-Term contracts including derivatives contracts.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund the by holding Company and there were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Subsidiary Company.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration Number: 104746W/W100096

Jayesh Parmar
Partner
Membership No:45375

Place: Mumbai
Date: May 23,2018

ANNEXURE A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind As financial statements of **MODISON METALS LIMITED** ("hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2018, we have audited the internal financial control over financial reporting of the Holding company and its subsidiary company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in term of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company & its subsidiary Company, which are incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal Financial controls over financial reporting insofar as it relates to one subsidiary company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm registration No: 104746W/W100096

Jayesh Parmar
Partner
Membership No: 45375
Place: Mumbai
Date: May 23, 2018

MODISON METALS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(Rupees in Lakhs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
(1) Non - current assets				
(a) Property, Plant and Equipment	3	5,743.03	5,778.09	6,049.05
(b) Capital work - in - progress	4	75.10	77.66	121.72
(c) Investment Property	5	216.04	227.10	-
(d) Other Intangible Assets	6	12.67	12.45	26.83
(e) Intangible Assets under development	7	7.71	7.71	-
(f) Goodwill on Consolidation		0.20	0.20	0.20
(g) Financial assets				
(i) Investments	8	18.35	-	-
(ii) Other financial assets	9	82.88	80.36	81.52
(h) Other tax assets (Net)	10	67.76	183.28	181.53
(i) Other non - current assets	11	578.62	369.24	538.28
Total Non Current Assets		**6,802.36**	**6,736.09**	**6,999.13**
(2) Current Assets				
(a) Inventories	12	4,705.14	4,168.48	3,995.81
(b) Financial assets				
(i) Trade receivables	13	4,189.15	3,927.55	2,882.18
(ii) Cash and cash equivalents	14	70.66	21.61	29.99
(iii) Bank balances other than (ii) above	15	151.93	157.75	178.00
(iv) Other financial assets	16	38.34	28.10	26.34
(c) Other tax assets (Net)	17	-	0.34	51.00
(d) Other current assets	18	267.78	168.61	296.16
Total Current Assets		**9,423.00**	**8,472.44**	**7,459.48**
Total Assets		**16,225.36**	**15,208.53**	**14,458.61**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	19	324.50	324.50	324.50
(b) Other Equity	20	12,368.96	11,122.47	10,108.83
Equity Attributable to Shareholders of the Company		12,693.46	11,446.97	10,433.33
Non - Controlling Interest		9.98	10.02	9.71
Total Equity		**12,703.44**	**11,456.99**	**10,443.04**
LIABILITIES				
(1) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	80.83	-	4.06
(ii) Other financial liabilities	22	8.89	-	-
(b) Provisions	23	94.22	87.02	72.00
(c) Deferred tax liabilities (Net)	24	671.34	810.07	830.16
Total Non Current Liabilities		**855.28**	**897.09**	**906.22**
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	1,214.56	1,820.05	2,066.05
(ii) Trade payables	26	599.77	376.57	460.95
(iii) Other financial liabilities	27	67.92	37.33	61.39
(b) Other current liabilities	28	582.49	538.14	363.48
(c) Provisions	29	47.40	49.33	35.97
(d) Current tax liabilities (Net)	30	154.50	33.03	121.50
Total Current Liabilities		**2,666.64**	**2,854.45**	**3,109.34**
Total Liabilities		**3,521.92**	**3,751.54**	**4,015.56**
Total Equity & Liabilities		**16,225.36**	**15,208.53**	**14,458.60**
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
MANAGING DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

(Rupees in Lakhs)

CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the year ended 31 March 2018		For the year ended 31 March 2017
Revenue from operation	32	20,518.64		20,789.91
Other income	33	150.89		61.86
Total Income		**20,669.53**		**20,851.77**
Expenses:				
Cost of material consumed	34	14,296.53		12,773.35
Purchases of Stock - in - Trade	35	0.10		84.50
Changes in inventories of Finished goods, work - in -progress and Stock - in - trade	36	(412.59)		(186.17)
Excise Duty on Sales	37	401.60		1,718.72
Employee benefit expenses	38	1,282.29		1,163.22
Finance Cost	39	185.44		269.39
Depreciation & amortization expenses	40	628.16		639.76
Other Expenses	41	2,242.51		2,130.61
Total Expenses		**18,624.04**		**18,593.38**
Profit before exceptional items & tax		2,045.49		2,258.39
Exceptional Items Income/(Expense)	42	305.46		(49.55)
Profit before tax		**2,350.95**		**2,208.84**
Less: Tax expenses				
(1) Current tax				
of Current years		846.16	-	790.18
of Earlier years		3.35	-	12.03
(2) Deferred tax		(138.73)	-	(20.08)
Total Income Tax Expense		**710.78**		**782.13**
Profit after tax		**1,640.17**		**1,426.71**
Other Comprehensive Income				
A. (i) Items that will be reclassified to profit or loss		-		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-		-
B. (i) Items that will not be reclassified to profit or loss		(3.18)	-	(22.19)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-		-
Total Other Comprehensive Income for the year		**(3.18)**		**(22.19)**
Total Comprehensive Income for the year		**1,636.99**		**1,404.52**
Profit for the year Attributable to:				
Shareholders of the Company		1,640.23		1,426.40
Non-controling Interest		(0.06)		0.31
Total Comprehensive Income for the year Attributable to:				
Shareholders of the Company		1,637.05		1,404.21
Non-controling Interest		(0.06)		0.31
		-		
Earning per equity share (Face Value of Rs. 1/- each)	43			
(1) Basic		5.05		4.40
(2) Diluted		5.05		4.40
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
MANAGING DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

(Rupees in Lakhs)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2018
a. Equity

Particulars	No of Shares	Amount
Balance at at 1st April, 2016	**3,24,50,000**	**324.50**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2017	**3,24,50,000**	**324.50**
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2018	**3,24,50,000**	**324.50**

b. Other Equity

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total Other Equity
	Capital Reserve	General Reserve	Retained Earning	Remeasurement of net defined benefit plans	Revaluation Reserve	
Balance as at April 1, 2016	**190.88**	**1,114.72**	**8,769.76**	**(2.81)**	**36.28**	**10,108.83**
Profit for the year	-	-	1,426.40	-	-	1,426.40
Disposal of revalued assets	-	-	0.04	-	(0.04)	-
Remeaurements of Defined Benefit Plan	-	-	-	(22.19)	-	(22.19)
Interim Dividend paid	-	-	(324.50)	-	-	(324.50)
Dividend Distribution tax paid	-	-	(66.06)	-	-	(66.06)
Balance as at March 31, 2017	**190.88**	**1,114.72**	**9,805.63**	**(25.00)**	**36.24**	**11,122.47**
Profit for the year	-	-	1,640.23	-	-	1,640.23
Disposal of revalued assets	-	-	0.24	-	(0.24)	-
Remeaurements of Defined Benefit Plan	-	-	-	(3.18)	-	(3.18)
Interim Dividend paid	-	-	(324.50)	-	-	(324.50)
Dividend Distribution tax paid	-	-	(66.06)	-	-	(66.06)
Balance as at March 31, 2018	**190.88**	**1,114.72**	**11,055.54**	**(28.18)**	**36.00**	**12,368.96**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached
FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
MANAGING DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd May, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

(Rupees in lakhs)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

			2017-18		2016-17
			RUPEES		RUPEES
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax & Extraordinary Items		2,350.95		2,208.84
	Adjustment for:				
	Depreciation /Amortisation	628.16		639.76	
	Interest Income	(20.11)		(48.00)	
	Reclassification of remeasurement of employee benefits	(3.18)		(22.19)	
	Interest Expenses	142.64		243.26	
	Net gain on financial assets measured at FVTPL	(0.35)			
	Bad debts	-		1.77	
	Allowance for Bad Debts	-		12.10	
	(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	12.93		(1.17)	
	Excess Provision written back (Net)	(5.16)		-	
	Sundry balance written back (Net)	0.39		(2.16)	
	Exchange Rate Fluctuation (Net)	(22.28)		18.74	
			733.04		842.12
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		3,083.99		3,050.96
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES :				
	Other non - current assets	6.05		1.24	
	Inventories	(536.66)		(172.67)	
	Trade Receivable	(239.37)		(1,081.09)	
	Other Bank Balances	5.82		20.25	
	Other Non Current financial assets	(2.53)		1.16	
	Other financial assets	(7.51)		(2.01)	
	Other current assets	(99.71)		125.25	
	Other non current financial liabilities	8.89		-	
	Trade payables	222.74		(80.67)	
	Other current financial liabilities	1.31		-	
	Other current liabilities	44.46		178.48	
	Provisions	5.27		28.38	
			(591.25)		(981.69)
	Cash Generated from Operations		2,492.75		2,069.27
	Direct Taxes paid		(612.18)		(841.77)
	NET CASH FROM OPERATING ACTIVITIES		1,880.57		1,227.50
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property Plant and Equipment including Capital Work in Progress	(822.57)		(362.22)	
	Purchases of investments property	-		(55.14)	
	Sale of Property Plant and Equipment	22.17		25.80	
	Payment for purchase of investments	(18.00)			
	Interest Received	17.38		48.25	
			(801.02)		(343.32)
	NET CASH USED IN INVESTING ACTIVITY		(801.02)		(343.32)
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net (Decrease)/ Increase in Borrowings	(490.66)		(260.09)	
	Interest Paid	(147.22)		(241.92)	
	Dividend Paid (Inclusive of Dividend Distribution Tax)	(392.66)		(390.55)	
			(1,030.54)		(892.56)
	NET CASH USED IN FINANCING ACTIVITY		(1,030.54)		(892.56)
	NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)		**49.05**		**(8.38)**
	OPENING BALANCE OF CASH & CASH EQUIVALENTS		21.61		29.99
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS		70.66		21.61
			49.05		**(8.38)**

Notes

Closing Balance of Cash & Cash Equivalents

		2017-18	2016-17
1	Cash and Cash Equivalents Includes: (Refer Note No 14)		
	CASH IN HAND	3.50	1.76
	BALANCE WITH SCHEDULED BANKS		
	- In Current Account	67.16	19.85
		70.66	**21.61**

2 Interest received excludes interest received for overdue payments from customers of Rs.15.68 Lakhs (Previous Year Rs.5.40 Lakhs), which has been considered from operational activities of the company.

3 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF BOARD OF DIRECTORS

JAYESH PARMAR
PARTNER
MEMBERSHIP NO. 45375

G.L. MODI
MANAGING DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 23rd MAY, 2018

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

MODISON METALS LIMITED

NOTES TO THE FINANCIAL STATMENTS
for the year ended March 31, 2018

1 **CORPORATE INFORMATION**

Modison Metals Limited (herein referred to as "MML" or " the Company") is public limited company incorporated and domiciled in India. The address of its registered office is 33, Nariman Bhavan, 227, Nariman Point, Mumbai-400021, Maharashtra, India. The Company is listed on the Bombay Stock Exchange (BSE). The Company is a leading manufacturer of Electrical contacts in all the three segments, LV, MV & HV. The Consolidated financial statements are presented in Indian Rupee (₹).
The Consolidated financial statements comprises of Modison Metals Limited and its subsidiary Modiso (collectively referred as "the Group")

2 **SIGNIFICANT ACCOUNTING POLICIES**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to IND AS is 1st April, 2016. Refer note 53 related to First-time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company’s first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018 and two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented.

The financial statements were authorized for issue by the Company's Board of Directors on 23rd May, 2018.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

(b) Defined benefit plans where plan assets are measured at fair value.

iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

(C) 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) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) those measured at amortised cost.

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

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive incomeand there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(c) Fair Value Hedge

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised in statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs(in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Segment Report

(i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisaiton and mangagement structure. The operating segement are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

(ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(F) Inventories Valuation

(i) Consumable tools, raw material, packing material, work in progress, finished goods and stores & spares have been valued at lower of cost and net realisable value.

(ii) Cost of raw material has been ascertained on weighted average cost basis. Cost of finished goods and work-in-progress comprises, raw materials, direct labour, other direct costs and related production overheads.

(iii) Cost of other inventories has been ascertained on First-In-First-Out method (FIFO).

(iv) Silver booked by customers for their process work has been valued at the rates at which the same is booked by them. Scrap is valued at Net Realizable Value.

(G) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(H) Income tax, deferred tax and dividend distribution tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

(I) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

(i) Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(iii) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for it intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

(iv) Depreciation methods, estimated useful lives and residual value:

(a) Fixed assets are stated at cost less accumulated depreciation.

(b Depreciation in respect of tangible assets i.e. Factory Building for SF6, Electric Installation for SF6 project, Factory Buildings at Plot No. 85-B and Plot Nos. 85/D & E has been provided on straight line method (SLM) and in respect of all other tangible assets on written down method (WDV) as per the useful life prescribed in Schedule II to the Companies Act,2013. Depreciation in respect of the following tangible assets, whose life of the assets has been assessed by the management as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. is charged as under:

Assets	
Plant & Machinery AG	13.91% on WDV Basis
Plant & Machinery SF6	4.75% on SLM Basis
R&D Plant & Machinery	4.75% on SLM Basis

(c) Certain assets had been revalued by the Company in the year 1993 - 1994, these assets are appearing at revalued amounts less accumulated depreciation. All other assets are appearing at historical cost less accumulated depreciation.

(d) No amortisation is provided in accounts in respect of Leasehold Land

(e) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.

(f) The residual values are not more than 5% of the original cost of the asset.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Investment Property

Property that is held for rental or Capital appreciation and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property,Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(K) Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(ii) Cost of technical know-how is amortised over a period of 10 years.

(iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(L) Leases

(i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

(1) Sales

(i) The Company recognizes revenue from sale of goods when:

(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.

(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

(c) The amount of revenue can be reliably measured.

(d) It is probable that future economic benefits associated with the transaction will flow to the Company.

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) The Company recognizes revenue from sale of services when:

(a) The amount of revenue can be measured reliably.

(b) It is probable that future economic benefits associated with the transaction will flow to the Company.

(c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.

(d) The cost incurred for transaction and the cost to complect the transaction can be measured reliably.

(2) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(N) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit gratuity plan:

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Life Insurance Corporation of India (LIC) . The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss. In case of non member of the gratuity fund, the same is provided as per the approval of central Government and/or as per payment of the Gratuity Act, 1972.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined benefit provident fund plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

(O) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(P) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(Q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing 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.

(R) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(S) Provisions, contingent liabilities and contingent assets

(i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(T) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for mutual fund which is fair value through Statement of Profit and Loss.

Investment in subsidiaries which are of equity in nature carried at cost in the separate financial statements.

(U) Trade receivables

Trade receivables are recognisedinitially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(V) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(W) Operating Cycle

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

(X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

(Rupees In Lakhs)

NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Leasehold Land	94.46	-	-	94.46	-	-	-	-	-	94.46
Buildings	976.52	24.07	-	1,000.59	55.08	54.17	-	-	109.25	891.34
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	434.98	18.48	-	453.46	21.16	21.21	-	-	42.37	411.09
Plant & Machinery	2,583.02	291.02	29.91	2,844.13	337.44	322.55	-	6.33	653.66	2,190.47
Plant & Machinery (SF6)	2,165.07	89.87	4.18	2,250.76	166.80	163.90	-	1.44	329.26	1,921.50
Furniture & Fixtures	31.95	1.65	-	33.60	6.91	6.03	-	-	12.94	20.66
Vehicles	79.44	173.24	14.22	238.46	24.22	28.56	-	5.48	47.31	191.15
Office Equipments	36.80	9.81	0.10	46.51	12.55	11.66	-	0.06	24.15	22.36
Total Property, Plant and Equipment	**6,402.26**	**608.14**	**48.41**	**6,961.98**	**624.16**	**608.09**	**-**	**13.30**	**1,218.95**	**5,743.03**

NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 3.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Leasehold Land	94.46	-	-	94.46	-	-	-	-	-	94.46
Buildings	958.58	17.94	-	976.52	-	55.08	-	-	55.08	921.44
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	434.98	-	-	434.98	-	21.16	-	-	21.16	413.82
Plant & Machinery	2,343.24	240.24	0.45	2,583.02	-	337.46	-	0.02	337.44	2,245.58
Plant & Machinery (SF6)	2,099.13	90.39	24.44	2,165.07	-	167.08	-	0.28	166.80	1,998.27
Furniture & Fixtures	25.00	6.95	-	31.95	-	6.91	-	-	6.91	25.04
Vehicles	71.24	8.20	-	79.44	-	24.22	-	-	24.22	55.22
Office Equipments	22.42	14.41	0.02	36.80	-	12.55	-	-	12.55	24.26
Total Property, Plant and Equipment	**6,049.05**	**378.12**	**24.92**	**6,402.26**	**-**	**624.46**	**-**	**0.29**	**624.16**	**5,778.09**

Note No. 3.1: Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

	Gross carrying as at 01April 2016	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
Leasehold Land	94.46	-	-	94.46
Buildings	1,335.66	-	377.07	958.58
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	674.42	-	239.44	434.98
Plant & Machinery	5,392.23	-	3,048.99	2,343.24
Plant & Machinery (SF6)	3,692.71	-	1,593.58	2,099.13
Furniture & Fixtures	120.47	-	95.47	25.00
Vehicles	261.70	-	190.46	71.24
Office Equipments	142.49	-	120.07	22.42
Total	**11,714.14**	**-**	**5,665.08**	**6,049.05**

(Rupees In Lakhs)

NOTE NO 4
CAPITAL WORK-IN-PROGRESS

PARTICULARS	AS AT 01.04.2017	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Capital Work- in- Progress (Refer Note No 4.1)	**77.66**	**-**	**2.56**	**75.10**
Previous Year	121.72	-	44.06	77.66

Note No 4.1: Capital work-in-progress mainly comprises for Building & Plant & Machinery.

NOTE NO 5
INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Residential Flats	227.10	-	-	227.10	-	11.06	-	-	11.06	216.04
Total Investment Property	**227.10**	**-**	**-**	**227.10**	**-**	**11.06**	**-**	**-**	**11.06**	**216.04**

INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Residential Flats	-	227.10	-	227.10	-	-	-	-	-	227.10
Total Investment Property	**-**	**227.10**	**-**	**227.10**	**-**	**-**	**-**	**-**	**-**	**227.10**

Amount recognised in profit or loss for Investment Properties

Particulars	March 31st, 2018	March 31st, 2017
Rental Income	13.24	-
Direct expenses related to property	8.08	1.10
There are no restictions on the realisability of investment property.		
The company is using same life for the same class of asset as applicable for property plant and equipment.		
Fair Value		
The Company has not taken third party independent valuation for the property.		
The estimated fair value is Approx. Rs. 365 lakhs based on the ready reckoner rates.		

(Rupees In Lakhs)

NOTE NO 6
OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2018
Computer Software	27.75	9.23	-	36.98	15.30	9.01	-	-	24.31	12.67
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	**27.75**	**9.23**	**-**	**36.98**	**15.30**	**9.01**	**-**	**-**	**24.31**	**12.67**

OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 6.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	AS AT 31.03.2017
Computer Software	26.83	0.92	-	27.75	-	15.30	-	-	15.30	12.45
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	**26.83**	**0.92**	**-**	**27.75**	**-**	**15.30**	**-**	**-**	**15.30**	**12.45**

Note No. 6.1: Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

	Gross carrying amount as at April 01, 2016	**Reclassified as Investment property**	**Accumulated Depreciation**	**Net carrying amount**
Computer Software	94.59	-	67.77	26.83
Technical Know How	8.09	-	8.09	-
Total	**102.68**	**-**	**75.85**	**26.83**

NOTE NO 7
INTANGIBLE ASSETS UNDER DEVELOPMENT

PARTICULARS	AS AT 01.04.2017	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Intangible assets under development (Note No 7.1)	**7.71**	**-**	**-**	**7.71**
Previous Year	-	7.71	-	7.71

Note No 7.1: Intangible assets under development is related to Website Development.

Notes:
(a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 1, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 1, 2016.

(b) The Company has availed the deemed cost exemption in relation to the property, plant and equipment, capital work-in-progress and intangibles on the date of transition and hence the net carrying amount has been considered as the gross block carrying amount on that date.

Note to Consolidated Balance Sheet

8 INVESTMENTS

Particulars		**As at March 31, 2018**		**As at March 31, 2017**		**April 1, 2016**
Unquoted						
Mutual Funds (At FVTPL)						
Aditya Birla Sun Life Corporate Bond Fund Growth Regular (Face Value: Rs. 10)	71,082.19	9.20	-	-	-	-
L&T Income Opportunities Fund- Growth (Face Value: Rs. 10)	45,986.88	9.15	-	-	-	-
Total Value of Unquoted Investments		**18.35**		**-**		**-**
Total of Non Current Investments		18.35		-	-	-
Less : Provision for Diminution in the value of Investment		-		-		
		18.35		**-**		**-**

9 OTHER FINANCIAL ASSETS

Particulars	**As at March 31, 2018**		**As at March 31, 2017**		**As at April 1, 2016**
Deposits	82.60	-	79.82	-	79.87
Loans and Advances to Employees	0.28	-	0.54	-	1.65
	82.88		**80.36**		**81.52**

10 OTHER TAX ASSETS (NET)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Advance Tax and Tax Deducted at Source (Net of Provision for Taxa	67.76	183.28	181.53
	67.76	**183.28**	**181.53**

11 OTHER NON CURRENT ASSETS

Particulars	**As at March 31, 2018**		**As at March 31, 2017**		**As at April 1, 2016**
Capital Advances	577.13	-	367.44	-	535.25
Advance recoverable in cash or kind or for value to be received	1.49	-	1.80	-	3.03
	578.62		**369.24**		**538.28**

12 INVENTORIES

Particulars	**As at March 31, 2018**		**As at March 31, 2017**		**As at April 1, 2016**
Raw Material (Refer Note No 12.1)	655.97	-	533.58	-	535.75
Work-in-progress (Refer Note No 12.2)	3,878.00	-	3,519.46	-	3,221.94
Finished Goods	90.18	-	44.26	-	102.91
Stores & Spares (Refer Note No 12.3)	9.82	-	7.70	-	18.23
Others	-	-	-	-	-
Packing Material	3.74	-	4.17	-	4.98
Scrap	67.43	-	59.30	-	112.00
	4,705.14		**4,168.48**		**3,995.81**

Note No 12.1: Raw Material inventory includes Goods-in transit Rs. Nil (31st March 2017 Rs. 126.11 Lakhs and 1st April 2016 Rs. 123.62 Lakhs)

Note No 12.2: As per the policy of inventory valuation of the group, the Silver booked by the customer has been valued at the rate at which the same is booked by customers which is not in consonance with IND AS 2, on "Inventories". However the impact on the profit is not material.

Note No 12.3: Stores & Spares includes Goods-in transit Rs. Nil (31st March 2017 Rs. Nil and 1st April 2016 Rs. 5.61 Lakhs)

13 TRADE RECEIVABLES

Particulars	**As at March 31, 2018**		**As at March 31, 2017**		**As at April 1, 2016**
(Unsecured, Considered Good, unless specified otherwise)					
Considered good	4,189.15	-	3,927.55	-	2,882.18
Considered Doubtful	9.83	-	35.30	-	23.20
Less : Allowance for Expected Credit Loss (Refer Note No 13.1)	(9.83)	-	(35.30)	-	(23.20)
	4,189.15		**3,927.55**		**2,882.18**

Note No 13.1: Movement in the allowance of doubtul receivables

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Balance at the beginning of the year	35.30	23.20	8.19
Less: Amounts written off during the year (net)	(25.47)	-	-
Changes in allowance for doubtful receivables	-	12.10	15.01
Balance at end of the year	**9.83**	**35.30**	**23.20**

The average credit period is around 60 days for Sales depending upon Terms of the Purchase Orders. Normally no interest is charged on trade receivables. The group is providing for expected credit loss based on past trends of receivable.

14 **CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Balance With Banks					
- In Current Account	67.16	-	19.85	-	26.96
Cash on Hand	3.50	-	1.76	-	3.03
	70.66		**21.61**		**29.99**

15 **BANK BALANCES**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Unpaid Dividend Account (Refer Note No 15.1)	3.58	-	5.69	-	5.68
Margin Money Account (Refer Note No 15.2)	148.35	-	133.06	-	172.32
Bank Fixed Deposits Account less than 12 Months for maturity	-	-	19.00	-	-
	151.93		157.75		178.00

Note No 15.1: The group can utilise balances only towards settlement of of the unpaid dividend.

Note No 15.2: Margin money deposits amounting to Rs. 71.76 Lakhs (31st March 2017 Rs. 83.06 Lakhs and 1st April 2016 Rs. 172.32 Lakhs) are lying with bank against Bank Guarantees, Buyers Credit and Letter of Credit & Rs. 76.59 Lakhs (31st March 2017 Rs. 50. Lakhs and 1st April 2016 Rs. Nil) is lying with Reliance Commodities Limited towards margin for forward commodity contract (Hedging).

16 **OTHER FINANCIAL ASSETS**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Security deposits	13.81	-	7.14	-	1.89
Advances to Staff	7.69	-	6.86	-	10.10
Interest Receivable	16.84	-	14.10	-	14.35
	-	-	-	-	-
	38.34		**28.10**		**26.34**

17 **OTHER TAX ASSETS (NET)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax and Tax Deducted at Source (Net of Provision for Taxa	-	0.34	51.00
	-	**0.34**	**51.00**

18 **OTHER CURRENT ASSETS**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Balance with Government Authorities	52.26	-	84.79	-	113.39
Advance to supplier	37.82	-	6.83	-	66.78
Advance recoverable in cash or kind or for value to be received	168.34	-	71.79	-	70.70
Duty Drawback Receivable	9.36	-	4.89	-	44.96
Other Receivable	-	-	0.32	-	0.32
	267.78		**168.61**		**296.16**

19 **EQUITY SHARE CAPITAL & OTHER EQUITY**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Authorized Share Capital					
100,000,000 Equity shares, Re. 1/- par value	1,000.00	-	1,000.00	-	324.50
(31st March 2017: 10,00,00,000 equity shares Re. 1/- each)					
(1st April 2016: 3,24,50,000 equity shares Re. 1/- each)	**1,000.00**		**1,000.00**		**324.50**
Issued, Subscribed and Fully Paid Up Shares					
3,24,50,000 Equity Shares, Re. 1/- par share	324.50	-	324.50	-	324.50
(31st March 2017: 3,24,50,000 equity shares Re. 1/- each)					
(1st April 2016: 3,24,50,000 equity shares Re. 1/- each)					
Total Issued, Subscribed and Fully Paid Up Share Capital	**324.50**		**324.50**		**324.50**

Note No 19.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31st March 2018 :

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Number of shares at the beginning	3,24,50,000	324.50	3,24,50,000	324.50	3,24,50,000	324.50
Add: Shares issued during the year	-	-	-	-	-	-
Less : Shares bought back	-	-	-	-	-	-
Number of shares at the end	**3,24,50,000**	**324.50**	**3,24,50,000**	**324.50**	**3,24,50,000**	**324.50**

Note No 19.2: Terms/rights attached to equity shares

(A) The group has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(Rupees in Lakhs)

Note No 19.3: The details of shareholders holding more than 5% shares in the group :

Name of the shareholders	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares held	% held as at March 31, 2018	No. of shares held	% held as at March 31, 2017	No. of shares held	% held as at April 1, 2016
Mr. G.L. Modi	-	0.00%	-	0.00%	71,58,370.00	22.06%
Mr. Rajkumar Modi	67,01,210.00	20.65%	67,01,210.00	20.65%	67,01,210.00	20.65%
Mr. Prakashchandra Modi	46,60,488.00	14.36%	46,60,488.00	14.36%	46,60,488.00	14.36%
Mr. Kumar Jay Modi	17,74,000.00	5.47%	17,74,000.00	5.47%	17,74,000.00	5.47%
G.L. Modi HUF	75,82,130.00	23.37%	75,82,130.00	23.37%	4,23,760.00	1.31%

Note No 19.4: The details of Interim Divided paid per share is as under- **(In Rupees)**

Year	Interim Dividend paid per share	Proposed Final Dividend per share
2017-18	1.00	0.50
2016-17	1.00	-
2015-16	1.00	-

20 OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
*** Reserve & Surplus**			
# Capital Reserve	190.88	190.88	190.88
## General Reserve	1,114.72	1,114.72	1,114.72
Retained Earnings	11,055.54	9,805.63	8,769.76
Other Comprehensive Income (OCI)			
-Remeasurement of net defined benefit plans	(28.18)	(25.00)	(2.81)
- Revaluation Reserve ###	36.00	36.24	36.28
	12,368.96	**11,122.47**	**10,108.83**

* For movement, refer statement of changes in equity.
# Capital reserve mainly represents amount on capital nature account.
General reserve relfects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.
Revaluation reserve represent revaluation done of certain property plant & equipment in earlier years.

21 BORROWINGS

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Secured Loan					
Term Loans					
From Bank					
Vehicle Loans (Refer Note No 21.1)	80.83	-	-	-	4.06
	80.83		**-**		**4.06**

Note No 21.1: Terms of Repayment, Nature of Securities in respect of Term Loans

Vehicle loan taken from ICICI Bank Limited carried interest @ range between 8.49% to 10.49% and is repayable in range between 36 to 37 monthly installment. The loan is secured by hypothecation of Vehicle.

22 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits	8.89	-	-
	8.89	**-**	**-**

23 PROVISIONS

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Provisions for Employee Benefits					
For Gratuity	94.22	-	87.02	-	72.00
	94.22		**87.02**		**72.00**

(Rupees in Lakhs)

24 **DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Deferred tax liabilities					
Difference between depreciation as per books and as per Income- tax	713.41	-	865.40	-	875.51
Fair Value through Profit & Loss	0.09	-	-	-	-
	713.50		865.40		875.51
Less: Deferred tax assets					
Expenses allowable on payment basis	35.87	-	39.73	-	33.99
Mat Credit Entitlement	3.43	-	3.38	-	3.34
Allowance for Bad & Doubtful Debts	2.86	-	12.22	-	8.03
	42.16		55.33		45.36
Deferred tax liabilities (Net)	671.34		810.07		830.15
	671.34		**810.07**		**830.15**

Note No 24.1:

Particulars	Net balance as at 1st April, 2017	Recognised in statement of profit and loss	Net balance as at 31st March, 2018
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	865.40	(151.99)	713.41
Expenses allowable under income tax on payment basis	(39.73)	3.86	(35.87)
Fair Value through Profit & Loss		0.09	0.09
Mat Credit Entitlement	(3.38)	(0.05)	(3.43)
Allowance for Expected Credit Loss	(12.22)	9.36	(2.86)
	810.07	**(138.73)**	**671.34**

Particulars	Net balance as at 1st April, 2016	Recognised in statement of profit and	Net balance as at 31st March, 2017
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	875.51	(10.11)	865.40
Mat Credit Entitlement	(3.34)	(0.04)	(3.38)
Expenses allowable under income tax on payment basis	(33.99)	(5.74)	(39.73)
Allowance for Expected Credit Loss	(8.03)	(4.19)	(12.22)
	830.15	**(20.08)**	**810.07**

Income tax

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current tax – including earlier years: Rs. 3.01 lakhs (31 March 2017: Rs. 12.03 lakhs)	849.51	802.21
Deferred Tax	(138.73)	(20.08)
	710.78	**782.13**

Reconciliation of tax expenses and accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before income tax expenses	2,350.95	2,208.84
Tax at the Indian tax rate @ 34.608 %	813.62	764.44
Add: Item giving rise to difference in tax		
Permanent difference of income as per books vs income as per income tax	7.70	3.16
Timing difference of depreciation on Property Plant & Equipment	28.25	14.09
Timing difference of Gratuity & Leave Eancashment	6.86	9.37
Allowance for doubtful debts	(8.81)	2.05
Others	(136.84)	(10.98)
	710.78	**782.13**

25 **BORROWINGS**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Secured Loan (Refer Note No 25.1)					
From Bank					
Working Capital Loan	1,214.56	-	320.05	-	1,889.84
Buyer's Credit	-	-	-	-	176.21
Unsecured Loan (Refer Note No 25.2)					
	-	-	-	-	-
From Bank	-	-	-	-	-
Working Capital Loan	-	-	1,500.00	-	-
	-	-	-	-	-
	1,214.56		**1,820.05**		**2,066.05**

Note No 25.1: Secured by Hypothecation of stocks & book debts and further secured by collateral security of all movable and immovable factory properties & Mumbai Office.

Note No 25.2: Unsecured Loan from HDFC Bank is repayable after 90 days and is carrying rate of interest 9.80%.

(Rupees in Lakhs)

26 **TRADE PAYABLES**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Current					
Dues of micro and small enterprises (Refer Note No 26.1)	-		-		-
Dues other than micro and small enterprises (Refer Note No 26.1)	599.77	-	376.57	-	460.96
	599.77		**376.57**		**460.96**

Note No 26.1: The group has not received information from vendors regarding their status under the Micro,Small and Medium Enterprises Development Act,2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act,have not been given.

27 **OTHER FINANCIAL LIABILITIES**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Current Maturities of Long Term Debt (Refer Note No 21.1)	37.66	-	3.66	-	13.70
Interest Accrued but not due	0.26	-	4.83	-	3.49
Unpaid Dividends	3.58	-	5.69	-	5.68
Sundry Creditors For Capital Goods	24.67	-	22.75	-	38.12
Deposits	1.15	-	0.40	-	0.40
Other Payables	0.60	-	-	-	-
	67.92		**37.33**		**61.39**

28 **OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances From Customers	374.59	480.36	319.57
Statutory Dues Payable	206.81	57.78	43.91
Others	1.09	-	-
	582.49	**538.14**	**363.48**

29 **PROVISIONS**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Provision for Employee Benefits					
For Gratuity	18.48	-	18.67	-	8.58
For Leave Salary	28.92	-	30.66	-	27.39
	47.40		**49.33**		**35.97**

30 **CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Provision for taxation (Net of tax payment)	154.50	-	33.03	-	121.50
	154.50		**33.03**		**121.50**

31 **a) CONTINGENT LIABILITIES: #**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Disputed Income Tax Liabilites	47.96	-	1.91	-	96.80
Disputed Sales Tax Liabilites	33.18	-	33.18	-	30.15
Disputed Central Excise & Service Tax Liabilities	43.78	-	42.49	-	26.28
Bond issued under Export Promotion Capital Goods Scheme	-	-	156.75	-	228.19
	124.92		**234.33**		**381.42**

b) COMMITMENTS

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Estimated amounts of Contracts remaining to be executed on Capital account and not provided for (Net of Advances)	274.74	-	274.42	-	283.58
	274.74		**274.42**		**283.58**

The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.

(Rupees In Lakhs)

32 REVENUE FROM OPERATION

Particulars	March 31, 2018	March 31, 2017
Sales of Product (Refer Note No 32.1)	20,448.49	20,763.08
Sale of Services	1.86	2.19
Other Operating Revenue	-	-
Export incentive received	68.29	24.64
	20,518.64	**20,789.91**

Note No 32.1: Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of previous year. Excise duty on sales amounting to Rs. 401.60 lakhs (31st March, 2017 : Rs. 1,718.72 lakhs) has been included in sales in Statement of Profit and Loss.

33 OTHER INCOME

Particulars	March 31, 2018	March 31, 2017
Interest Income (Refer Note No 33.1)	35.79	53.39
Rent Received	13.24	-
Other Non Operating Income	-	-
Net Foreign Exchange Gain (Net)	95.15	-
Profit on Sale of Fixed Assets (Net)	-	1.17
Miscellaneous Income	6.36	7.30
Net gain on financial assets measured at FVTPL	0.35	-
	150.89	**61.86**

Note No. 33.1 : Break-up of Interest Income

Interest income on deposits with banks	10.16	13.60
Interest income on deposits with others	5.73	15.51
Interest income on Income tax refund	4.22	18.88
Interest income from customers	15.68	5.40
	35.79	**53.39**

34 COST OF RAW MATERIALS CONSUMED

Particulars	March 31, 2018	March 31, 2017
Inventory at the beginning of the year	407.47	412.13
Add : Purchases of Raw Material	14,545.03	12,788.90
	14,952.50	13,201.03
Less : Sale of Raw Material	-	20.21
Less : Inventory at the end of the year	655.97	407.47
Consumption of Raw Material	**14,296.53**	**12,773.35**

35 PURCHASES OF STOCK IN TRADE

Particulars	March 31, 2018	March 31, 2017
Traded goods	0.10	84.50
	0.10	**84.50**

36 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

Particulars	March 31, 2018	March 31, 2017
Inventories at the end of the year		
Finished Goods	90.18	44.26
Work In Progress	3,878.00	3,519.46
Scrap	67.43	59.30
	4,035.61	3,623.02
Inventories at the beginning of the year		
Finished Goods	44.26	102.91
Work In Progress	3,519.46	3,221.94
Scrap	59.30	112.00
	3,623.02	3,436.85
	(412.59)	**(186.17)**

37 EXCISE DUTY ON SALES

Particulars	March 31, 2018	March 31, 2017
Excise Duty on Sales	401.60	1,718.72
	401.60	**1,718.72**

(Rupees In Lakhs)

38 EMPLOYEE BENEFIT EXPENSES

Particulars	March 31, 2018	March 31, 2017
Salaries & Wages	1,186.57	1,074.45
Contribution to Provident & Other Funds	51.67	48.01
Staff Welfare Expenses	44.05	40.76
	1,282.29	**1,163.22**

39 FINANCE COST

Particulars	March 31, 2018	March 31, 2017
Interest Expense (Refer Not No 39.1)	142.64	243.26
Unwinding of interest on security deposits	0.47	-
Other Borrowing Cost	-	-
Bank Finance Cost	42.33	24.69
Net Gain/Loss on Foreign currency transactions	-	1.44
	185.44	**269.39**
Note No. 39.1 : Break-up of Interest Expense		
Interest expense on bank borrowings	141.12	242.45
Interest expense on vehicle loan	1.52	0.81
	142.64	**243.26**

40 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	March 31, 2018	March 31, 2017
Depreciation on Property, Plant and Equipment	608.09	624.46
Depreciation on Investment Property	11.06	-
Amortisation on Intangible Assets	9.01	15.30
	628.16	**639.76**

41 OTHER EXPENSES

Particulars		March 31, 2018	March 31, 2017
Consumption of stores and spare parts		360.13	330.48
Consumable of tools & dies		207.67	164.38
Packing Expenses		43.47	27.21
Power & fuel		487.92	438.90
Processing & Labour Charges		366.96	377.09
Rent		10.77	12.54
Repairs to Buildings		4.63	18.91
Repairs to Machinery		73.24	72.72
Repairs to Others		24.34	23.14
Security Expenses		30.03	18.95
Freight Outward Export		60.77	73.19
Insurance		11.40	10.77
Rates and taxes		8.06	7.72
Advertisement & Sales Promotion		19.34	23.30
Bank Charges		23.02	31.34
Commission on Sales		22.59	7.74
Cost Audit Fees		0.52	0.75
Electricity Expenses		3.11	2.94
Royalty		19.39	18.61
Travelling and Conveyance Expenses		59.60	58.99
Legal & Professional Charges		68.78	48.30
Telephone & Telex Expenses		9.27	12.34
Vehicle Expenses		33.69	34.15
Directors' Fees		4.20	3.70
In house R&D Expenses		13.20	14.50
Exchange Fluctuation (Net)		-	1.12
CSR Expenditure		35.73	38.67
Loss on Sale of Property Plant & Equipment		12.93	-
Donation		15.11	31.96
Bad Debts Written off	24.17	-	1.77
Less: Allowance for Doubtful debts written back	24.17	-	-
Allowances for doubtful debts		-	12.10
Payment to Statutory Auditor (Refer Note No 41.1)		4.20	5.05
Miscellaneous Expenses		208.44	207.28
		2,242.51	**2,130.61**

(Rupees In Lakhs)

Note No 41.1: Payment to Statutory Auditors

As Auditor		
Audit Fees	3.34	2.73
Tax Audit Fees	-	1.25
Limited Review Fees	0.75	0.67
GST/Service Tax *	0.12	0.70
In other capacity	-	-
Company law Matters	-	-
Certification and Other Services	0.11	0.38
GST/Service Tax *	-	0.05
	4.32	**5.77**

* Out of above Service Tax credit of Rs. 0.12 lakhs (Previous Year Rs. 0.73 lakhs) has been taken and the same has not been debited to Statement of Profit and Loss.

42 EXCEPTIONAL ITEMS

Particulars	March 31, 2018	March 31, 2017
Profit/(Loss) on Hedging Contracts	305.46	(49.55)
	305.46	**(49.55)**

43 EARNING PER SHARE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit attributable to Equity Shareholders (Rs.)	1,640.17	1,426.71
No. of Equity Share outstanding during the year (Nos.)	3,24,50,000	3,24,50,000
Face Value of each Equity Share (Rs.)	1.00	1.00
Basic & Diluted earning per Share (Rs.)	5.05	4.40

44 Capital Management

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the group capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The group monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The group's includes net debt is equal to trade and other payables less cash and cash equivalents.

Particulars	31 March 2018	31 March 2017	31 March 2016
Trade Payables	599.77	376.57	460.95
Other Payables	2,250.82	2,564.90	2,724.45
less- Cash and Cash equivalents	70.66	21.61	29.99
Net Debt	2,779.93	2,919.86	3,155.41
Total Equity	12,703.44	11,456.99	10,443.04
Capital and Net debt	15,483.36	14,376.85	13,598.44
Gearing ratio	17.95%	20.31%	23.20%

(Rupees In Lakhs)

45 Financial Risk Management

The group's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system based on well established & institutionalised credit policy. With high impact customer, group has a policy of taking advance against silver (raw material) booked by them.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.
3	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis on quarterly basis.	The group is having natural hedging as it is net exporter.
4	Price Risk – Commodity Prices	Basic ingredients of group raw material is Silver where prices are volatile.	The group is exposed to the risk of price fluctuation of silver (Raw Material).	The group proactively manage this risk through hedging, inventory management. The group's reputation for quality with robust marketing existence, mitigate the impact of price risk on finished goods. The group is able to pass on price hike to the customer.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, investment of surplus liquidity and other business risks effecting business operation. The group's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The group is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Credit Risk Management

The group source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The group estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the group. The group has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31 March 2018, 31 March 2017 and 1 April 2016 is the carrying value of such trade receivables as shown in note 13 of the financials.

The Credit Loss allowances are provided in the case of trade receivables as under:

Loss allowance as on 1 April 2016	**23.20**
Change in loss allowance	12.10
Loss allowance as on 31 March 2017	**35.30**
Change in loss allowance	(25.47)
Loss allowance as on 31 March 2018	**9.83**

MODISON METALS LIMITED

(Rupees In Lakhs)

(B) Liquidity Risk

The group's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The group has no outstanding term borrowings. The group believes that its working capital is sufficient to meet its current requirements. Hence the group does not perceive any liquidity risk. The group has significant high receivables & liquid inventory compared to payable, hence significantly low liquidity risk.

(c) Market risk

Foreign currency risk

The group operates in domestic market. The group also has export. The group is having natural hedging as its exports are more than its imports. Hence foreign currency risk towards export is insignificant.

The group imports certain materials which is significantly less with respect to total raw material procurement. Currently, group does not hedge this exposures as it has natural hedging due to group being net exporter. Nevertheless, group may wish to hedge such exposures.

Open exposure

The group's exposure to foreign currency risk which are unhadged at the end of the reporting period is as follows:

Particulars	GBP	Euro	USD	CHF
31 March 2018				
Trade receivables- Foreign Currency	-	12,52,927	96,179	-
Trade receivables- INR	-	1,000.09	62.05	-
Trade payables- Foreign Currency	-	2,18,934	1,23,688	1,636
Trade payables- INR	-	177.91	80.58	1.13
31 March 2017				
Trade receivables- Foreign Currency	-	8,27,627	1,72,860	-
Trade receivables- INR	-	567.50	111.43	-
Trade payables- Foreign Currency	-	10,819	1,52,897	66
Trade payables- INR	-	7.55	99.54	0.04
31 March 2016				
Trade receivables- Foreign Currency	297	8,94,667	3,92,587	-
Trade receivables- INR	0.28	663.31	258.24	-
Trade payables- Foreign Currency	3,586	4,20,623	3,80,982	-
Trade payables- INR	3.43	317.49	253.12	-

Sensitivity Anaysis-

The group is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other veriables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the group will have impact of following (decrease)/increase in Profit & vice versa. The exposures is insignificant in case of GBP & CHF.

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR	INR	INR
Euro	41.11	28.00	17.29
USD	(0.93)	0.59	0.26
Total	**40.18**	**28.59**	**17.55**

(d) Price risk

The group is exposed to price risk in basic ingrediants of group's raw material and is procuring finished components and bought out materials from vendors directly. The group monitors its price risk and factors the price increase in pricing of the products.

(Rupees in Lakhs)

46 The Consolidated Financial Statements (CFS) are prepared in accordance with Indian Accounting Standards (IND AS) 110 on Consolidated Financial Statements. The details of the subsidiaries consolidated are as under :-
Name of Subsidiary - Modison Contacts Private Limited
Country of Incorporation - India
Extent of Holding - 60%

47 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:
(A) Names of related parties and description of relationship:
1. Enterprises over which key management personnel and relative of such personnel have significant influence
(i) Modison (Partnership Firm)
(ii) Modison Copper Pvt. Ltd.
(iii) Modicon Pvt. Ltd.
(iv) Dishah Innovative Solutions Pvt. Ltd.
(v) Modison Engineering Pvt. Ltd.
2. Key Management Personnel
(i) Mr. G. L. Modi - Managing Director
(ii) Mr. Rajkumar Modi - Whole-time Director
(iii) Mr. Kumar Jay Modi -Whole-time Director
(iv) Mr. Rakesh Singh - Whole-time Director
3. Relatives of Key Management Personnel
(i) Mrs. Chandramani Devi Modi - Mother of Mr. Rajkumar Modi
(ii) Mr. Omprakash Modi - Bother of Mr. G. L. Modi

b) Details of Transactions during the year with related parties.

S.No.	Related parties	Nature of Transactions during the year	2017-18	2016-17
(i)	Mr. G.L. Modi	Short-term employee benefits	144.44	137.00
		Post retirement benefits	3.74	3.42
(ii)	Mr. Rajkumar Modi	Short-term employee benefits	75.45	76.45
		Post retirement benefits	2.55	2.55
(iii)	Mr. Kumar Jay Modi	Rent Paid	1.98	1.92
		Short-term employee benefits	27.92	30.30
		Post retirement benefits	1.31	1.31
(iv)	Mr. Rakesh Singh	Short-term employee benefits	58.59	47.84
		Post retirement benefits	0.22	0.22
(v)	Mrs. Chandramani Devi Modi	Rent Paid	3.00	3.00
(vi)	Modicon Pvt. Ltd.	Sale of Goods	41.92	12.42
		Purchase of Goods	4.12	-
(vii)	Modison Copper Pvt. Ltd.	Purchase of Goods	2,224.49	907.13
		Sale of Goods	101.34	210.59
		Service Rendered	0.51	0.65
		Service Received	35.84	116.22
(viii)	Dishah Innovative Solutions Pvt. Ltd.	Sale of Goods	0.43	-
		Service Received	3.79	3.77
(ix)	Modison (Partnership Firm)	Royalty (Including GST/Service Tax Rs. 3.30 Lakhs(Previous Year Rs.2.55 Lakhs)	22.73	21.17
(x)	Modison Engineering Pvt. Ltd.	Sale of Goods	0.38	0.28
(xi)	Mr. Omprakash Modi	Service Received	5.00	-

(Rupees in Lakhs)

c) Balances at end of the year with related parties.

S.No.	Related parties	Nature of Transactions during the year	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i)	Mr. G.L. Modi	Short-term employee benefits payable	15.03	13.90	8.54
		Post retirement benefits payable	39.82	36.29	33.09
(ii)	Mr. Rajkumar Modi	Short-term employee benefits payable	9.02	8.62	6.21
		Post retirement benefits payable	39.72	37.38	27.26
(iii)	Mr. Kumar Jay Modi	Short-term employee benefits payable	5.80	3.46	3.63
		Post retirement benefits payable	10.96	9.87	8.77
(iv)	Mr. Rakesh Singh	Short-term employee benefits payable	2.81	2.49	2.12
(v)	Dishah Innovative Solutions Pvt. Ltd.	Trade Payable	-	-	0.82
(vi)	Mr. Omprakash Modi	Service Receivable	4.50	-	0.82

48 Employee Benefits

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Providend Fund. The expenses recognised for the year are as under :

Particulars	2017-18	2016-17
Employer's Contribution to Providend Fund	33.75	32.63

(ii) Defined Benefit Plan

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(b) Leave encashment:

The Company has a policy on leave eancashment which is applicable to all. The expected cost of accumulating leave eancashment is determined based on the policy taken by the company from LIC which provides information on the obligation of the Company.

The plans of the Company exposes to acturial risks such as Investement Risk, Interest rate risk,salary risk and longitivity risk. Theses risks may impact the obligation of the Company.

(c) Major category of plan assets

The Company has taken plans from Life Insurance Corporation of India

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company’s Consolidated Financial Statements as at 31 March 2018 and 31 March 2017.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
I	**Changes in present value of obligations**				
(a)	Present value of obligations as at the beginning of year	20.54	147.21	16.33	124.70
(b)	Interest cost	1.64	11.78	1.31	9.98
(c)	Current Service Cost	1.19	10.54	1.09	0.10
(d)	Benefits Paid	(0.52)	(4.50)	(0.32)	(7.62)
(e)	Actuarial gain on obligations	(0.98)	4.16	2.14	20.05
(f)	Present value of obligations as at the end of year	21.87	169.18	20.54	147.21

(Rupees in Lakhs)

II	**Changes in the fair value of plan assets**	-	-	-	-
(a)	Fair value of plan assets at the beginning of year	17.22	128.77	13.75	116.35
(b)	Expected return on plan assets	1.52	11.31	1.31	10.23
(c)	Contributions	3.19	15.34	2.49	9.81
(d)	Benefits paid	(0.52)	(4.50)	(0.32)	(7.62)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	21.42	150.93	17.22	128.77
		-	-	-	-
III	**Change in the present value of the defined benefit obligation and fair value of plan assets**	-	-	-	-
(a)	Present value of obligations as at the end of the year	21.87	169.18	20.54	147.21
(b)	Fair value of plan assets as at the end of the year	21.42	150.93	17.22	128.77
(c)	Net (liability) / asset recognized in balance sheet	(0.46)	(18.25)	(3.32)	(18.44)

(e) Amount for the year ended 31 March, 2018 and 31 March, 2017 recognised in the statement of profit and loss under employee benefit expenses.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	**Gratuity**	**Leave Encashment**	**Gratuity**
I	**Expenses Recognised in statement of Profit & Loss**				
(a)	Current Service cost	1.19	10.54	1.09	0.10
(b)	Interest Cost	1.64	11.78	1.31	9.98
(c)	Expected return on plan assets	(1.52)	(11.31)	(1.31)	(10.23)
(d)	Net Actuarial gain recognised in the year	(0.98)	4.16	2.14	20.05
(e)	Expenses recognised in statement of Profit & Loss Account	0.34	15.16	3.22	19.89

(f) Amount for the year ended December 31, 2017 and December 31, 2016 recognised in the statement of other comprehensive income.

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment	**Gratuity**	**Leave Encashment**	**Gratuity**
I	**Actuarial Gain/Loss recognized**				
(a)	Actuarial gain for the year -Obligation	0.98	(4.16)	(2.14)	(20.05)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	(0.98)	4.16	2.14	20.05
(d)	Total actuarial (gain)/ loss included in other comprehensive income	(0.98)	4.16	2.14	20.05

(Rupees in Lakhs)

49 Derivatives

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	INR	Amount in Foreign Currency	INR	Amount in Foreign Currency	INR
Amount Receivables	EURO	12,52,927	1,000.09	8,27,627	567.50	8,94,667	663.31
	GBP	-	-	-	-	297	0.28
	USD	96,179	62.05	1,72,860	111.43	3,92,587	258.24

(b) Amount Payable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	INR	Amount in Foreign Currency	INR	Amount in Foreign Currency	INR
Amount Payable	EURO	2,18,934	177.91	10,819	7.55	1,52,165	114.85
	GBP	-	-	-	-	3,586	3.43
	USD	1,23,688	80.58	1,52,897	99.54	1,18,939	79.02
	CHF	1,636	1.13	66	0.04	-	-
Loan Liability	USD	-	-	-	-	2,60,745	173.24
	EURO	-	-	-	-	2,67,945	202.24
Interest accrued but not due	USD	-	-	-	-	1,298	0.86
	EURO	-	-	-	-	513	0.39

50 RESEARCH AND DEVELOPMENT EXPENDITURE

S.No.	Particulars	2017-18	2016-17
(i)	Capital Expenditure included in Fixed Assets	8.55	41.43
(ii)	Contribution to Scientific Research Association	4.60	21.15
(iii)	Revenue Expenditure included in Employee Benefit	35.13	33.84
(iv)	Revenue Expenditure included in Other Expenses & depreciation on R&D Capital assets	13.47	32.40

51 During the previous year, the details of Specified Bank Notes held and transacted during the demonetization period (8th November, 2016 to 30th December, 2016) as provided in the table below:

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	36.14	1.37	37.50
(+) Permitted receipts	-	7.79	7.79
(-) Permitted payments	-	6.25	6.25
(-) Amount deposited in Banks	36.14	1.25	37.39
Closing cash in hand as on 30.12.2016	-	1.65	1.65

52 SEGMENT REPORTING

The Company's business activity falls within a single Primary segment viz. : "Manufacturing of Electrical Contacts". Since the sales outside India is more than 10% of the total sales, geographical segment is reported as the secondary segment.

Particulars	2017-18		2016-17	
	With India	Outside India	With India	Outside India
Segment Revenue	17,376.44	3,293.09	18,161.50	2,690.27
Segment Assets	14,939.86	1,285.49	14,529.60	678.93
Addition Fixed Assets	617.37	-	606.14	-

(Rupees in Lakhs)

53 LEASES:

The company's major leasing arrangements are in respect of staff quarters and office premises taken on Leave and License basis. The aggregate lease rentals of Rs 10.77 Lakhs (Previous Year: 12.54 Lakhs) are charged as Rent and shown under the Note No. 41 "Other Expenses". These leasing arrangements, which are cancelable, range between eleven months and three years generally or longer and are usually renewable by mutual consent at mutually agreed terms and conditions.

The Company's major leasing arrangements are in respect of investment properties given on leave and icence basis. These leasing arrangements, which are cancellable, is for the period of 2 years and are usually renewable by mutual consent at mutually agreed terms and conditions. The aggregate rentals of Rs. 13.24 Lakhs (March 2017: Nil) collected as Licence Fees and shown under Note No. 33 "Other Income".

54 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Explanation 1 - 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.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment, Capital work-in-progress and Intangible Assets

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 Consolidated 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. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, Capital work-in-progress and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistant with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

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

(Rupees in Lakhs)

Effects of Ind AS adoption on Consolidated Balance Sheet at 31st March, 2017 and 1st April, 2016:

Particulars		Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Non - Current Assets								
(a)	Property, Plant and Equipment		5,778.09	-	5,778.09	6,049.05	-	6,049.05
(b)	Capital work - in - progress		77.66	-	77.66	121.72	-	121.72
(c)	Investment Property	1	-	227.10	227.10	-	-	-
(d)	Other Intangible Assets		12.45	-	12.45	26.83	-	26.83
(e)	development		7.71	-	7.71	-	-	-
(f)	Goodwill on Consolidation		0.20	-	0.20	0.20		0.20
(g)	Financial assets					-		
	(i) Non Current Investments	1	227.10	(227.10)	-	-	-	
	(ii) Other financial assets		80.36	-	80.36	81.52	-	81.52
(h)	Other tax assets (Net)		186.65	(3.38)	183.28	184.86	(3.34)	181.53
(i)	Other non - current assets		369.24	-	369.24	538.28	-	538.28
Current Assets			-			-		
(a)	Inventories		4,168.48	-	4,168.48	3,995.81	-	3,995.81
(b)	Financial assets		-			-		
	(i) Trade receivables	2	3,933.71	(6.16)	3,927.55	2,882.18	-	2,882.18
	(ii) Cash and cash equivalents		21.61	-	21.61	29.99	-	29.99
	(iii) Bank balances other than (ii) above		157.75	-	157.75	178.00	-	178.00
	(iv) Other financial assets	3	62.80	(34.71)	28.10	29.81	(3.46)	26.35
(c)	Other tax assets (Net)		0.34	-	0.34	51.00	-	51.00
(d)	Other current assets	3	133.91	34.71	168.62	292.68	3.46	296.15
Total Assets			**15,218.07**	**(9.54)**	**15,208.53**	**14,461.94**	**(3.34)**	**14,458.61**

(Rupees in Lakhs)

Equity							
Equity Share Capital		324.50	-	324.50	324.50	-	324.50
Other equity	Refer Note below	11,126.52	(4.03)	11,122.49	10,108.83	-	10,108.83
Non - Controlling Interest		10.02	-	10.02	9.71	-	9.71
Liabilities		-			-		
Non Current Liabilities		-			-		
(a) Financial Liabilities		-			-		
(i) Borrowings		-	-	-	4.06	-	4.06
(b) Provisions		87.01	-	87.01	72.00	-	72.00
(c) Deferred tax liabilities (Net)	4	815.58	(5.51)	810.07	833.49	(3.34)	830.15
Current Liabilities		-			-		
(a) Financial Liabilities		-			-		
(i) Borrowings		1,820.05	-	1,820.05	2,066.05	-	2,066.05
(ii) Trade payables		376.57	-	376.57	460.95	-	460.95
(iii) Other financial liabilities		37.32	-	37.32	61.39	-	61.39
(b) Other current liabilities		538.14	-	538.14	363.48	-	363.48
(c) Provisions		49.32	-	49.32	35.97	-	35.97
(d) Current tax Liabilities (Net)		33.03	-	33.03	121.50	-	121.50
Total Equity and Liabilities		**15,218.07**	**(9.54)**	**15,208.53**	**14,461.93**	**(3.34)**	**14,458.61**

Statement of Reconciliation of Equity (Shareholders' funds) as at 31st March,2017 and 1st April,2016:

Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
Total Equity (Shareholders' Fund) as per IGAAP		**11,451.02**	**10,433.33**
Adjustments on transition to Ind AS:			
Provision for expected credit losses on trade receivables	2	(6.16)	-
Tax effects of adjustments	4	2.13	-
Total adjustments		**(4.03)**	**-**
Total Equity (Shareholders' Fund) as per IND AS		**11,446.99**	**10,433.33**

Effects of Ind AS adoption on Consolidated Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	Note No.	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Revenue from operations	5	19,071.20	1,718.72	20,789.92
Other income		61.86	-	61.86
Total Revenue		**19,133.06**	**1,718.72**	**20,851.78**
Cost of Materials Consumed		12,773.34	-	12,773.34
Purchases of Stock-in-trade		84.50	-	84.50
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(186.17)	-	(186.17)
Excise Duty on sales of goods	5	-	1,718.72	1,718.72
Employee benefit expenses	6	1,185.41	(22.19)	1,163.22
Finance Costs		269.40	-	269.40
Depreciation & amortization expenses		639.76	-	639.76
Other Expenses	2	2,124.45	6.16	2,130.61
Total Expenses		**16,890.68**	**1,702.69**	**18,593.37**

(Rupees in Lakhs)

Profit before exceptional items & tax		**2,242.38**	**16.03**	**2,258.40**
Exceptional Items		49.55	-	49.55
Profit before tax		**2,192.83**	**16.03**	**2,208.85**
Less: Income Tax expenses				
-Current Tax		790.18	-	790.18
-Earlier Years		12.03		12.03
-Deferred Tax	4	(17.95)	(2.13)	(20.08)
Profit for the period		**1,408.57**	**18.16**	**1,426.73**
Other comprehensive income	6	-	(22.19)	(22.19)
Total comprehensive income		**1,408.57**	**(4.03)**	**1,404.54**

Statement of Reconciliation of total comprehensive income for the year ended 31st March,2017

Particulars	**Note No.**	**As at 31st March, 2017**
Net Profit after Tax previously presented under IGAAP		1,408.57
Adjustments on transition to Ind AS		18.16
Net Profit after Tax before OCI as per IND AS		**1,426.73**
Reclassification of remeasurement of employee benefits	6	(22.19)
Tax effects of adjustments		-
Total adjustments		(22.19)
Total Comprehensiv Income for the period		**1,404.52**

Effects of Ind AS adoption on Consolidated Cash Flow statement for the year ended 31st March, 2017

Particulars	**Note No.**	**Year ended 31st March, 2017 (End of last period presented as per IGAAP)**		
		As per IGAAP	**Adjustments on transition to IndAS**	**AS As per Ind AS**
Cash flow from operations		1,227.50	-	1,227.50
Cash flow from Investing Activities		(343.32)	-	(343.32)
Cash flow from Financing Activities		(892.56)	-	(892.56)
Net Increase/(decrease) in cash and cash equivalents		**(8.38)**	**-**	**(8.38)**
Cash and cash equivalents at the beginning of the year		29.99	-	29.99
Cash and cash equivalents at the end of the year		21.61	-	21.61

(Rupees in Lakhs)

Note No.:

1 **Property, Plant and Equipment and Investment Property**

Under the previous GAAP, Investment Property was grouped under Non- current Investment. Under Ind AS, the same is treated as Investment property under Ind AS 41 at carrying cost under previous GAAP. There is no impact on the total equity and profit.

2 **Trade Receivable**

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by Rs.6.16 lakhs as at 31 March 2017 (1 April 2016 Rs. Nil). Consequently, the total equity as at 31 March 2017 decreased by Rs. 4.03 lakhs (1 April 2016 Rs. Nil) and profit for the year ended 31 March 2017 decreased by Rs. 6.16 lakhs

3 **Deposits with Government Authorities**

Under the previous GAAP, security deposit placed with Government authorities were grouped as short term loans & advances. Under Ind AS, the security deposit placed with the government authorities is in accordance with the taxation regulations. There is no contractual agreement for placing such a deposit, it is not a financial instrument. Hence the security deposit is not a financial asset under IND AS 32 (Financial Instrumnets). This change the amount of deposits regroup with other current assets of Rs. 34.70 lakhs as at 31 March 2017 (1 April 2016 Rs. 3.46 lakhs). There is no impact on the total equity and profit.

4 **Deferred Tax**

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective tax base. The impact is on account of deferred tax on timing difference on Expected Credit Loss.

5 **Revenue from operations**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by Rs. 1718.72 lakhs. There is no impact on the total equity and profit.

6 **Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 increased by Rs. 22.19 lakhs (1 April 2016 Rs. 2.81 lakhs). There is no impact on the total equity as at 31 March 2017 (1 April 2016).

(Rupees in Lakhs)

55 **Fair Value measurement-**

The fair value of Financial instrument as of March 31,2018, March 31,2017 and April 1,2016 were as follows-

Particulars	March 31,2018	Marach 31,2017	April 1,2016	Fair value Hirarchy	Valuation Technique
Assets-					
Investment in Mutual Funds through FVTPL	18.35	-	-	Level-1	Unquoted Market Price
Total	**18.35**	**-**	**-**		

The management assessed that Cash and Cash equivalents, other balances with Banks, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

56 Additional Information as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures

	Net Assets i.e. total assets minus total liabilites		Share of profit or loss	
	As a % of consolidated net assets	Rupees (in Lakhs)	As a % of consolidated profit or loss (Including OCI)	Rupees (in Lakhs)
Modison Metals Limited	99.80%	12,668.37	100.01%	1,637.14
Subsidiaries				
Modison Contacts Private Limited	0.20%	24.92	(0.01)%	(0.14)
Total	100%	12,693.29	100%	1,637.00
Adjustments arising out of consolidation		0.20		-
Minority Interest		9.97		(0.06)
Total		**12,703.44**		**1,637.05**

57 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

JAYESH PARMAR **PARTNER** **MEMBERSHIP NO. 45375**	**G.L. MODI** **MANAGING DIRECTOR** **DIN: 00027373**	**SURESH MODY** **DIRECTOR** **DIN: 00027432**
PLACE : MUMBAI **DATED : 23rd May, 2018**	**RAMESH KOTHARI** **CHIEF FINANCIAL OFFICER**	**DEEPASHREE DADKAR** **COMPANY SECRETARY**

MODISON METALS LIMITED

Registered Office: 33, Nariman Bhavan, 227 Nariman Point, Mumbai- 400 021. INDIA.
Phone: + 91- 22- 2202 6437 Fax: +91-22-2204 8009
Website: www.modison.com
CIN: L51900MH1983PLC029783
Email Id: shareholder@modison.com

ATTENDANCE SLIP

I/We, hereby record my/ our presence at the **35th ANNUAL GENERAL MEETING** of the Company scheduled on Tuesday, 7th August,2018 at 11.30 A.M at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005.

Name and Address of Shareholder:

Number of shares held:

Member's Folio No./DP ID & Client ID	Member's/Proxy's name in Block Letters	Member's/Proxy's Signature

E-VOTING DETAILS:

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD
108678		

Note: Please read the instructions given in the Notice of the Annual General Meeting carefully before voting electronically.

Route Map to the venue of the AGM