

**NAGPUR POWER AND INDUSTRIES LIMITED**

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**21<sup>st</sup> ANNUAL REPORT 2016- 2017**

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As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

**BOARD OF DIRECTORS**

Mr. Gautam Khandelwal	Executive Chairman
Mr. Girish Bakre	Independent Director
Mr. Nimis Sheth	Independent Director
Mrs. Nidhi Salampuria	Non- Executive Director
Mr. Ajit Parundekar	Additional Director (Non- Executive)
Mr. Virat Mehta	Additional Director (Independent)

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Mrs. Nidhi Salampuria

**CHIEF FINANCIAL OFFICER**

Mr. Santosh Khandelwal

**STATUTORY AUDITORS**

M/s. M. V. Ghelani & Co. Chartered Accountants, Mumbai

**BANKERS**

State Bank of India

**LISTED AT**

Bombay Stock Exchange Limited  
ISIN : INE123E01016

**REGISTERED OFFICE**

Nirmal, 20th Floor, Nariman Point,  
Mumbai - 400 021.  
Tel No. : 022-22023055/66  
Fax No.: 022-22043162  
Email id: npil\_investor@khandelwalindia.com  
Website : www.nagpurpowerind.com  
CIN L40100MH1996PLC104361

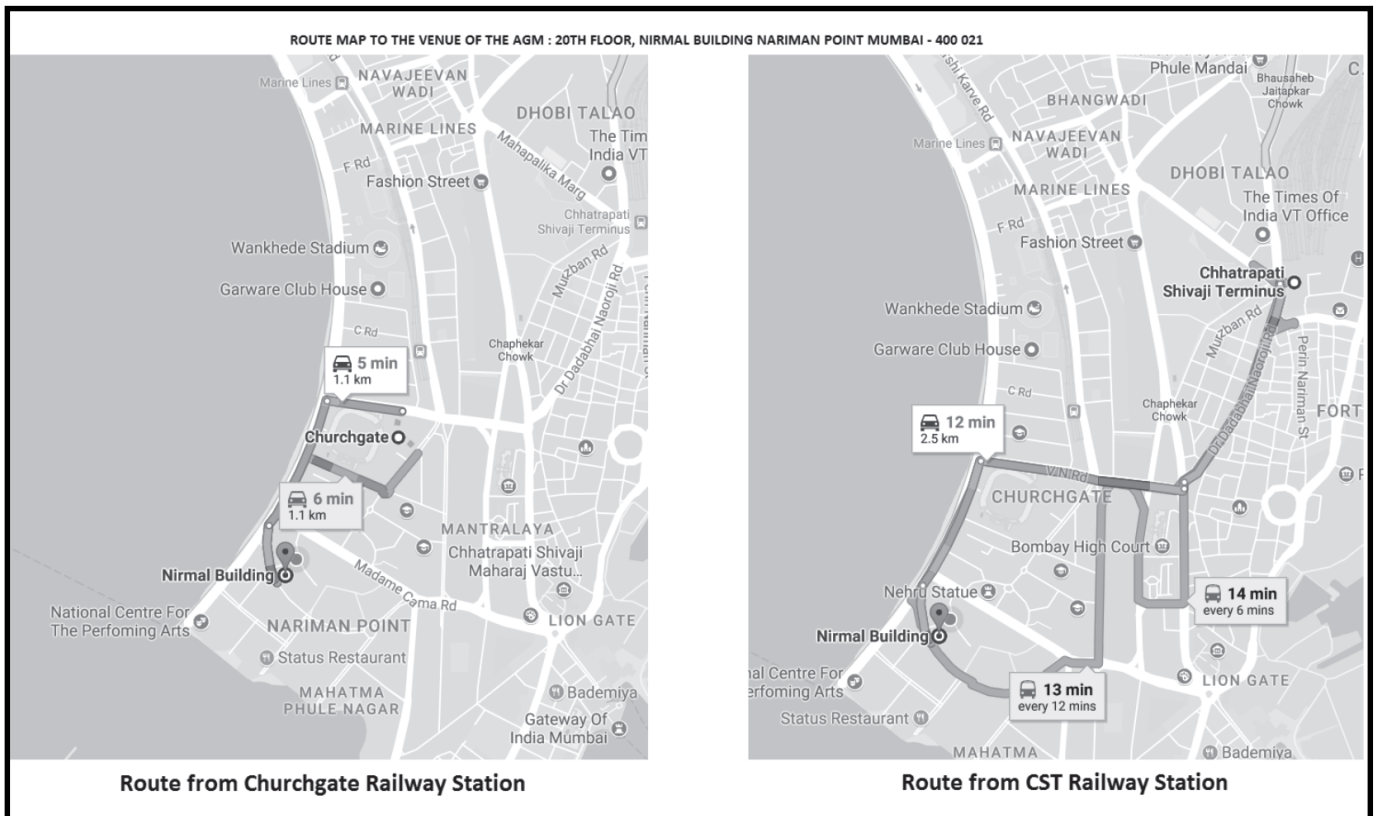
**WORKS**

Khandelwal Nagar, Dist. Nagpur – 441402

**REGISTRAR & SHARE TRANSFER AGENTS**

Link Intime India Private Limited  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai 400 083  
Tel No: +91 22 49186000 Fax: +91 22 49186060  
Email Id: mt.helpdesk@linkintime.co.in

### ROUTE MAP TO THE VENUE OF THE AGM



**NOTICE**

**NOTICE** is hereby given that the Twenty First Annual General Meeting of the Members of **Nagpur Power And Industries Limited** will be held on **Thursday, September 28, 2017 at 2:30 PM** at the Registered Office Address of the Company at **20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021 to transact the following business:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the Directors' Report and Auditor's Report thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2017.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.
3. **APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY, AND TO FIX THEIR REMUNERATION.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Audit Committee and the Board of Directors, M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) be and is hereby appointed as Statutory Auditors of the Company, in place of the retiring auditors M/s. M. V. Ghelani & Co., Chartered Accountants, (Firm Registration No. 119077W), to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) at such remuneration plus taxes, out of pocket, traveling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**“RESOLVED FURTHER THAT** the Board of Director (including any Committee thereof) be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**SPECIAL BUSINESS:**

4. **REGULARIZATION OF APPOINTMENT OF MR. AJIT PARUNDEKAR (DIN: 00042608) AS A DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Ajit Parundekar (DIN 00042608), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 01, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. **APPOINTMENT OF MR. VIRAT MEHTA (DIN: 07910116) AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 17 and 25 of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Virat Mehta (DIN: 07910116), who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013, by the Board of Directors with effect from August 30, 2017 and who holds office upto the date of this Annual General Meeting (AGM) and in respect of whom the Company has received notice in writing from a Member under section 160 of the Companies Act, 2013 along with requisite deposit proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company with effect from September 28, 2017 upto September 27, 2022 and that he shall not be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6. RE-APPOINTMENT OF MR. GAUTAM PREMNATH KHANDELWAL (DIN: 00270717) AS EXECUTIVE CHAIRMAN OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 188 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to the re-appointment of **Mr. Gautam Premnath Khandelwal (DIN: 00270717)** as Whole Time Director of the Company designated as “Executive Chairman”, whose office will be liable to determination by retirement by rotation, for a period of 3 (Three) years with effect from July 01, 2017, on the terms and conditions of re-appointment including remuneration as set out in the 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 the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Gautam Premnath Khandelwal (DIN: 00270717), 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** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**7. ALTERATION/ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY AS PER COMPANIES ACT, 2013**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association, be and are hereby approved, adopted and substituted in the place of existing Articles of Association of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard and to delegate all or any of its powers herein conferred to any director(s), Committee of Directors and/or officer(s) of the Company.”

**8. CHANGE IN PLACE OF KEEPING AND INSPECTION OF REGISTER AND INDEX OF MEMBERS, RETURNS, ETC.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 94 of the Companies Act, 2013 ('the Act') read with Section 88 and 92 and any other applicable provisions, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s)

or re-enactment(s) thereof for the time being in force), and in supersession of the Special Resolution passed at the 20<sup>th</sup> Annual General Meeting of the Company held on September 27, 2016, the Company hereby approves that the Register of Members, Indices of Members, copies of all Annual Returns prepared by the Company together with copies of Certificates and Documents required to be annexed thereto and other related books have, with effect from February 27, 2017, been kept and maintained at the office of the Company's Registrars & Share Transfer Agents ("RTA") , M/s. Link Intime India Private Limited, at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083 and/or at such places within Mumbai where the RTA may have their office from time to time and/or at the Registered Office of the Company at 20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021."

**"RESOLVED FURTHER THAT** the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/or any person entitled thereto under the Act, be kept open for inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Act between the hours of 11:00 AM and 1:00 PM on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company."

By Order of the Board of Directors

Place: Mumbai

Date: August 30, 2017

**Gautam Khandelwal**

Chairman

DIN (00270717)

**Registered Office:**

"Nirmal" 20 Floor, Nariman Point, Mumbai 400021

CIN: L40100MH1996PLC104361

Website: [www.nagpurpowerind.com](http://www.nagpurpowerind.com)

**NOTES**

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies to be effective should be deposited at the Registered Office of the Company **not less than 48 (Forty Eight) hours before the commencement of the meeting.** Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 shareholder. A proxy form for the AGM is enclosed.
3. Corporate Members/Societies etc. intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution / Authority Letter etc. as applicable, authorizing their representatives to attend and vote at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 22, 2017 to Thursday, September 28, 2017** (both days inclusive).
5. The Company's equity shares are listed at Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai 400 001 and the Company has paid the Annual Listing Fees to the Stock Exchanges for the year 2017-18.

6. **In terms of Section 72 of the Companies Act, 2013, and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every share holder of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her shares in the Company shall vest in the event of his/her death. Members, who wish to avail this facility, may fill the prescribed Form No. SH-13 (which will be made available on request) and forward the same to the Registrar and Transfer Agent, M/s. Link Intime India Private Limited.**
7. Members seeking any information as regards the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/ Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
9. The Directors' Report, Auditor's Report and Audited Financial Statements (Standalone and Consolidated) as at March 31, 2017 are enclosed.
10. Inspection of Documents - Copies of the Memorandum and Articles of Association of the Company and all other documents relevant for the resolution contained in the notice will be available for inspection at the Registered Office of the Company from 11:00 AM to 1:00 PM on all working days (excluding Saturday) up to the date of the Annual General Meeting.
11. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose email ids are registered with the Company/Depositories, unless any member has requested for a physical copy for the same. For members who have not registered their email ID, physical copies are being sent by the permitted mode.
12. The members are requested to intimate any change in their address with PIN Code, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
13. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID Numbers for easy identification of attendance at the meeting.
14. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or M/s. Link Intime India Private Limited for assistance in this regard.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Link Intime India Private Limited, Registrar and Share Transfer Agents, Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 , Maharashtra.
16. **To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Private Limited/Depositories.**
17. **Process and manner for members opting for Remote e-voting are as under:**

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of CDSL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM.



**A. The instructions for Shareholders voting electronically are as under:-**

- (i) The remote e-voting period begins on Monday, September 25, 2017 (9:00 AM) and ends on Wednesday, September 27, 2017 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, September 21, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. Please enter the DOB or Dividend Bank Details in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

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

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <NAGPUR POWER AND INDUSTRIES LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non-individual Shareholders & Custodians:**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Shareholders can also cast their vote using CDSL's mobile app "CDSL m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- B. The voting rights of the 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 Thursday, September 21, 2017.
- C. Mr. Sanam Umbargikar, Partner of M/s. DSM and Associates, Practising Company Secretary (Membership No. 26141, COP Number 9394), has been appointed as Scrutinizer for scrutinizing the remote e-voting procedure in a fair and transparent manner.
- D. 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.

- E. The declared Results, alongwith the Scrutinizer's Report, will be available on the Company's corporate website [www.nagpurpowerind.com](http://www.nagpurpowerind.com) under the section 'Investor' and on the website of CDSL; such Results will also be forwarded to the Stock Exchange where the Company's shares are listed.
- F. The Facility for voting through poll shall be made available at the Annual General Meeting (AGM) and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the AGM.
- G. The members who have casted their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**Details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting**

<b>Name of the Director</b>	<b>MR. GAUTAM KHANDELWAL</b>	<b>MR. AJIT PARUNDEKAR</b>	<b>MR. VIRAT MEHTA</b>
<b>Date of Birth</b>	01.04.1962	30.07.1967	25.08.1957
<b>Nationality</b>	India	India	India
<b>Date of First Appointment</b>	06.12.1996	01.07.2017	30.08.2017
<b>Qualifications</b>	He holds a BA (Economics) from the University of Mumbai and studied Economics from London School of Economics.	B.E Electronics	He holds a Graduate degree from University of Delhi and has completed his MBA in Marketing and International Business from Fordham Gabelli School of Business, New York
<b>Expertise in specific functional areas</b>	He is having about 28 years of business experience across various industries.	He has an extensive experience of 25 years in the domain of Electrical and Electronic Test and Measuring Equipments for the Power Sector. He has studied Electronics Engineering and served The Motwane Manufacturing Company Private Ltd as Jt. Managing Director for the past 16 years." He is also experienced in Solutions around the Internet of Things. He specializes in Design and Development of Electronics and Embedded Hardware , Software and Systems."	He has a extensive experience of 30 years in Communication and Brand Marketing. He has worked in Advertising and Brand Building projects in top agencies like Ogilvy and JWT. His last assignment was at Nestle India where he was Vice President Communications for more than 10 years.

<b>Directorships held in other companies (excluding foreign companies)</b>	1. Informed Technologies India Limited 2. The Motwane Manufacturing Co. Pvt. Ltd. 3. Varroc Polymers Pvt. Ltd. 4. Varroc Engineering Pvt. Ltd. 5. Gras Education & Training Services Pvt. Ltd. 6. Zeppelin Investments Pvt. Ltd. 7. Entecres Labs Private Limited	Nil	Nil
<b>Committee position held in other companies</b>	<b>AUDIT COMMITTEE</b> Informed Technologies India Limited <b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b> Informed Technologies India Limited <b>NOMINATION AND REMUNERATION COMMITTEE</b> Informed Technologies India Limited	Nil	Nil
<b>No. of shares held in the Company</b>	491,100 Equity Shares	1100 Equity Shares	Nil
<b>Inter-se relationship between Directors</b>	-	-	-

### EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

#### Item No. 3

This Statement is provided though strictly not required as per Section 102 of the Act.

#### APPOINTMENT OF STATUTORY AUDITOR

M. V. Ghelani & Co., Chartered Accountants (Firm Registration No. 119077W) was appointed as the statutory auditor of the Company at the Annual General Meeting ("AGM") of the Company held on September 15, 2014, for a period of three years from the conclusion of the 18<sup>th</sup> AGM till the conclusion of the third consecutive AGM of the Company to be held in the year 2017, subject to ratification of their appointment at every AGM.

As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s. M. V. Ghelani & Co., Chartered Accountants (Firm Registration No. 119077W) term as Statutory Auditors of the Company is up to the conclusion of the forthcoming Annual General Meeting ('AGM') having completed their term as per the provisions of Section 139 of the Act.

The Board of Directors has, on the recommendation of the Audit Committee, proposed the appointment of M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every AGM, as required under the Act.

**Brief Profile of M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W):**

M/s. Parekh Sharma & Associates ('the firm') was constituted on February 23, 2009 (Firm Registration No. as 129301W). The registered office of the firm is at 228, 2nd Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (E), Mumbai – 400069. The firm have 5 no. of practicing chartered accountants out of them 3 are FCA. One of the partners of the firm is CPA from Canada and other 2 partner are FCA partners and DISA qualified.

M/s. Parekh Sharma & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the resolution set out at **Item No. 3** of the accompanying Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

**Item No. 4**

**REGULARIZATION OF APPOINTMENT OF MR. AJIT PARUNDEKAR (DIN 00042608), AS A DIRECTOR OF THE COMPANY**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have appointed Mr. Ajit Parundekar as an Additional Director (Non-Independent) of the Company, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM"). As an Additional Director, Mr. Ajit Parundekar holds office till the date of the AGM and is eligible for being appointed as a Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Mr. Ajit Parundekar as a Director of the Company, liable to retire by rotation. Mr. Ajit Parundekar is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

**Brief profile of Mr. Ajit Parundekar is as follows:**

Mr. Ajit Parundekar has an extensive experience of 25 years in the domain of Electrical and Electronic Test and Measuring Equipments for the Power Sector. He has studied Electronics Engineering and served The Motwane Manufacturing Company Private Ltd as Jt. Managing Director for the past 16 years. He is also experienced in Solutions around the Internet of Things. He specializes in Design and Development of Electronics and Embedded Hardware, Software and Systems.

Mr. Ajit Parundekar is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Ajit Parundekar and his relatives, are in any way, concerned or interested in the said resolution.

The Board of Directors recommends the Resolutions at **Item No. 4** of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

**Item No. 5**

**APPOINTMENT OF MR. VIRAT MEHTA (DIN: 07910116) INDEPENDENT DIRECTOR OF THE COMPANY**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have

appointed Mr. Virat Mehta as an Additional Director (Independent) of the Company with effect from August 30, 2017. In terms of the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Virat Mehta holds office till the date of this AGM. The Company has received a notice pursuant to Section 160 of the Act together with the requisite amount of deposit from a Member proposing the candidature of Mr. Virat Mehta as a Director of the Company.

The Company has also received a declaration from Mr. Virat Mehta confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Virat Mehta is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

**Brief profile of Mr. Virat Mehta is as follows:**

Mr. Virat Mehta is Graduate from University of Delhi and has completed his MBA in Marketing and International Business from Fordham Gabelli School of Business, New York. He has an extensive experience of 30 years in Communication and Brand Marketing. He has worked in Advertising and Brand Building projects in top agencies like Ogilvy and JWT. His last assignment was at Nestle India where he was Vice President Communications for more than 10 years.

In the opinion of the Board, Mr. Virat Mehta possesses appropriate skills, experience and knowledge and fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Mr. Virat Mehta as an Independent Director, who shall not be liable to retire by rotation.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working days (excluding Saturday) and except when the registers and the books are closed under the provisions of the Act and is also available on the website of the Company [www.nagpurpowerind.com](http://www.nagpurpowerind.com).

Mr. Virat Mehta is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Virat Mehta and his relatives, are in any way, concerned or interested in the said resolution.

The Board of Directors recommends the Resolutions at **Item No. 5** of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

**Item No. 6**

**RE-APPOINTMENT OF MR. GAUTAM PREMNATH KHANDLWAL (DIN: 00270717) AS EXECUTIVE CHAIRMAN OF THE COMPANY**

Mr. Gautam Khandelwal has been the Chairman and Executive Director of the Company since July 01, 2004. The present tenure of Mr. Gautam Khandelwal as an Executive Director ends on June 30, 2017.

The Board of Directors of the Company (the 'Board'), at its meeting held on May 30, 2017 has, subject to the approval of members, re-appointed Mr. Gautam Premnath Khandelwal as Whole Time Director of the Company designated as "Executive Chairman", whose office will be liable to determination by retirement by rotation, for a period of 3 (three) years from the expiry of his present term, which expired on June 30, 2017, at a remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

**Brief profile of Mr. Gautam Khandelwal is as follows:**

Mr. Gautam Khandelwal, aged 55 years holds Bachelor's Degree in Economics from the University of Mumbai and has studied Economics from London School of Economics. He is having around 28 years of business experience across various industries. He is also on Board of Informed Technologies India Limited, Zeppelin Investments Private Limited, The Motwane Manufacturing Company Private Limited, Varroc Polymers Private Limited, Varroc Engineering Private Limited, Entecres Labs Private Limited

and Khandelwals Limited, London.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Gautam Premnath Khandelwal as Whole Time Director of the Company designated as "Executive Chairman", in terms of the applicable provisions of the Act.

The material terms of appointment and remuneration as contained in the draft Agreement are given below: -

i) **Remuneration:**

- (a) Basic Salary: Rs. 60 Lakhs per annum;
- (b) benefits, perquisites and allowances shall include furnished accommodation or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses, gas, electricity, water, furnishing and repairs, medical reimbursement for self and family, Children education allowances (at present Rs. 20,000/- per month per child), leave travel concession for self and family, club fees and expenses, use of Company cars, medical and personal accident insurance and other benefits, amenities and facilities in accordance with Companies policies and determined by the Board from time to time. The value of the perquisites would be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost in absence of any such rules. However, the Company's contribution to provident fund, gratuity and leave encashment at the end of the tenure, as per the rules of the Company and to the extent are not taxable under the Income- tax law, shall not be included for the purpose of the overall ceiling of remuneration.

**Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure as a Whole Time Director, the Company has no profits or its profits are inadequate, the Company may subject to requisite approvals, pay remuneration by way of basic salary, benefits, perquisites and allowances as specified above, and within the limits laid down under Section II of Part II of Schedule V to the Companies Act, 2013.

- ii) Commission in any year not exceeding 3% of the net profit of the Company computed in the manner referred under Section 197(1) of the Companies Act, 2013 or any statutory modification(s) or any re-enactment thereof.
- iii) Provision of car use, telephone, audio and video conference facilities at residence, Internet and other communication facilities at residence, on Company's business, would not be considered as perquisites.
- iv) Other Terms:

The period of office of Mr. Khandelwal shall be liable to determination by retirement of directors by rotation. If Mr. Khandelwal is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Whole-time Director designated as "Executive Chairman" and such re-appointment as director shall not be deemed to constitute break in his appointment as a Whole-time Director designated as "Executive Chairman".

Copy of the Draft Agreement referred to in the Resolution and the Register maintained in pursuance of erstwhile Section 190 of the Companies Act, 2013 referred below, would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, upto and including the date of the Annual General Meeting.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Mr. Khandelwal is interested in the Resolution mentioned at Item No. 6 of the Notice with regard to his respective appointment. Other than him no other Directors, Key Managerial Personnel's or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

Statement as per Section II, Part II of Schedule V of the Companies Act, 2013:

**I. GENERAL INFORMATION:**

1	Nature of Industry	Manufacturing of High/ Medium / Low Carbon Ferro Manganese & Silico Manganese Slag
2	Date or expected date of commencement of commercial production	Certificate of Commencement of Business dated January 09, 1997
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	As per balance sheet
5	Foreign investments or collaborators, if any	Nil

**II. INFORMATION OF APPOINTEE: MR. GAUTAM PREMNATH KHANDELWAL**

1	Background details	He holds a BA (Economics) from the University of Mumbai and studied Economics from London School of Economics. He is having about 28 years of business experience across various industries.
2	Past remuneration approved	Rs. 60,00,000/- per annum including benefits, perquisites and (including Children education allowances of Rs. 20,000/- per month per child)
3	Recognition or awards	N.A.
4	Job Profile and his suitability	Total Management of the Company with respect to Administration and Technology.
5	Remuneration proposed	Rs. 60,00,000/- per annum w.e.f July 01, 2017
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)	The proposed remuneration is in line with the trends in the industry and is befitting Mr. Gautam Khandelwal's educational background, experience and competence.
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Promoter Director associated with the company since 1996 and managing the Company since July 01, 2004

**III. OTHER INFORMATION**

1	Reasons of loss or inadequate profits	Company has run out of raw material i.e. slag due to which its revenue has been declining since last year.
2	Steps taken or proposed to be taken for improvement	The Company is looking for new business opportunities and/ or ways to develop its existing infrastructure
3	Expected increase in productivity and profits in measurable terms	Not Available

**IV. DISCLOSURES**

1	Other Disclosure	The details of remuneration payable/paid to Mr. Gautam Khandelwal have been disclosed above. The Company does not have any scheme for grant of stock options
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**Item No. 7****ALTERATION/ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY AS PER COMPANIES ACT, 2013**

The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are no longer in full conformity with the Companies Act, 2013 ("New Act"). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several articles of the existing Articles of Association of the Company require alteration / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

It is thus expedient to adopt the new set of Articles of Association in place of existing Articles of Association of the Company, to be consistent with the provisions of Section 5, 14 of the Companies Act, 2013 including Rules made thereunder. Hence the Board of Directors proposed to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on all working days (excluding Saturday), between 11:00 AM to 1:00 PM upto the conclusion of the Annual General Meeting.

The Board of Directors recommends the Resolutions at **Item No. 7** of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

**Item No. 8****CHANGE IN PLACE OF KEEPING AND INSPECTION OF REGISTER AND INDEX OF MEMBERS, RETURNS, ETC.**

Nagpur Power And Industries Limited had appointed M/s. Link Intime India Private Limited as the Registrars & Share Transfer Agents ("RTA") of the Company in place of M/s. Sharepro Services (India) Private Limited. The Members passed a Special Resolution at the Company's 20<sup>th</sup> Annual General Meeting for maintaining Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88 and 92 of the Companies Act, 2013 ("the Act") together with copies of Certificates and Documents required to be annexed or any one or more of them and other related books at the office of its new Registrar and Share Transfer Agents ("RTA").

In February 2017, M/s. Link Intime India Private Limited shifted its Registered Office from C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 to C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Therefore, it is proposed that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88 and 92 of the Companies Act, 2013 ("the Act") together with copies of Certificates and Documents required to be annexed or any one or more of them and other related books, effective February 27, 2017, be kept and maintained at the new Registered Office of the Company's RTA, M/s. Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083 and/or at such places within Mumbai where the RTA may have their office from time to time and/or at the Registered Office of the Company at 20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021.

The approval of shareholders by a Special Resolution is sought to the above arrangement under Section 94 of the Act. The

Special Resolution also specifies the time of inspection of the books and documents of the Company by its Members, namely, between the hours 11:00 AM and 1:00 PM on any working days (excluding Saturday) and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

The Board of Directors recommends the Resolutions at **Item No. 8** of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

By Order of the Board of Directors

Place: Mumbai

Date: August 30, 2017

**Gautam Khandelwal**

Chairman

DIN (00270717)

**Registered Office:**

"Nirmal" 20 Floor, Nariman Point, Mumbai 400021

CIN: L40100MH1996PLC104361

Website: [www.nagpurpowerind.com](http://www.nagpurpowerind.com)

## Directors' Report, Management Discussion and Analysis Report

To,

The Members,

Your Directors have pleasure in presenting the Twenty First Annual Report together with the Audited Statements of Accounts of the Company for the Financial Year ended March 31, 2017. The Management Discussion and Analysis is also included in this Report.

### Financial Highlights

The performance of your Company for the year under review is summarized below: (Rs. in Lakhs)

Particulars	2016-2017	2015-2016
Sales & Other Income (Net of Excise Duty)	260.64	319.06
Profit/(Loss) before Interest, Depreciation & Tax	(31.17)	(47.69)
Less: Interest	2.07	2.44
Profit before Depreciation & Tax	(33.24)	(50.13)
Less: Depreciation	36.26	37.91
Profit/ (Loss) before Taxation	(69.50)	(88.04)
Less: Provision for Current Tax / (MAT)	-	-
Deferred Tax and adjustments prior year	-	-
Less MAT Credit	-	-
Profit/ (Loss) after tax for the year	(69.50)	(88.04)

### Dividend and Reserves

In view of losses suffered by the Company, your Directors do not recommend any dividend for the financial year ended March 31, 2017. During the year under review, no amount was required to be transferred to General Reserve.

### Share Capital

During the year, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. There was no provision made of the money by the Company for purchase of its own shares by employee or by trustee. As on March 31, 2017, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

During the year, there was no change in the Share Capital of the Company.

As on March 31, 2017, the issued, subscribed and paid up share capital of your Company stood at Rs. 130, 955,070/-, comprising 13,095,507 Equity shares of Rs.10/- each.

### Directors and Key Managerial Personnel

As per the relevant provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, during the period under review, the following changes in Directors are detailed as follows:

- In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Gautam Khandelwal, Executive Chairman of the Company retires by rotation at the ensuing Annual General meeting and being eligible offers himself for re-appointment. The board recommends his re-appointment for the consideration of the Members of the Company at the

ensuing Annual General Meeting. A brief profile and other related information of the directors has been given in the Notice convening the Annual General Meeting.

- The Board of Directors had appointed Mr. Ajit Parundekar as an Additional Director of the Company, w.e.f. June 01, 2017. In accordance with the provisions of the aforesaid section, Mr. Ajit Parundekar holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his appointment as Director of the Company. The board recommends his appointment as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation. A brief profile and other related information of the directors has been given in the Notice convening the Annual General Meeting.
- The Board of Directors had appointed Mr. Virat Mehta as an Additional Director w.e.f. August 30, 2017. In accordance with the provisions of the aforesaid section, Mr. Virat Mehta holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his appointment as Director of the Company. The board recommends his appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years commencing from the date of ensuing Annual General Meeting. Mr. Virat Mehta has given declaration that he meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A brief profile and other related information of the directors has been given in the Notice convening the Annual General Meeting.
- Mr. Gautam Khandelwal shall be re-appointed as a Whole-Time Director designated as “Executive Chairman” w.e.f. July 01, 2017, for the period of three years, who shall be liable to retire by rotation subject to approval of shareholders at the ensuing Annual General Meeting. The board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting. A brief profile, details of remuneration proposed to be paid and other related information of the directors has been given in the Notice convening the Annual General Meeting.

**The Company has following persons as Key Managerial personnel (KMP):**

Sr. No.	Name of the person	Designation	Date of Appointment as KMP
1.	Mr. Gautam Khandelwal	Executive Chairman	15.09.2014
2.	Mr. Santosh Khandelwal	Chief Financial Officer	30.09.2014
3.	Mrs. Nidhi Salampuria	Company Secretary & Compliance Officer	30.09.2014

**Details of Board meetings**

During the year, the Board of Directors met 4 times, details of which are provided in the Corporate Governance report.

**Committees of the Board**

The details of the various committees of the board and their composition as on March 31, 2017 are as under:

Name of Director(s)	Audit Committee	Stakeholder Relationship Committee	Nomination & Remuneration Committee
Mr. Nimis Savailal Seth	Chairman	Chairman	Chairman
Mr. Gautam P. Khandelwal	Member	Member	Member
Mr. Girish Bakre	Member	Member	Member
Mrs. Nidhi Salampuria	—	—	—

**\* The Risk Management Committee was dissolved by the Company w.e.f. May 27, 2016**

**Declaration by Independent Directors (IDs)**

Mr. Nimis Sheth and Mr. Girish Bakre are Independent Directors of the Company. The Company has received declaration from them confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013. During the year, the Independent Director meeting was held on November 07, 2016.

**Nomination and Remuneration Policy**

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes and independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is adopted by the Board and may be accessed on the Company's website at the link: <http://www.nagpurpowerind.com/investors/corporate-governance/>. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared as per the requirement of the act which included various aspects of Boards and Committees functioning, Composition of the Board and its Committees, functioning of the Individual directors. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non - Executive Directors.

The Board expressed their satisfaction with the evaluation process.

**Significant and Material Orders Passed by the Regulators or Courts or Tribunals**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which may impact the going concern status and Company's operations.

**Internal Financial Controls**

The details in respect of internal financial control and their advocacy are included in the management discussion and analysis which forms part of this Annual Report

**Deposits**

During the year, your Company has not accepted any deposits under the provisions of Chapter V of the Companies Act, 2013 and the rules made there under.

**Subsidiary/Joint Ventures/Associate Companies:**

The Company does not have Joint Ventures/Associate Companies. The Company has One Subsidiary Company "The Motwane Manufacturing Company Private Limited".

**Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

**Management Discussion and Analysis****a) Economy review:**

The long-term growth perspective of the Indian economy is changing due to good governance, stable policies and good initiatives like smart cities. Your Company (through its Subsidiary) is in the business of manufacturing electrical equipment, a significant portion of which is supplied to the power sector which has continued to be affected by the political & economic situation. We hope to see a gradual recovery.

**b) Business and Industrial review and future outlook:**

The Company mainly operated on Metal Recovery Plant and produces Low Ferro Manganese (Slag) through its profitable slag recovery process. However, there is no more re-useable waste of fine particles remaining in the manganese slag which was dumped at various places at the factory site which can be recovered. The technical consultants are of the same view that the entire stock have been depleted now and hence the company has disposed off the manganese slag recovery plant and closed the metal recovery operations.

The management of the company has foreseen this & thus entered another segment of business couple of years earlier via a majority stake in "The Motwane Manufacturing Company Private Limited", now a subsidiary company and is looking to develop its business in electrical sector. The company is also looking at other business opportunities including monetizing its assets and redeployment of the same in better business opportunities.

**c) Risks, Concerns & Threats:**

Depletion of slag dumps posed a major problem for the Company. In order to counter this, the Company entered into another business through its subsidiary company "The Motwane Manufacturing Company Private Limited" and is looking to develop it. The Sr. Management of the Company meets frequently to take the stock of all the impending and immediate threats to the business and takes necessary steps for positioning of the Company to meet the same in time. Any major threats affecting the Company in general and business environment indirectly affecting the functioning of the Company are discussed with the Board from time to time.

**d) Internal Control Systems:**

The Company has adequate internal control systems in place with reference to the financial statements. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.

**e) Financial Performance / Overview of Operations:**

During the year under review, the revenue from operation of the Company decreased to Rs. 7.52 Lakhs from Rs. 26.96 Lakhs in the previous year due to non-availability of any slag at the site. This decrease is mainly attributable to the depletion slag dumps as Company mainly operates on Metal Recovery plant and the profit margins have decreased due to lower realizations of Ferro Manganese slags in 2016-2017.

**Subsidiary Company and Consolidated Statements**

Your Company has one subsidiary i.e 'The Motwane Manufacturing Company Private Limited' (MMCPL). During the financial year 2016-17, total revenue of the MMCPL has decreased to Rs. 20.54 crores from Rs. 21.49 crores in the previous financial year and the net loss has reduced Rs. 0.24 crores against a loss of Rs. 0.99 crores in the previous financial year. MMCPL has also started export operations during the year and has successfully exported to 10 countries during the financial year 2016-17.

The Consolidated Financial Statement of your Company for the financial year 2016-17, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standard and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its subsidiary, as approved by their respective Board of Directors.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement of Company's subsidiary is given as AOC -1. Brief particulars about the business of each of the Subsidiary are

given hereunder:-

MMCPL is an R & D based company and has developed various high technology test and Measurement products which have applicability in the domestic and international markets. The company's products are sold primarily to the power sector and energy intensive industries. The company expects gradual pick up in its order book due to growth and reform in the distribution sector in which the company operates. Alternatively, it is exploring its potential in the IOT space in adjacent areas like smart lighting and other IOT related industrial solutions.

**e) Material developments in human resources / industrial relations, including number of people employed**

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees.

During the year under review, various training and development workshops were conducted to improve the competency level of employee with an objective to improve the operational performance of individuals. The Company has built a competent team to handle challenging assignments and projects.

The Company has 22 permanent employees as on March 31, 2017.

**Risk Management**

The Company is aware of the risks associated with the business. The Senior Managements regularly analyses and takes corrective actions for managing / mitigating the same. In terms of the requirement of the Act, the Company has authorized Senior Management to manage, monitor and report on the principal risks and uncertainties that can impact the ability to achieve the Company's strategic objectives. The Senior Management periodically informs the board on various issues along with its recommendations and comments for Board's review and necessary action.

**Statutory Auditors, their Report and Notes to Financial Statements**

As per the provisions of Section 139 of the Act, read with the Companies (audit and Auditors) Rules, 2014, the term of office of M/s. M.V. Ghelani & Co., Chartered Accountants (ICAI Registration No. 119077W), as the Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company. The Board of Directors places on record its appreciation for the services rendered by them as the Statutory Auditors of the Company. Subject to approval of the members, the Board of Directors of the Company has recommended the appointment of M/s. Parekh Sharma and Associates, Chartered accountants (Firm Registration No. 129301W), as the Statutory Auditors of the Company pursuant to Section 139 of the Act.

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s. Parekh Sharma And Associates., Chartered Accountants in respect to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in section 141 of the Companies Act, 2013.

The Board of Directors has, on the recommendation of the Audit Committee, proposed the appointment of Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) from the conclusion of this AGM till the conclusion of the Twenty-Sixth (26th) AGM of the Company to be held in 2022, subject to ratification of their appointment at every AGM, if so required under the Act.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**Secretarial Auditor**

In terms of Section 204 of the Companies Act, 2013 and the rules made there under, M/s. DSM & Associates, Practicing Company Secretary (Certificate of Practice Number : 9394) have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditor is enclosed as **Annexure I** to this report. The report is self-explanatory and do not call for any further comments.

#### Related Party Transactions

There have been no materially significant related party transactions between the Company and the Directors, the management, the key managerial personnel, the subsidiaries or the relatives except for those disclosed in the financial statements.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web link: <http://www.nagpurpowerind.com/investors/corporate-governance/>

#### Extract of the Annual Return

Pursuant to the provisions of section 92(3) of Companies Act, 2013, the extract of the annual return in Form No. MGT- 9 is enclosed with the report as **Annexure II**.

#### Disclosures pursuant to The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for financial year 2016-17 (Rs. in Lacs)	% increase in Remuneration in the financial year 2016-17	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Gautam Khandelwal Executive Chairman	12.00	NIL	8.24:1	Loss Decreased by 2.28% in FY 2016-17
2.	Mr. Nimis Sheth Non-Executive Director	NIL	N.A.	N.A.	N.A.
3.	Mr. Girish Bakre Non- Executive Director	NIL	N.A.	N.A.	N.A.
4.	Mrs. Nidhi Salampuria Non-Executive Director	N.A.	N.A.	N.A.	N.A.
5.	Mr. Santosh Khandelwal Chief Financial Officer	9.10	20.69%	N.A.	Loss Decreased by 2.28% in FY 2016-17
6.	Mrs. Nidhi Salampuria Company Secretary & Compliance Officer	18.00	105.95%	N.A.	

\* The Company has not paid any sitting fees to any directors during the year.



**Notes:-**

- i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17: As per table given above
- ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17 and: As per table given above.
- iii) The percentage increase in the median remuneration of employees in the financial year 2016-17: In the financial year, there was a decrease of 2.62% in the median remuneration of employees.
- iv) There were 22 confirmed employees on the rolls of the Company as on March 31, 2017.
- v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: As per table given above
- vi) Affirmation that the remuneration is as per remuneration policy of the Company- Yes
- B) Particulars of employee's remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

During the year under consideration, none of the employees of the Company were in receipt of remuneration in excess of limits prescribed section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 hence particulars as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not given.

**Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given below:

**(A) Conservation of Energy:**

The Company continues to take appropriate measures with regard to conservation of energy:

Total Energy consumption and energy consumption per unit of production is as follows:

Particulars	Financial Year 2016-17	Financial Year 2015-16
Electricity purchased:-		
Units (KWH)-	70,744	1,18,226
Total Amount (Rs in lakhs )-	13.99	23.14
Rate / KWH (Rs.)	19.79	19.58
Consumption per unit of Production:		
Ferro Manganese Slag ( Low MnO )-		
Units in KWH	90.70	151.57

**(B) Technology Absorption:**

## a. Research and Development (R &amp; D):

The Company has not undertaken any R&D activity in the current year.

## b. Technology Absorption, Adaptation and Innovation:

The Company has not imported any technology during the year.

**(C) Foreign Exchange earnings and outgo:**

During the year, the foreign Exchange outgo was Rs 1.69 lakhs (Previous year – Rs. 1.62 lakhs). The foreign exchange earning was Nil (Previous year – Nil).

**Corporate Social Responsibility (CSR)**

Since the CSR norms are not applicable to the Company hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

**Vigil Mechanism and Whistle Blower Policy**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy to report genuine concerns about any unethical behavior, actual or suspected fraud or violations of the Company's code of conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Act. The policy can be accessed on the Company's website at following link <http://www.nagpurpowerind.com/investors/corporate-governance/>

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

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

The following is a summary of Sexual Harassment Complaints received and disposed off during the year 2016-2017.

Sr. No.	No. of Complaint received	No. of Complaints disposed off
1	Nil	N.A.

**Material Changes**

There were 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 to which this report relates and the date of the report except as otherwise mentioned in this director report, if any.

There had been no changes in the nature of Company's business. To the best of information and assessment there has been no material changes occurred during the financial year generally in the classes of business in which the Company has an interest except as otherwise mentioned in this director report, if any.

**Directors' Responsibility Statement**

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013 (the Act), the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that there are no material departures;

- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability, 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) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Corporate Governance**

The Company adheres to the requirements set out by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices.

The Corporate Governance which form an integral part of this Report, are set out as Annexure III, together with the Certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Acknowledgements**

Your Board of Directors wishes to place on record their appreciation for the whole-hearted co-operation received by the Company from the Shareholders, various Government departments, Business Associates, Company's Bankers and all the employees during the year.

**For and on behalf of the Board**

**Place: Mumbai**

**Date: August 30, 2017**

**Gautam Khandelwal**

Chairman

**DIN 00270717**

**ANNEXURE I****SECRETARIAL AUDIT REPORT****For the Financial Year ended 31<sup>st</sup> March, 2017**

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

**To,****The Members of****Nagpur Power and Industries Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nagpur Power and Industries Limited** (hereinafter called "The Company"). We have conducted Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the regulations and bye laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Director 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) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) 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;
- (vi) Other specifically applicable laws to the Company during the period under review;
  - (i) Income Tax Act, 1961;
  - (ii) Chapter V of the Finance Act, 1994 (Service Tax);

- (iii) Public Liability Insurance Act, 1991;
- (iv) Registration Act, 1908;
- (v) Indian Stamp Act, 1899;
- (vi) Indian Contract Act, 1872;
- (vii) Negotiable Instrument Act, 1881;
- (viii) Information Technology Act, 2000;
- (ix) Prevention of Money Laundering Act, 2002;
- (x) Consumer Protection Act, 1986;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with The Bombay Stock Exchange or 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. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.

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

Majority decisions are carried through while the dissenting members' views were captured and recorded as part of the minutes.

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

***For DSM & Associates,  
Company Secretaries***

***CS Sanam Umbargikar  
Partner  
M.No.26141.  
COP No.9394.***

Date: 12th July, 2017

Place: Mumbai.

*To,*

*The Board of Directors,*

*Nagpur Power and Industries Limited*

*Dear Sirs,*

**Subject: Secretarial Audit Report for financial year ended 31<sup>st</sup> March, 2017.**

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness, appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For DSM & Associates,  
Company Secretaries*

*CS Sanam Umbargikar  
Partner  
M.No.26141.  
COP No.9394.*

Date: 12th July, 2017

Place: Mumbai.

**Annexure - II**  
**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L40100MH1996PLC104361
2.	Registration Date	06.12.1996
3.	Name of the Company	Nagpur Power And Industries Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	Nirmal, 20 <sup>th</sup> Floor, Nariman Point, Mumbai – 400021 Tel: 91-22-22023055, Fax: 91-22-22043162 Email: nidhi@khandelwalindia.com
6.	Whether listed company	Listed on BSE Ltd. (BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060

\* Please note the Company has changed its RTA to Link Intime India Pvt. Ltd. W.e.f June 16, 2016.

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

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

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Low ferro Manganese	24104	2.89%

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

S. No.	Name and Address of The company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of share held	Applicable Section
1.	The Motwane Manufacturing Company Private Limited	U32109MH1960PTC011827	Subsidiary	70.64%	2(87)

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	1876900	45500	1922400	14.68	1876900	45500	1922400	14.68	0
b) Central Govt	0	0	0	0	0	0	0	0	-
c) State Govt(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp.	338432	0	338432	2.58	338432	0	338432	2.58	0
e) Banks / FI	0	0	0	0	0	0	0	0	-
f) Any other	0	0	0	0	0	0	0	0	-
<b>Sub-total (A) (1)</b>	<b>2215332</b>	<b>45500</b>	<b>2260832</b>	<b>17.26</b>	<b>2215332</b>	<b>45500</b>	<b>2260832</b>	<b>17.26</b>	<b>0</b>
(2) <b>Foreign</b>									
a) NRI/ Individuals	0	0	0	0	0	0	0	0	-
b) Other – Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corporate	5641100	0	5641100	43.08	5641100	0	5641100	43.08	0
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other	0	0	0	0	0	0	0	0	-
<b>Sub-total (A) (2)</b>	<b>5641100</b>	<b>0</b>	<b>5641100</b>	<b>43.08</b>	<b>5641100</b>	<b>0</b>	<b>5641100</b>	<b>43.08</b>	<b>0</b>
<b>Total Promoter Shareholding</b>									
<b>(A) = (A) (1) + (A) (2)</b>	<b>7856432</b>	<b>45500</b>	<b>7901932</b>	<b>60.34</b>	<b>7856432</b>	<b>45500</b>	<b>7901932</b>	<b>60.34</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	7750	3900	11650	0.09	7750	3900	11650	0.09	0
c) Central Govt	0	0	0	0	0	0	0	0	-
d) State Govt(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	1585094	0	1585094	12.10	1585094	0	1585094	12.10	0
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
<b>Sub-total (B)(1):-</b>	<b>1592844</b>	<b>3900</b>	<b>1596744</b>	<b>12.19</b>	<b>1592844</b>	<b>3900</b>	<b>1596744</b>	<b>12.19</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	188914	17650	206564	1.58	119520	0	119520	0.9127	(0.67)
ii) Overseas	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1010480	1187182	2197662	16.78	940563	1180732	2121295	16.20	(0.58)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1013867	161850	1175717	8.98	1179869	161850	1341719	10.25	(1.27)
c) Others (specify)									
NRI (Rep)	3035	1500	4535	0.03	1144	1500	2644	0.02	(0.01)
NRI (Non-Rrep)	4453	7400	11853	0.09	3753	7400	11153	0.09	0
Trust	500	0	500	0	500	0	500	0	0
<b>Sub-total (B) (2)</b>	<b>2221249</b>	<b>1375582</b>	<b>3596831</b>	<b>27.47</b>	<b>2245349</b>	<b>1351482</b>	<b>3596831</b>	<b>27.47</b>	<b>0</b>
<b>Total Public Share holdings</b>									
<b>(B) = (B) (1) + (B) (2)</b>	<b>3814093</b>	<b>1379482</b>	<b>5193575</b>	<b>39.66</b>	<b>3838193</b>	<b>1355382</b>	<b>5193575</b>	<b>39.66</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>11670525</b>	<b>1424982</b>	<b>13095507</b>	<b>100.00</b>	<b>11694625</b>	<b>1400882</b>	<b>13095507</b>	<b>100.00</b>	<b>0</b>

**ii) Shareholding of Promoter:**

Sr. No.	Shareholder's 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	
1	Gautam P Khandelwal	491100	3.75	0	491100	3.75	0	0
2	Suelve G Khandelwal	207150	1.58	0	207150	1.58	0	0
3	Geeta P Khandelwal	575200	4.39	0	575200	4.39	0	0
4	Premnath Khandelwal	45500	0.35		45500	0.35		0
5	Sia G Khandelwal	201250	1.54	0	201250	1.54	0	0
6	Tara G Khandelwal	200950	1.53	0	200950	1.53	0	0
7	Uday Siddharth Khandelwal	201250	1.54	0	201250	1.54	0	0
8	Khandelwals Limited	5641100	43.08	0	5641100	43.08	0	0
9	Informed Technologies India Limited	254232	1.94	0	254232	1.94	0	0
10	Zeppelin Investments Private Limited	84200	0.64	0	84200	0.64	0	0
	<b>Total</b>	<b>7901932</b>	<b>60.34</b>	<b>0</b>	<b>7901932</b>	<b>60.34</b>	<b>0</b>	<b>0</b>

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

Particulars	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	7901932	60.34	7901932	60.34
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	#		#	
At the end of the year	7901932	60.34	7901932	60.34

# There is no change in the total shareholding of promoters between 01.04.2016 to 31.03.2017.

## iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders *	Shareholding at the beginning of the year (01.04.2016)		Shareholding at the end of the year (31.03.2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Life Insurance Corporation Of India	1585094	12.10	1585094	12.10
2	Bharat Jayantilal Patel	420139	3.21	420139	3.21
3	Bhagwat Devidayal	100000	0.76	102500	0.78
4	Uday Acharya	52750	0.40	52750	0.40
5	Ghanshyam Sadhana Mundra Huf	50000	0.38	50000	0.38
6	Gira Shah	49683	0.38	43683	0.33
7	Goldenlife Financial Services Pvt. Ltd.	37716	0.29	37716	0.29
8	Aditya Sadhana (Huf)	36858	0.28	36858	0.28
9	Adity Mundra	34135	0.26	34135	0.26
10	Imran S Contractor	33277	0.25	33277	0.25
11	Devendra Khanduri	32750	0.25	32750	0.25
12	Mithlesh Gupta	28000	0.21	50820	0.3881
13	Nikita Aditya Mundra	0	0	36225	0.2766

\* The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in Shareholding is not indicated.

**v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Particulars	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
<b>A</b>	<b>DIRECTORS</b>				
	Gautam P Khandelwal	491100	3.75	491100	3.75
	Girish Bakre	0	0	0	0
	Nimis Sheth	4500	0.03	4500	0.03
	Nidhi Salampuria	50	0.00	50	0.00
<b>B</b>	<b>KEY MANAGERIAL PERSONNEL</b>				
	Gautam P Khandelwal	491100	3.75	491100	3.75
	Santosh Khandelwal	100	0.00	100	0.00
	Nidhi Salampuria	50	0.00	50	0.00

**V. INDEBTEDNESS**

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	15,32,791	-	-	15,32,791
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>15,32,791</b>	<b>-</b>	<b>-</b>	<b>15,32,791</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	11,62,094	-	-	11,62,094
* Reduction	-	-	-	-
<b>Net Change</b>	<b>11,62,094</b>	<b>-</b>	<b>-</b>	<b>11,62,094</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	26,94,885	-	-	26,94,885
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>26,94,885</b>	<b>-</b>	<b>-</b>	<b>26,94,885</b>

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Gautam P Khandelwal (Executive Chairman)</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.68	11.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32	0.32
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	12.00	12.00
	Ceiling as per the Act	As per Sec II of Part II of Schedule V of the Co. Act, 2013 is Rs. 60.00 lacs (with Special Resolution)	

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

Note: No Remuneration was paid to any director other than Whole Time Director of the company during the FY 2016-17.

**C. Remuneration to Key Managerial Personal Other than MD/MANAGER/WTD**
**Rs. In Lacs**

SN	Particulars of Remuneration	Key Managerial Personnel		
		Nidhi Salampuria CS	Santosh Khandelwal CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	18.00	9.10	27.10
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit others, specify...			
5	Others, please specify			
	<b>Total</b>	<b>18.00</b>	<b>9.10</b>	<b>27.10</b>

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

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

## Annexure - III

## REPORT ON CORPORATE GOVERNANCE

## COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERNANCE

Nagpur Power And Industries Limited believes in adopting the best practices in the area of Corporate Governance and follows the principles of fair representation, full disclosure, accountability and responsibility in all its dealings and communications with the ultimate objective of realizing and enhancing shareholder's values and protecting the rights and interests of all its stakeholders.

## BOARD OF DIRECTORS

## a) Composition of Board &amp; Category of Directors as on March 31, 2017

The Board consists of 4 (four) Directors, of these 2 (two) Directors are Independent Directors. The Chairman of the Board is Promoter and Executive Director.

Details of the Composition of Board of Directors are as follows:

Sr. No.	Name of Director	Executive/ Non-Executive/ Independent/ Chairman/ Promoter	Shares held	
			No. of shares held	% of total shares of the Company
1	Mr. Gautam P. Khandelwal	Executive Chairman and Promoter	491100	3.75%
2	Mr. Girish M. Bakre	Independent	0	0%
3	Mr. Nimis Sheth	Independent	4500	0.03%
4	Mrs. Nidhi Salampuria	Non – Executive	50	0.00%

Notes: 1) Mrs. Nidhi Salampuria is also Company Secretary and Compliance Officer of the Company

2) None of the Directors are Inter-se related to each others.

## b) Attendance of each Director at the Board Meeting and the last Annual General Meeting (AGM):

The meetings of the Board of Directors are held at least once in each quarter, scheduled well in advance and generally held at the Company's registered office in Mumbai. During the Financial Year 2016-17, 4 (Four) board meetings were held. The board meetings were held on May 27, 2016; August 10, 2016; November 07, 2016; and February 10, 2017. Further, the AGM of the Company was held on September 27, 2016 at the registered office of the Company.

Details of the Attendance of each Director at the Board Meeting and the last AGM is as follow:

Sr. No.	Name of Directors	Attendance details		
		Board Meeting		Last A.G.M
		Held	Attended	
1	Mr. Gautam P. Khandelwal	4	4	Yes
2	Mr. Girish M. Bakre	4	4	No
3	Mr. Nimis Sheth	4	4	Yes
4	Mrs. Nidhi Salampuria	4	4	Yes

**c) Directorship of Directors in other Companies**

The Details of the Directors with regard to their outside Directorships, Committee positions are as follows:

Sr. No.	Name of Director	Executive/ Non-Executive/ Independent	No. of Directorship Held in Other Indian Public Ltd Companies (1)	Outside Committee Positions Held(2)	
				Chairman	Member
1	Mr. Gautam P. Khandelwal	Executive	One	One	Two
2	Mr. Girish M. Bakre	Independent	One	Nil	Nil
3	Mr. Nimis Sheth	Independent	One	Two	Nil
4	Nidhi Salampuria	Non – Executive	Nil	Nil	Nil

**Notes:**

1. Directorship excludes Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.
2. Chairmanship /Membership only include Audit Committee and Stakeholders Relationship Committee.

**d) Familiarization of Independent Directors**

Your Company has in place a structured induction and familiarization programme for all its Directors including the Independent Directors. Your Company through such programmes familiarizes not only the Independent Directors but any new appointee on the Board with a brief background of your Company, their roles, rights, responsibilities, nature of the industry in which it operates, business model operations, ongoing events, etc. They are updated on all business related issues and new initiatives. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

Further, terms and conditions for appointment of Independent Director is been provided to them, same can be accessed from website of the Company at [www.nagpurpowerind.com](http://www.nagpurpowerind.com)

Brief details of the familiarization programme are uploaded on the website of your Company <http://www.nagpurpowerind.com/investors/corporate-governance/>

**e) Meeting of Independent Directors**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on **November 07, 2016**, without the attendance of Non-Independent Directors and members of the management.

**f) Detail of Directors being appointed and re-appointed**

As required under Regulations 26(4) and 36(3) of the SEBI (LODR) Regulations, 2015, particulars of the Director seeking appointment and re-appointment are given in the Explanatory Statement to the Notice of the AGM.

**g) Code of Conduct**

The Company has laid down code of conduct applicable to all Board of Directors, Senior Management and Key Managerial

Personnel of the Company and all have confirmed compliance of the code of conduct. A declaration to this effect duly signed by the Chairman is annexed hereto.

#### h) Subsidiary Company

Under SEBI (LODR) Regulations, 2015, an Independent Director of the Company is required to be appointed as Director on the Board of the material Indian subsidiaries.

Mr. Nimis Sheth, Independent director of the Company has been appointed as the nominee director of "The Motwane Manufacturing Company Private Limited" w.e.f. September 30, 2014.

The Audit Committee of the Company reviews the financial statements, including the investments made, of its subsidiary.

The Minutes of the meetings of the Board of Directors of the subsidiary company are regularly placed before the Board of Directors of the Company. A statement containing the significant transactions and arrangements entered into by the subsidiary are periodically placed before the Board of Directors of the Company.

The Company has formulated a Policy for determining material subsidiaries. The policy is available on the website of the company at <http://www.nagpurpowerind.com/investors/corporate-governance/>

#### BOARD COMMITTEES

##### 1. Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Audit Committee comprises of Mr. Nimis Sheth (Chairman), Mr. Girish Bakre (Member) and Mr. Gautam Khandelwal (Member) as on this date. The members of the Committee have the relevant experience in the field of finance, banking and accounting. Statutory Auditor of the Company and Internal Auditor are invitees to the Audit Committee Meeting.

The scope and terms of reference and working of the Audit Committee are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The Audit Committee inter alia performs the functions of review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions etc. As on March 31, 2017, these confirm to the requirements of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company Secretary acts as the Secretary of the Committee. The Committee met 4 (four) times during the year under review. The meetings were held on May 27, 2016; August 10, 2016; November 07, 2016; and February 10, 2017.

Sr. No.	Name of Director	No. of Meetings	
		Held	Attended
1	Mr. Nimis Sheth - Chairman	4	4
2	Mr. Girish Bakre	4	4
3	Mr. Gautam P. Khandelwal	4	4



## 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprise of Mr. Nimis Sheth (Chairman), Mr. Girish Bakre (Member) and Mr. Gautam Khandelwal (Member) as on this date. The Committee met 2 (Two) times during the year under review. The meetings were held on May 27, 2016 and February 10, 2017.

Sr. No.	Name of Director	No. of Meetings	
		Held	Attended
1	Mr. Nimis Sheth - Chairman	2	2
2	Mr. Girish Bakre	2	2
3	Mr. Gautam P. Khandelwal	2	2

The purpose of the Committee is to oversee the Company's nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as EDs, NEDs and IDs consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM of the shareholders. The Committee also discharges the Board's responsibilities relating to compensation of the Company's EDs and senior management. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for EDs and the senior management. The Committee reviews and recommends to the Board, to approve for the EDs, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements.

The Committee further coordinates and oversees the annual self-evaluation of the performance of the Board, Committees' and of individual Directors and board diversity. The details are given in the directors report.

The Nomination and Remuneration Policy of the Company's can be accessed at the Website at <http://www.nagpurpowerind.com/investors/corporate-governance/>

### Details of remuneration paid to Directors for the year:

Name of the Director	Salary & Perquisites (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. Gautam Khandelwal	12,00,000	-	-	12,00,000
Mr. Nimis Sheth	Nil	Nil	Nil	Nil
Mr. Girish Bakre	Nil	Nil	Nil	Nil
Mrs. Nidhi Salampurua	Nil	Nil	Nil	Nil

- None of the director has been paid any sitting fees during the year.
- No Commission or salary was paid to any director other than Mr. Gautam Khandelwal during the year.
- Mrs. Nidhi Salampurua, Director of the Company who is also Company Secretary and Compliance Officer of the Company is been paid Salary in the capacity of a Company Secretary and Compliance Officer.
- Your Company has not granted any stock options to any of its Directors.

## 3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprise of Mr. Nimis Sheth (Chairman), Mr. Girish Bakre (Member) and Mr. Gautam Khandelwal (Member) as on this date. During the year, the Committee met time to time to approve/take note of transfers, transmission of shares, issue duplicate/rematerialized shares and consolidation and splitting of share certificates, to review shareholders correspondence including complaints received from various stakeholders and its redressal.

The purpose of the committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

Name and designation of Compliance Officer: Mrs. Nidhi Salampuria- Company Secretary

#### Details of Shareholders' Complaints:

Shareholders / Investors Complaints	Complaint Nos.
Complaints as on April 1, 2016	Nil
Complaints received during 2016-17	2
Complaints not solved to the satisfaction of shareholders	Nil
Complaints pending as on March 31, 2017	Nil

The Company attends to investors & shareholders grievances within 15 days from the date of receipt of the same.

#### 4. ANNUAL GENERAL MEETINGS

Details of the last three Annual General Meetings held are given below:

Financial Year	Date, Time and Venue	Special Resolutions passed
2013-2014	September 15, 2014 at 10:00 AM Orchid & Tulip, World Trade Centre, Centre One, 1st Floor, Cuffe Parade, Mumbai-400005.	1 Special Resolution was passed through e-voting and ballot
2014-2015	September 24, 2015 at 9:30 AM 20 <sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai 400021	3 Special Resolution was passed through e-voting and ballot
2015-2016	September 27, 2016 at 10:30 AM 20 <sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai 400021	1 Special Resolution was passed through e-voting and ballot

#### Postal Ballot

During the financial year 2016-17, no special resolutions were passed through postal ballot. No special resolution requiring a Postal Ballot is being proposed at the ensuing AGM.

#### 5. Disclosures

- The disclosures with regard to transactions with related parties are given in the **Note 29** of the audited financial statements for the year ended March 31, 2017. The Audit Committee has reviewed these transactions in compliance with Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The related party policy can be accessed from the following link : <http://www.nagpurpowerind.com/investors/corporate-governance/>
- There were no instances of non-compliance, penalties, restrictions imposed on the Company by Stock Exchange, SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- The Company has constituted Vigil Mechanism/ Whistle Blower Policy, the details of the same is given in the Directors report.

- The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors, Senior Management & Key Managerial Personnel and other designated employees of the company.
- The Company has complied with mandatory requirements of the SEBI (LODR) Regulations, 2015 and Companies Act 2013.
- As regards discretionary requirement specified in part E of Schedule II of SEBI (LODR) Regulations, 2015 the Company has complied with item E.

#### 6. Means of communication

- The quarterly un-audited results were published in Financial Express and Apale Mahanagar or Mumbai Lakshadeep, in accordance with the requirement of the SEBI (LODR) Regulations, 2015.
- Annual audited financial results were published in Financial Express and Mumbai Lakshadeep. These are not sent individually to the shareholders. No presentations were made to institutional investors or to the analysts.
- Also available on the Company's Website at <http://www.nagpurpowerind.com/>

#### 7. General Shareholders Information

##### (a) Annual General Meeting For the Financial Year 2016-17:

Date	:	September 28, 2017 - Thursday
Time	:	2:30 PM
Venue	:	20 <sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai - 21
Financial Year	:	April 01, 2016 to March 31, 2017

##### (b) Financial Calendar (April 1, 2017 to March 31, 2018):

Adoption of Quarterly results for		<b>(Tentative)</b>
First quarter results	:	On or before September 14, 2017
Second quarter results	:	On or before December 14, 2017
Third quarter results	:	On or before February 14, 2017
Fourth quarter and Annual results	:	On or before May 30, 2018

##### (c) Date of Book closure

: Friday, September 22, 2017 to Thursday, September 28, 2017  
(both days inclusive).

##### Listing details:

Stock Exchange	:	Bombay Stock Exchange Limited, Phiroze Jeejeebhoy, Dalal Street, Mumbai - 400001.
Scrip Code	:	532362
ISIN Number	:	INE099E01016 - NSDL & CDSL

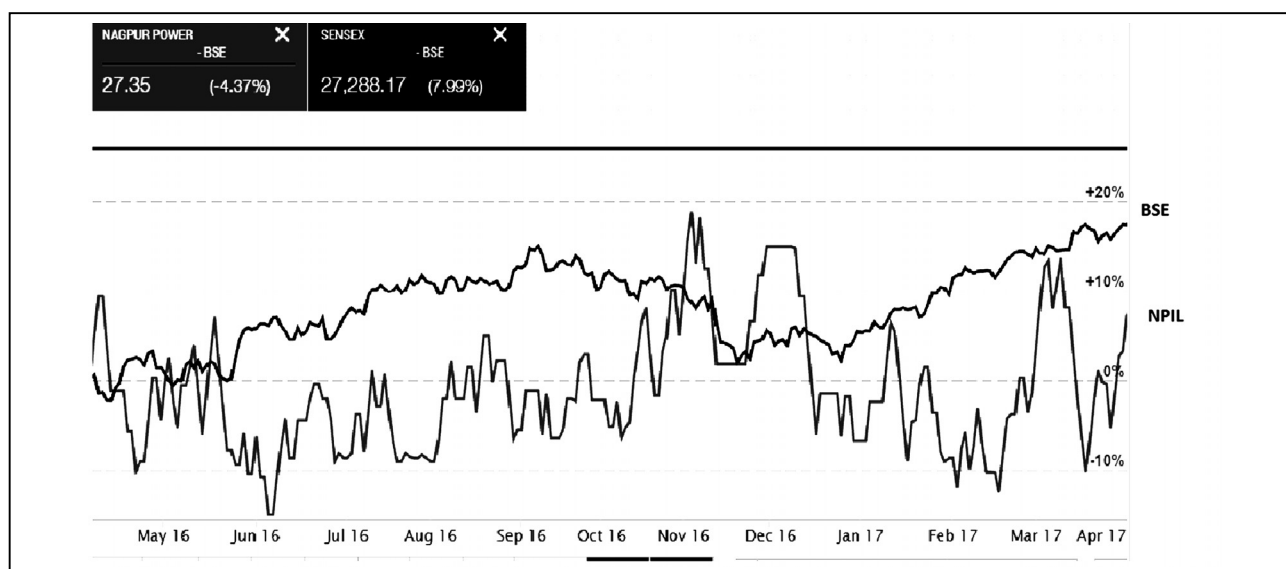
**Listing fee has been paid for the financial year 2017-18.**

**(e) Market Price Data:**

High/Low price and volume of the Company's shares at BSE during each month in Financial Year 2016-17 is as follows:

Month	High (₹)	Low (₹)	Volume (shares)
Apr-16	31.25	25.70	8,291
May-16	30.60	24.70	7,940
Jun-16	28.45	23.10	6,031
Jul-16	29.85	25.40	12,541
Aug-16	30.15	25.45	10,745
Sep-16	29.40	25.45	9,272
Oct-16	33.00	26.75	12,949
Nov-16	33.95	27.65	2,879
Dec-16	32.80	25.50	2,325
Jan-17	30.60	25.35	15,143
Feb-17	28.85	24.60	20,976
Mar-17	32.50	25.50	59,523

**(f) Performance in comparison to broad-based indices such as BSE Sensex.**



**(g) Registrar and Transfer Agent:**

Link Intime India Private Limited  
 C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083  
 Tel No: +91 22 49186000 Fax: +91 22 49186060  
 Email Id: rnt.helpdesk@linkintime.co.in

**(h) Share Transfer System:**

Share transfer in physical form are registered and returned within a period of 7 to 15 days from the date of receipt in case documents are complete in all respects.

**(i) Distribution of Shareholding as on March 31, 2017 is as under:**

No. of shares	No. of Shareholders	%	No. of Shares	%
Upto 500	2,873	74.2761	689,325	5.2638
501-1000	385	9.9535	285,100	2.1771
1001-2000	355	9.1779	455,339	3.4771
2001-3000	103	2.6629	246,090	1.8792
3001-4000	26	0.6722	90,506	0.6911
4001-5000	32	0.8273	146,803	1.1210
5001-10000	41	1.0600	280,317	2.1406
10001 and above	51	1.319	10,902,027	83.2501
<b>Total</b>	<b>3866</b>	<b>100.00</b>	<b>13,095,507</b>	<b>100.00</b>

**(j) Shareholding Pattern as on March 31, 2017 is as under:**

Sr. No.	Category	No. of Shares held	% of Shareholding
1	Indian Promoters	2,260,832	17.26
2	Foreign Promoters	5,641,100	43.08
3	Mutual Funds/UTI	0	0.00
4	Financial Institutions/Banks	11,650	0.09
5	Insurance Companies	1,585,094	12.10
6	Private Bodies Corporate	119,520	0.91
7	Indian Pubic	3,238,268	24.73
8	NRI/OCBs	13,797	0.11
9	Trusts	500	0.00
10	Clearing Members	4604	0.04
11	Hindu Undivided Family	220,142	1.68
	<b>TOTAL</b>	<b>13,095,507</b>	<b>100.00</b>

**(k) Dematerialization of shares as on March 31, 2017 is as under:**

Particulars	No. of shares	% to Issued Capital
Dematted		
National Securities Depository Limited	9428755	72.00
Central Depository Securities Limited	2265870	17.30
Physical	1400882	10.70
Total	13,095,507	100.00

**(l) Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs and there are no warrants or any Convertible instruments.

**(m) Plant Location:**

Khandelwal Nagar, Dist. Nagpur-441402, Maharashtra.

**(n) Name and Designation of Compliance Officer:** Mrs. Nidhi Salampuria, Company Secretary**(o) Address for correspondence:**

The Company Secretary & Compliance Officer

Nagpur Power And Industries Limited

Nirmal, 20th Floor, Nariman Point, Mumbai-400021

Tel # +91-22-22023055/66 , Fax # +91 22-22043162

Email id: [npil\\_investor@khandelwalindia.com](mailto:npil_investor@khandelwalindia.com)

**(p) Auditors Certificate on Corporate governance:**

The Auditors Certificate on Compliance of Listing Regulations relating to Corporate Governance is given as an annexure to this report.

**(q) CEO and CFO certification:**

As required by Listing Regulations, the CEO and CFO have given appropriate certifications to the Board of Directors.

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**Annexure****Declaration on compliance with Code of Conduct**

It is hereby affirmed that, the Board of Directors and Senior Management/ Key Managerial personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management/ Key Managerial personnel in respect of financial year ended March 31, 2017.

For **Nagpur Power and Industries Limited**

Place: Mumbai

Date: August 30, 2017

Gautam Khandelwal

Executive Chairman

DIN (00270717)

**Annexure****Auditors' Certificate regarding compliance of the conditions of Corporate Governance**

To,

**The Members of**

**Nagpur Power And Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Nagpur Power And Industries Limited (the Company), for the year ended March 31 2017, as per Regulations 17 to 27, clauses (b) to (i) of subregulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. 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 representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as per regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, 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 M.V.Ghelani & Co.**  
Chartered Accountants  
Firm Regn. No. 119077W

Date: August 30, 2017

Place: Mumbai

**M.V.Ghelani**  
Proprietor  
Membership No. 031105

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF

**NAGPUR POWER AND INDUSTRIES LIMITED**

**Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of NAGPUR POWER AND INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2017 the Profit and Loss Statement and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report.

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

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. 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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

**Report On Other Legal and Regulatory Requirements**

5. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
6. As required by section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - g. With respect to the other matters to be included in the 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 litigation on its financial position in its financial statements – Refer Note 25 to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the relevant transactions are in accordance with the books of accounts maintained by the company.

**For M.V. GHELANI & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 119077W**

**(M. V. GHELANI)**  
**PROPRIETOR**  
**Membership No.: 031105**

Place : Mumbai

Date : 30<sup>th</sup> May, 2017

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.**

Annexure referred to in paragraph 5 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Nagpur Power and Industries Limited on the audit of the standalone financial statements for the year ended 31st March 2017.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its fixed assets. The discrepancies noticed on verification between the physical fixed assets and the books records were not material having regard to nature and size of the operations of the Company and the same have been properly dealt with in books of accounts.
- c) According to the information and explanations given to us and on the basis of documents and records produced before us, the title deeds of immovable properties are held in the current or former name of the company.

- ii) As explained to us, the inventories have been physically verified during the year by the management at reasonable intervals.

In our opinion and according to information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in books of accounts.

- iii) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act):
  - (a) The above loan has been given to an entity at an interest rate of 10% p.a. wherein the company has also made a strategic investment in its Equity and is without any stipulation as regards to its repayment. In view of the controlling interest and long strategies of the management the terms and conditions of this loan are not, prima facie, prejudicial to the interest of the company.
  - (b) In view of what is stated at (a) above, there is no schedule of repayment of principal and payment of interest and there is no repayment or receipt during the year.
  - (c) In view of what is stated at (a) above, the amount overdue cannot be determined and therefore the question of company taking reasonable steps for recovery of principal amount and interest cannot be commented upon.
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.

- vi) According to the information and explanations given to us, the maintenance of cost records was not prescribed by the Central Government under section 148(1) of the Act, for any of the activities of the Company.
- vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues, applicable to it, with appropriate authorities.

According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues, applicable to it, were in arrears, as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, service tax, excise duty or cess which have not been deposited on account of any dispute, except as stated below:

Name of the Statute	Nature of dues	Amount (Rs. in lacs)	Forum where dispute is pending
West Bengal Sales tax Act, 1957 - Sales tax Case at Calcutta.	Sales tax demand of three Asst. Years	2.43	Commissioner of Sales Tax (Appeal) Calcutta.
Uttar Pradesh Sales Tax Act, 1957 - Sales tax case at Kanpur.	Sales tax demand for Asst. Year 1980-81	3.33	Commissioner of Sales Tax (Appeal) Kanpur.
B.S.T Act, 1959	B.S.T & C.S.T	195.45	JT. Commissioner of sales tax (Appeals), Nagpur
Customs Act, 1962	Customs and Advalorem Duty	117.43	Commissioner of Customs (E.P.) and Directorate General of Foreign Trade (DGFT)
The Bombay Stamp Act, 1958	Stamp duty	45.83	Supreme Court of India
Other statutory dues	Entry tax	4.58	Tahsildar
The Income Tax Act, 1961	Income tax demand for A.Y. 2008-09	5.72	Commissioner of Income Tax (Appeals), Mumbai
The Income Tax Act, 1961	Income tax demand under section 156 for A.Y. 2010-11	13.73	Income Tax Appellate Tribunal
<b>Total</b>		<b>388.50</b>	

- viii) According to the information and explanations given to us and the records made available to us, the Company has not defaulted in repayment of dues to any financial institution, banks or debenture holders during the year.
- ix) According to the information and explanations given to us the Company has not raised money by way of initial public offer or further public offer and term loan.

- x) Based on the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanation given to us by the Management, no fraud by the Company or fraud on the company by its officers or employee has been noticed or reported during the year.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on the documents and records produced before us, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi) According to the information and explanation given to us and based on the documents and records produced before us and relying on an expert advice, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **M.V. GHELANI & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 119077W

**(M. V. GHELANI)**  
**PROPRIETOR**  
Membership No.: 031105

Place : Mumbai

Date : 30<sup>th</sup> May, 2017

**ANNEXURE B TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)**

- 1 We have audited the internal financial controls over financial reporting of NAGPUR POWER AND INDUSTRIES LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

- 2 The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate 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.

**Auditor's Responsibility**

- 3 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 the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the 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 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**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

- 5 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**

- 6 In our opinion, to the best of our information and according to 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<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **M.V. GHELANI & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 119077W

**(M. V. GHELANI)**  
**PROPRIETOR**  
Membership No.: 031105

Place : Mumbai

Date : 30<sup>th</sup> May, 2017

## BALANCE SHEET AS AT 31ST MARCH, 2017

(In ₹)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Share Capital	2	130,955,070	130,955,070
(b) Reserves And Surplus	3	485,321,549	493,925,100
		<b>616,276,619</b>	<b>624,880,170</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	-	-
(b) Long-term provisions	5	313,732	278,178
		<b>313,732</b>	<b>278,178</b>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	6	2,694,885	1,401,986
(b) Trade Payables	7		
(i) Dues to Micro and Small Enterprises		-	-
(ii) Dues to Others		2,079,655	2,094,935
(c) Other current liabilities	8	1,333,254	963,322
(d) Short-term provisions	9	1,234,048	797,031
		<b>7,341,842</b>	<b>5,257,275</b>
<b>Total</b>		<b>623,932,193</b>	<b>630,415,622</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		196,242,225	205,189,957
(ii) Intangible assets		6,389	12,081
(b) Non-current Investments	11	177,127,406	187,672,871
(c) Long term loans and advances	12	10,572,528	10,143,335
		<b>383,948,548</b>	<b>403,018,244</b>
<b>(2) Current assets</b>			
(a) Current investments	13	183,319,410	171,874,165
(b) Inventories	14	-	308,268
(c) Cash and Bank Balances	15	5,606,475	5,534,526
(d) Short-term loans and advances	16	51,057,760	49,680,418
		<b>239,983,645</b>	<b>227,397,378</b>
<b>Total</b>		<b>623,932,193</b>	<b>630,415,622</b>

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Other Notes on Financial Statements

24 to 42

Notes referred to above form an integral part of the Balance Sheet.

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

As per our report of even date attached

For and on behalf of the Board

For M.V.Ghelani &amp; Co.

Chartered Accountants  
Firm Regn. No. 119077WM.V.Ghelani  
Proprietor

Mumbai : 30th May, 2017

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)Nidhi Salampuria  
Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30th May, 2017

Nimis Sheth  
Director  
(DIN: 00482739)Santosh Khandelwal  
Chief Financial Officer



## Profit and Loss statement for the year ended 31st March, 2017

(In ₹)

Particulars	Note No	For The Year Ended 31st March, 2017	For The Year Ended 31st March, 2016
<b>I Revenue from operations</b>	17	868,367	3,033,160
<b>Less : Excise duty</b>		(116,267)	(337,023)
		752,100	2,696,137
<b>II Other Income</b>	18	25,311,580	29,209,636
<b>III Total Revenue (I +II)</b>		<b>26,063,680</b>	<b>31,905,773</b>
<b>IV Expenses:</b>			
Cost of materials consumed	19	-	160,000
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	9,864	2,706,433
Employee benefits expense	21	10,478,975	14,092,176
Finance costs	22	207,262	243,660
Depreciation and amortization expense	10	3,626,464	3,790,501
Other expenses	23	18,691,175	19,717,282
<b>Total Expenses</b>		<b>33,013,740</b>	<b>40,710,051</b>
<b>V Profit before tax (III - IV)</b>		<b>(6,950,060)</b>	<b>(8,804,278)</b>
<b>VI Tax expense:</b>			
(a) Current tax		-	-
(b) Deferred tax		-	-
(c) (Short)/excess provision for earlier years		(1,653,491)	-
Less : MAT Credit Entitlement		-	-
<b>VII Profit(Loss) for the year (V-VI)</b>		<b>(8,603,550)</b>	<b>(8,804,278)</b>
<b>VIII Earnings per equity share:</b>			
(a) Basic		(0.66)	(0.67)
(b) Diluted		(0.66)	(0.67)

Summary of Significant Accounting Policies

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Other Notes on Financial Statements

24 to 42

Notes referred to above form an integral part of the Profit &amp; Loss Account.

This is the Statement of Profit &amp; Loss referred to in our report of even date.

As per our report of even date attached

For M.V.Ghelani & Co.  
Chartered Accountants  
Firm Regn. No. 119077W

M.V.Ghelani  
Proprietor

Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)

Nidhi Salampuria  
Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30th May, 2017

Nimis Sheth  
Director  
(DIN: 00482739)

Santosh Khandelwal  
Chief Financial Officer

**Notes on Financial Statements for the Year ended 31st March, 2017****Note 1: SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis for preparation of Financial Statements:**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

**1.2 Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**1.3 Fixed Assets And Depreciation:****1.3.1 Tangible Assets**

Fixed assets are stated at Cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Cost of Tangible assets comprises purchase price, borrowing costs, and any attributable cost of bringing the asset to its working condition for the intended use. Borrowing costs relating to the acquisition of fixed assets that takes a substantial period of time to get ready for its intended use are also included in cost to the extent they relate to the period till such assets are put to use. Assets purchases for less than ₹ 5,000/- are not capitalised.

Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer's Valuation Certificate namely:

Building	3-10 years
Plant & Machinery	7-10 years
Heavy Vehicle	2 years
Office Equipment	3-4 years
Railway Siding	7 years

Depreciation on assets purchased / sold during the period is proportionately charged.

**1.3.2 Intangible Assets**

Intangible assets are stated at cost of acquisition, less accumulated amortization/ depletion and accumulated impairment losses, if any, are amortized over a period of 3 years.

**1.4 Investments:**

Investments are classified into non-current investments and current investments. Non-current investments are stated at cost and diminution in value is provided for, where the management is of the opinion that the diminution in value is other than temporary. Current investments are stated at lower of cost and market value.

Investments that are readily realizable and are intended to be held for not more one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Non-current investments".

When disposing of a part of the holding of an individual investment, the carrying amount of cost allocated to the part that is disposed is determined on the basis of the average carrying amount of the total holding of the investment except current investment held by portfolio manager which is determine on the basis of First In First Out method.

**1.5 Inventories:**

Inventories of raw materials are stated at lower of cost or net realizable value. Work in process is stated at cost. Stores,

spares & tools are stated at cost except the obsolete/non usable stores, which are written off for obsolescence. Finished goods and by-products/waste products where cost is ascertainable are stated at lower of cost or net realisable value and by-products / waste products where cost cannot be determined are stated at net realisable value. The reusable waste, which is not ascertainable, is not accounted.

#### **1.6 Trade Receivables and Loans and Advances:**

Trade Receivables and Loans and Advances are stated after making adequate provision for doubtful balances.

#### **1.7 Revenue Recognition:**

Revenue is recognised when no significant uncertainty as to determination or realisation exists. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

#### **1.8 Retirement and other employee benefits:**

- i) The Company contributes towards Provident Fund & Family Pension Fund which are defined contribution schemes. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. Liability in respect thereof is determined on the basis of contribution as required under the statute/rules.
- ii) The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.
- iii) Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

#### **1.9 Foreign Exchange Transactions:**

Transactions denominated in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account. Exchange differences relating to fixed assets are adjusted in the cost of the asset. Premium in respect of forward contracts is accounted over the period of the contract.

#### **1.10 Taxation:**

Income tax expense comprises of current tax and deferred tax. The deferred tax charge or credit is recognised using current tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available to realise the same. Other deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future income will be available to realise the same. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

#### **1.11 Provision, Contingent Liabilities and Contingent Assets:**

Provision is recognised in the accounts when there is a present obligation as a result of past events(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent liabilities are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### **1.12 Segment Reporting:**

The Company is principally engaged in manufacturing of "High/, Medium/Low Carbon Ferro Manganese and Silico Manganese Slag" which is the only reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India on "Segment Reporting".

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>2 SHARE CAPITAL</b>		
<b>Authorised share capital</b>		
2,00,00,000 Equity Shares of ₹10 each (Previous Year 2,00,00,000 Shares of ₹10 each)	200,000,000	200,000,000
50,00,000 Unclassified Shares of ₹10 each (Previous Year 50,00,000 Shares of ₹10 each)	50,000,000	50,000,000
<b>Total</b>	<b>250,000,000</b>	<b>250,000,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>		
1,30,95,507 Equity Shares of ₹10 each fully paid up. (Previous Year 1,30,95,507 Shares of ₹10 each)	130,955,070	130,955,070
<b>Total</b>	<b>130,955,070</b>	<b>130,955,070</b>
<b>2.1 The reconciliation of the number of shares outstanding is set out below:</b>		
Equity shares at the beginning of the year	13,095,507	13,095,507
Add: Shares issued during the year	-	-
Less: Shares cancelled/bought back during the year	-	-
Equity shares at the end of the year	<b>13,095,507</b>	<b>13,095,507</b>
<b>2.2</b> The Equity Shares of the Company have voting rights and are subject to the restriction as prescribed under the Companies Act, 2013.		
<b>2.3</b> The company has no holding Company. The subsidiary company does not hold any shares in the company.		
<b>2.4 List of share holders holding more than 5% shares</b>		
<b>Name of the shareholder</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
	<b>% held</b>	<b>% held</b>
i) Khandelwals Limited	56,41,100	56,41,100
	43.08	43.08
ii) Life Insurance Corporation of India Ltd.	15,85,094	15,85,094
	12.10	12.10
<b>2.5</b> Disclosures pursuant to Note no. 6(A)(h,i,j,k,l) of Part I of Schedule III of the Companies Act, 2013 is NIL.		
<b>3 RESERVES AND SURPLUS</b>		
<b>(a) General Reserve</b>		
Balance as per last Balance Sheet	488,044,364	488,044,364
Add: Transfer from Profit & Loss Account	-	-
Closing Balance	488,044,364	488,044,364
Total (a)	<b>488,044,364</b>	<b>488,044,364</b>
<b>(b) Surplus i.e. Profit and Loss Account</b>		
Balance as per last Balance Sheet	5,880,736	14,685,014
Add: Profit/(Loss) for the year	(8,603,550)	(8,804,278)
Closing Balance	(2,722,814)	5,880,736
Total (b)	<b>(2,722,814)</b>	<b>5,880,736</b>
<b>Reserves and Surplus (a)+(b)</b>	<b>485,321,549</b>	<b>493,925,100</b>

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at		As at	
	31st March, 2017		31st March, 2016	
	₹		₹	
<b>4 LONG TERM BORROWINGS</b>	<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>
<b>Secured Loan</b>				
<b>Term Loan</b>				
<b>From Other Parties</b>				
<b>Kotak Mahindra Prime Ltd- Car Loan</b>	-	-	-	130,805
- Fixed interest @ 10.55% p.a.				
- Secured by hypothecation of motor car purchased under the loan				
- Repayment in 36 equated monthly instalments (EMI) of ₹ 22,477/- each till Sept 2016. (Refer Note 8)				
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,805</b>

4.1 There has been no default in payment of principal and interest on the loan.

**5 LONG TERM PROVISIONS**

	<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>
<b>Provision for employee benefits</b>	313,732	123,008	278,178	92,726
(Refer Note 9 for current Liability/Provision)				
<b>Total</b>	<b>313,732</b>	<b>123,008</b>	<b>278,178</b>	<b>92,726</b>

5.1 The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.

**6 SHORT TERM BORROWINGS**

Particulars	(In ₹)	
	<b>As at</b>	<b>As at</b>
	<b>31st March 2017</b>	<b>31st March 2016</b>
<b>Secured</b>		
<b>Loan Repayable on Demand for Working Capital</b>		
<b>From Banks</b>	2,694,885	1,401,986
- Interest @ 7.90% p.a. ( Previous Year @ 8.25% p.a )		
- Secured against term deposit receipt of the bank		
<b>Total</b>	<b>2,694,885</b>	<b>1,401,986</b>

6.1 There has been no default in repayment of principal and interest on the loan.

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>7 TRADE PAYABLES</b>		
<b>(i) To Micro and Small Enterprises</b>		
(a) Principal and interest amount remaining unpaid	-	-
(b) Interest due thereon remaining unpaid	-	-
(c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(e) Interest Accrued and remaining unpaid	-	-
(f) Interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
<b>Total (i)</b>	<u>-</u>	<u>-</u>
<b>(ii) To Others</b>	2,079,655	2,094,935
<b>Total (ii)</b>	<u>2,079,655</u>	<u>2,094,935</u>
<b>Total (i) + (ii)</b>	<u>2,079,655</u>	<u>2,094,935</u>
7.1 In the absence of information with the company, the names of Micro, Small and Medium Enterprises to whom the company owes any sum together with interest outstanding for more than 30 days have not been given. The Auditors have relied upon this management representation.		
7.2 The balances of Trade Payables are subject to confirmation.		
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>(a) Current maturities of long-term debt</b> (Refer Note 4)		
Car Loan	-	130,805
<b>(b) Other Payables</b>		
-Statutory dues	867,783	625,123
-Security deposits	340,148	10,000
-Advances from customers	125,323	197,394
<b>Total</b>	<u>1,333,254</u>	<u>963,322</u>
8.1 The balances of Security Deposits and Advances from customers are subject to confirmation.		
<b>9 SHORT-TERM PROVISIONS</b>		
<b>(a) Provision for employee benefits</b>		
(i) Provision for Gratuity/ Leave encashment/ Bonus	878,792	402,636
(ii) Others	86,915	84,733
<b>(b) Provision for expenses</b>	268,341	309,662
<b>Total</b>	<u>1,234,048</u>	<u>797,031</u>

## Notes on Financial Statements for the Year ended 31st March, 2017

## Note 10: FIXED ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 01.04.2016	Additions	Deductions/ Adjustments	As at 31.03.2017	As at 01.04.2016	For the year	Deductions / Adjustments	As at 31.03.2017	As at 31.03.2016
<b>1. Tangible Assets</b>									
<b>(A) OWN ASSETS</b>									
Freehold Land	181,251,700	-	-	181,251,700	-	-	-	181,251,700	181,251,700
Buildings	36,891,875	-	9,359,311	27,532,564	22,316,871	1,923,997	8,269,956	15,970,912	14,575,002
Plant and Equipment	25,496,511	-	20,793,681	4,702,830	19,546,546	789,788	16,434,682	3,901,652	5,949,965
Furniture and Fixtures	705,673	-	-	705,673	474,051	68,028	-	542,080	231,622
Vehicles	3,834,458	-	4,112	3,830,346	2,814,976	212,702	4,112	3,023,566	1,019,481
Office Equipment	2,122,255	121,390	-	2,243,645	1,280,127	415,827	-	1,695,954	842,129
Computers	1,237,414	-	-	1,237,414	1,134,407	20,798	-	1,155,205	103,007
Railway Siding	5,377,766	-	-	5,377,766	4,160,715	189,632	-	4,350,348	1,217,051
<b>(B) LEASED ASSETS</b>									
<b>Total (A+B)</b>	<b>256,917,652</b>	<b>121,390</b>	<b>30,157,104</b>	<b>226,881,938</b>	<b>51,727,694</b>	<b>3,620,772</b>	<b>24,708,750</b>	<b>30,639,716</b>	<b>205,189,957</b>
<b>2. Intangible Assets</b>									
Computer Software	18,000	-	-	18,000	5,919	5,692	-	11,611	12,081
<b>Grand Total (1+2)</b>	<b>256,935,652</b>	<b>121,390</b>	<b>30,157,104</b>	<b>226,899,938</b>	<b>51,733,613</b>	<b>3,626,464</b>	<b>24,708,750</b>	<b>30,651,327</b>	<b>205,202,038</b>
Previous Year	256,824,085	111,567	-	256,935,652	47,943,110	3,790,501	-	51,733,611	208,880,971

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>11 NON-CURRENT INVESTMENTS</b>		
(At Cost Less permanent diminution in value (if any))		
<b>TRADE INVESTMENT</b>		
<b>Investment in Equity Instruments</b>		
<b>Unquoted, Fully paid up</b>		
<b>In Subsidiary</b>		
The Motwane Manufacturing Company Private Ltd	151,986,590	151,986,590
[2,47,245 Equity Shares (Previous Year : 2,47,245) of ₹ 100 each]		
<b>Total trade investment (a)</b>	<b>151,986,590</b>	<b>151,986,590</b>
<b>OTHER INVESTMENTS</b>		
<b>Investment in Equity Instruments</b>		
<b>Quoted, Fully paid up</b>		
<b>Ashok Leyland Ltd</b>	-	559,065
[Nil Equity Shares (Previous Year : 8000) of ₹ 1 each]		
<b>ACC Ltd</b>	-	505,458
[Nil Equity Shares (Previous Year : 700) of ₹ 10 each]		
<b>Axis Bank Ltd</b>	-	832,242
[Nil Equity Shares (Previous Year : 7200) of ₹ 2 each]		
<b>Ballarpur Industries Ltd</b>	-	691,153
[Nil Equity Shares (Previous Year : 57,500) of ₹ 2 each]		
<b>BASF India Ltd</b>	991,538	991,538
[800 Equity Shares (Previous Year : 800) of ₹10 each]		
<b>Cairn India Ltd</b>	1,685,772	1,685,772
[4,500 Equity Shares (Previous Year : 4500) of ₹ 10 each]		
<b>Crompton Greaves Ltd</b>	-	1,203,682
[Nil Equity Shares (Previous Year : 6000) of ₹ 2 each]		
<b>Dish TV India Ltd</b>	-	523,913
[ Nil Equity Shares (Previous Year : 5000) of ₹ 1 each]		
<b>Globus Spirits Ltd</b>	1,765,900	2,500,000
[17,659 Equity Shares (Previous Year : 25000) of ₹ 10 each]		
<b>HDFC Bank Ltd</b>	186,768	280,152
[1000 Equity Shares (Previous Year : 1500) of ₹2 each]		
<b>HDFC Ltd</b>	1,252,917	1,822,425
[2200 Equity Shares (Previous Year :3200) of ₹2 each]		



## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Hindalco Industries Ltd</b> [8500 Equity Shares (Previous Year : 8500) of ₹ 1 each]	772,453	772,453
<b>IDFC Ltd</b> [Nil Equity Shares (Previous Year : 11000) of ₹ 10 each]	-	934,824
<b>IDFC Bank Ltd</b> [11000 Equity Shares (Previous Year : 11000) of ₹ 10 each]	608,299	608,299
<b>Indian Hotel Company Ltd</b> [Nil Equity Shares (Previous Year : 19,240) of ₹ 1 each]	-	1,103,993
<b>Indo Solar Ltd.</b> [50000 Equity Shares (Previous Year : Nil) of ₹ 10 each]	369,570	-
<b>Infosys Ltd</b> [2100 Equity Shares (Previous Year : Nil) of ₹ 5 each]	2,529,140	-
<b>ITC Ltd</b> [7,500 Equity Shares (Previous Year : 5000) of ₹ 1 each] (Including 2500 Bonus Shares)	644,435	644,435
<b>Jamna Auto Industries Ltd</b> [Nil Equity Shares (Previous Year : 5500) of ₹ 5 each]	-	799,624
<b>Kotak Mahindra Bank Ltd</b> [8000 Equity Shares (Previous Year : 8000) of ₹ 5 each]	1,226,849	1,226,849
<b>Larsen &amp; Toubro Ltd</b> [3,700 Equity Shares (Previous Year : 3,300) of ₹ 2 each]	3,429,283	2,874,994
<b>Mahindra &amp; Mahindra Financial Services Ltd</b> [Nil Equity Shares (Previous Year : 4165) of ₹ 2 each]	-	471,562
<b>Mahindra &amp; Mahindra Ltd</b> [7525 Equity Shares (Previous Year : 7525) of ₹ 5 each]	3,041,759	3,041,759
<b>Mahindra Holidays &amp; Resorts India Ltd</b> [Nil Equity Shares (Previous Year : 2000 of ₹ 10 each)]	-	631,071
<b>Marico Ltd</b> [Nil Equity Shares (Previous Year : 7000) of ₹ 1 each]	-	164,565
<b>Nitco Industries Ltd</b> [Nil Equity Shares (Previous Year : 10000) of ₹ 10 each]	-	476,988
<b>Petronet LNG Ltd</b> [7,000 Equity Shares (Previous Year : 7,000) of ₹ 10 each]	281,512	281,512
<b>Pidilite Industries Ltd</b> [Nil Equity Shares (Previous Year : 4,000) of ₹ 1 each]	-	191,884

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Powergrid Corporation of India Ltd</b>	2,646,459	2,646,459
[22,773 Equity Shares (Previous Year : 22,773) of ₹ 10 each]		
<b>State Bank of India Ltd</b>	-	2,317,517
[Nil Equity Shares (Previous Year : 15000) of ₹ 1 each]		
<b>Tata Consultancy Services Ltd</b>	1,200,423	1,200,423
[2,400 Equity Shares (Previous Year : 2,400) of ₹ 1 each]		
<b>Tata Communication Ltd.</b>	2,002,223	-
[3600 Equity Shares (Previous Year : Nil) of ₹ 10 each]		
<b>Tech Mahindra Ltd</b>	-	1,289,604
[Nil Equity Shares (Previous Year : 4788 of Rs 10 each)]		
<b>Torrent Power Ltd</b>	505,517	505,517
[3,000 Equity Shares (Previous Year : 3000) of ₹ 10 each]		
<b>Ultratech Cement Ltd</b>	-	117,015
[Nil Equity Shares (Previous Year :114) of ₹ 10 each]		
<b>VA Tech Wabag Ltd</b>	-	442,454
[Nil Equity Shares (Previous Year : 598) of ₹ 2 each]		
<b>Voltas Ltd</b>	-	792,730
[Nil Equity Shares (Previous Year : 3000) of ₹ 1 each]		
<b>Yes Bank Ltd</b>	-	554,351
[Nil Equity Shares (Previous Year : 800 ) of ₹ 10 each]		
<b>Total Other Investments - Quoted (b) (i)</b>	<u>25,140,816</u>	<u>35,686,281</u>
<b>Investment in Equity Instruments - Unquoted, Fully paid up</b>	-	-
<b>Total Other Investments - Unquoted (b) (ii)</b>	-	-
<b>Total Other investments (b) (i+ii)</b>	<u>25,140,816</u>	<u>35,686,281</u>
<b>Total Non Current Investments (a+b)</b>	<u>177,127,406</u>	<u>187,672,871</u>
11.1 Aggregate amount of quoted investents	25,140,816	35,686,281
11.2 Market value of quoted investents	54,381,732	64,637,495
11.3 Aggregate amount of unquoted investments	151,986,590	151,986,590
11.4 Aggregate provision for diminution in value of investments	-	-

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>12 LONG TERM LOANS AND ADVANCES</b>		
<b>(a) Security Deposit</b>		
(i) Unsecured, considered good	975,795	975,795
(ii) Unsecured, considered doubtful (Net of Provision)	163,041	167,540
<b>(b) MAT Credit Entitlement</b>	9,000,000	9,000,000
<b>(c) Other Loans &amp; Advances</b>	433,692	-
<b>Total</b>	<b>10,572,528</b>	<b>10,143,335</b>

12.1 The balances of Security Deposits are subject to confirmation.

12.2 In the opinion of the board loans and advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

**13 CURRENT INVESTMENTS**

(At Lower of Cost or Market Value)

Investment in Equity Instruments

Quoted

<b>Adani Transmission Ltd</b>	224,533	-
[5686 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>City Union Bank Ltd.</b>	527,443	1,439,873
[6627 Equity Shares (Previous Year : 24392) of ₹ 1 each]		
<b>Dynamatic Technologies Ltd.</b>	-	592,855
[Nil Equity Shares : (Previous Year : 257) of ₹ 10 each]		
<b>Federal Bank Ltd</b>	752,627	-
[12,179 Equity Shares : (Previous Year : Nil) of ₹ 2 each]		
<b>Idfc Ltd</b>	377,085	-
[8,972 Equity Shares : (Previous Year : Nil) of ₹ 2 each]		
<b>Hatway Cable and Datacom Ltd</b>	715,644	-
[23,492 Equity Shares (Previous Year : Nil ) of ₹2 each]		
<b>HDFC Bank Limited</b>	2,015,142	975,703
[1,782 Equity Shares (Previous Year : 934) of ₹ 2 each]		
<b>Hdfc Limited</b>	2,228,715	-
[1,796 Equity Shares (Previous Year : Nil) of ₹ each]		
<b>ICICI Bank</b>	573,351	573,351
2,863 Equity Share : (Previous Year : 2863 ) of ₹ 2 each]		
<b>IIFL Holdings Ltd.</b>	990,211	213,064
[3,814 Equity Share : (Previous Year : 1043 ) of ₹ 2 each]		

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Jubilant Life Science Ltd.</b>	559,775	615,163
[1003 Equity Share : (Previous Year : 1466 ) of ₹ 1 each]		
<b>Manglam Cement</b>	-	481,580
[Current Year : Nil (Previous Year : 1788) of ₹ 10 each]		
<b>Net4 India Ltd.</b>	241,270	241,270
[3985 Equity Shares (Previous Year : 3985) of ₹ 10 each]		
<b>Oriental Carbon &amp; Chem. Ltd.</b>	847,422	847,422
[1602 Equity Shares (Previous Year : 1602) of ₹ 10 each]		
<b>Polaris Consulting &amp; Services Ltd</b>	755,395	-
[4189 Equity Shares : (Previous Year : Nil) of ₹ 5 each]		
<b>Rain Industries Ltd.</b>	265,683	265,683
[6553 Equity Shares (Previous Year : 6553) of ₹ 2 each]		
<b>Sanghvi Movers Ltd.</b>	-	975,138
[Nil Equity Shares (Previous Year : 4394) of ₹ 2 each]		
<b>Shriram city Union Fin Ltd</b>	991,451	-
[506 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>SJVN Limited</b>	740,848	1,019,508
[23,568 Equity Shares (Previous Year : 32612 ) of ₹ 10 each]		
<b>Vesuvius India Ltd</b>	866,704	-
[855 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>VST Industries Ltd.</b>	357,911	567,791
[216 Equity Shares (Previous Year : 349) of ₹ 10 each]		
<b>Total Quoted investments</b>	<b>14,031,210</b>	<b>8,808,402</b>
<b>Less: Provision for Diminution in value of current Investments</b>	<b>(231,626)</b>	<b>(663,986)</b>
<b>Total Quoted investments (A)</b>	<b>13,799,584</b>	<b>8,144,416</b>
<b>Investment in Mutual Funds</b>		
<b>Unquoted</b>		
<b>In Units of HDFC Liquid Fund - Direct Plan - Growth</b>	5,340,212	8,685,313
(1,803.037 Units (Previous Year : 3027.744 ))		
<b>In Units of ICICI Prudential Corporate Bond Fund-Regular Plan Growth</b>	20,000,000	20,000,000
[11,40,415.073 Units (Previous Year : 11,40,415.073 Units)		
<b>In Units of ICICI Prudential Income Regular Plan Growth</b>	5,148,200	5,148,200
[1,44,351.2560 Units (Previous Year : 144,351.2560 Units)		
<b>In Units of BNP Paribas Bond Fund - Growth</b>	10,000,000	10,000,000
[9,03,505.602 Units (Previous Year : 9,03,505.6000 Units)		

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>In Units of Birla Sun Life Dynamic Bond Fund-Retail-Growth-Regular Plan</b> [7,07,578.1610 Units (Previous Year : 7,07,578.1610 Units)]	14,000,000	14,000,000
<b>In Units of Canara Robeco Dynamic Bond Fund Regular Growth</b> [10,84,834.021 Units (Previous Year : 10,84,834.021 Units)]	14,000,000	14,000,000
<b>In Units of Canara Robeco - Income Regular Growth Fund</b> [8,78,977.626 Units (Previous Year :8,78,977.626 Units)]	20,000,000	20,000,000
<b>In Units of Kotak Bond Scheme Plan A - Growth</b> [7,35,197.172 Units (Previous Year : 7,35,197.172Units)]	23,397,963	23,397,963
<b>In Units of Franklin India Corporate Bond Opportunities Fund-Growth</b> [8,93,152.20 Units (Previous Year : 8,93,152.20 Units)]	10,000,000	10,000,000
<b>In Units of Franklin India Income Builder Account-Plan A - Growth</b> [5,22,856.68 Units (Previous Year : 5,22,856.68 Units)]	20,000,000	20,000,000
<b>In Units of Franklin India Income Builder Account-Plan B - Growth</b> [1,48,220.61 Units (Previous Year : 1,48,220.61 Units)]	5,000,000	5,000,000
<b>In Units of Franklin India Income Opportunities Fund - Growth</b> [2,08,767.334 Units (Previous Year : 10,70,234.412 Units)]	2,633,451	13,498,273
<b>In Units of Franklin India Feeder US Opportunities Fund - Growth</b> [9,56,496.480 Units (Previous Year : Nil Units)]	20,000,000	-
<b>Total Unquoted investments (B)</b>	<b>169,519,826</b>	<b>163,729,750</b>
<b>Total Current investments (A+B)</b>	<b>183,319,410</b>	<b>171,874,165</b>
13.1 Aggregate amount of quoted investents	14,031,210	8,808,402
13.2 Market value of quoted investents	18,865,767	94,350,670
13.3 Aggregate amount of unquoted investments	169,519,826	163,729,750
13.4 Aggregate provision for diminution in value of investments	231,626	663,986

13.5 Investments in mutual fund includes investments amounting to ₹ 53,40,212/- (Previous Year : ₹ 86,85,313/-) held in the name of porfolio manager under porfolio management service agreement and duly certified by the portfolio manager and their auditors.

## Notes on financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>14 INVENTORIES</b>		
<b><u>Inventories</u></b>		
(As taken, valued and certified by management)		
(a) Raw Materials	-	189,456
(b) Finished goods	-	5,400
(c) Stores and spares	-	108,948
(d) By Products / Waste Products	-	4,464
<b>Total</b>	<b>-</b>	<b>308,268</b>
<b>15 CASH AND BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
Balances with Bank	17,901	49,725
Cash on hand	370,559	266,786
<b>Other Bank Balances</b>		
Term Deposit with State Bank Of India (Less than 12 months maturity) (Held by State Bank of India as security against demand loan for working capital)	5,218,015	5,218,015
<b>Total</b>	<b>5,606,475</b>	<b>5,534,526</b>
<b>16 SHORT-TERM LOANS AND ADVANCES</b>		
<b>(a) Loans and advances to related parties</b>	<b>38,918,200</b>	<b>38,918,200</b>
(Unsecured, considered good)		
<b>b) Others</b>		
<b>(Unsecured, considered good)</b>		
(i) Advance payment of tax/taxes	1,508,193	3,104,102
(ii) Others advances	3,333,639	3,892,250
(iii) Advance recoverable in cash or in kind or for value to be received	7,297,728	3,765,867
<b>Total</b>	<b>51,057,760</b>	<b>49,680,418</b>

16.1 The balances of Loans & Advances are subject to confirmation.

16.2 In the opinion of the board the Loans and Advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

## Notes on financial statements for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>17 REVENUE FROM OPERATIONS</b>		
Sale of products	70,478	1,755,430
Other Operating Revenue	797,889	1,277,730
	868,367	3,033,160
Less :- Excise Duity	(116,267)	(337,023)
<b>Total</b>	<b>752,100</b>	<b>2,696,137</b>
<b>18 OTHER INCOME</b>		
Interest income	4,362,092	3,231,946
Dividend Income	771,991	841,484
Net gain / (loss) on sale/redemption of investments	20,066,413	23,521,201
Profit on Sale of Fixed Assets	-	-
Other non-operating income	111,083	1,615,006
<b>Total</b>	<b>25,311,580</b>	<b>29,209,636</b>
<b>19 COST OF MATERIALS CONSUMED</b>		
Slag RM	-	160,000
<b>Total</b>	<b>-</b>	<b>160,000</b>
<b>20 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>(a) Opening stocks :</b>		
Work in process	-	-
Finished Goods	5,400	5,400
By Products/WastProducts	4,464	9,864
<b>Total (a)</b>	<b>9,864</b>	<b>2,870,897</b>
<b>(b) Stock ascertained and accounted during the year</b>	<b>-</b>	<b>160,000</b>
<b>(c) Closing stocks :</b>		
Work in process	-	-
Finished Goods	-	5,400
By Product/WastProduct	-	4,464
<b>Total (c)</b>	<b>-</b>	<b>9,864</b>
<b>Total d (b+c)</b>	<b>-</b>	<b>169,864</b>
<b>Changes In Inventories Total (a-d)</b>	<b>9,864</b>	<b>2,706,433</b>

## Notes on financial statements for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>21 EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries and Wages	8,606,515	12,732,714
(b) Contribution to Provident and other funds	1,473,007	984,414
(c) Staff Welfare Expenses	399,453	375,048
<b>Total</b>	<b>10,478,975</b>	<b>14,092,176</b>
21.1 The employee benefit expense includes the Whole Time Director's remuneration within the limit approved by share holders at Annual General Meeting held on September 15, 2014.		
<b>22 FINANCIAL COST</b>		
Interest Expenses	207,262	243,660
<b>Total</b>	<b>207,262</b>	<b>243,660</b>
<b>23 OTHER EXPENSE</b>		
Power and Fuel	1,399,731	2,314,452
Rent	215,865	209,827
Repairs to buildings	43,158	471,272
Repairs to Machinery	11,980	184,271
Repairs to Others	592,975	363,896
Insurance	56,378	62,181
Rates and taxes,excluding taxes on income	2,125,687	2,383,177
Light and Water	448,312	463,671
Fright and Handling	29,050	3,362,932
Travelling Expenses [Includes Director's ₹ 2,80,992 (Previous Year ₹ 19,84,898) ]	1,751,793	2,500,064
Payments to the auditor	320,895	373,719
Advances Written off	-	23,574
Sundry Balance W/off	1,891	-
Office Expenses	315,852	263,550
Postage Telegram & Telephone	511,649	522,969
Printing & Stationery	134,671	179,570
Legal & Consulatancy Charges	3,048,489	2,734,352
Security Expenses	5,029,221	639,859
Upkeep of Heavy Vehicles	11,970	21,817
Upkeep of Motor Car	307,466	338,674
Obsolete/Non-usable stock written off	298,404	103,419
Service charges of Surface Vehicles	-	153,900
Provision for Diminution in value of Current Investments	-	385,036
Membership Fees	258,300	99,386
Entertainment Expenses	124,324	283,738
Plantation Expenses	12,440	42,105
Miscellaneous Expenditures	1,640,674	1,235,870
<b>TOTAL</b>	<b>18,691,175</b>	<b>19,717,282</b>



**ADDITIONAL INFORMATION****24 DEFINED BENEFIT PLANS:**

As per Actuarial valuation as on 31st March, 2017 and recognized in the financial statements in respect of Employee Benefit schemes:

**24.1 Components of Employer Expenses:**

	Gratuity (In ₹)	Leave Encashment (In ₹)
a) Interest Cost from 01.04.16 to 31.03.17	2,88,643	19,966
b) Service Cost from 01.04.16 to 31.03.17	1,83,480	1,00,671
c) Actual return on Plan Assets	(1,80,254)	NIL
d) Actuarial (Gain) / Loss	2,94,917	1,87,854
e) Net (Gain) / Loss provided as expense / (income) in Statement of Profit & Loss.	5,86,786	3,08,491
<b>24.2 Net Asset / (Liability) recognised in Balance Sheet as at 31st March, 2017</b>		
a) Present value of Obligation as at 31.03.17	41,75,552	4,36,740
b) Fair value of Plan Assets as at 31.03.17	35,56,266	NIL
c) Un-funded/(Over -funded) liability recognized in the Balance Sheet	6,19,286	4,36,740
<b>24.3 Changes in benefit obligation during the year ended 31st March, 2017</b>		
a) Actuarial value of Projected Benefit Obligations (PBO) as at 31.03.16	38,18,431	3,70,904
b) Service Cost from 01.04.2016 to 31.03.2017	1,83,480	1,00,671
c) Interest Cost from 01.04.2016 to 31.03.2017	2,88,643	19,966
d) Actuarial (Gain) / Loss on obligations	3,05,777	1,87,854
e) Benefits Paid from 01.04.2016 to 31.03.2017	(4,20,779)	(2,42,655)
f) PBO as at 31.03.17	41,75,552	4,36,740
<b>24.4 Change in the fair value of Plan Assets</b>		
a) Fair value of Plan Assets as at 01.04.16	36,63,529	NIL.
b) Actual return on Plan Assets	1,91,114	NIL
d) Actual Company Contribution	1,22,402	2,42,655
e) Benefits Paid	(4,20,779)	(2,42,655)
f) Plan Assets as at 31.03.17	35,56,266	NIL
<b>24.5 Actuarial Assumptions:</b>		
a) Rate of Discounting (p.a.)	7.50%	7.50%
b) Rate of Increase in Compensation level (p.a.)	5.00%	5.00%
c) Rate of Return on Plan Assets (p.a.)	5.22%	0.00%

The company has relied on the valuation certificate issued by consulting Actuary, in terms of AS 15 (revised) issued by the Institute of Chartered Accountants of India, for calculating the actuarial value of Gratuity liability and leave encashment liability towards the employees of the Company.

**25 CONTINGENT LIABILITIES AND COMMITMENTS:(To the extent not provided for)**

**(In ₹)**

Particulars	As at 31-03-2017	As at 31-03-2016
<b>(a) Contingent Liability</b>		
<b>i) Claims made against the Company / disputed liabilities not acknowledged as debts :</b>		
- Sales Tax Matters(Of which documents relating to claim of ₹ 6,27,736 are currently not available with the Company)	2,01,73,539	1,95,45,803
- Customs Duty Matters	11,742,500	1,44,00,298
- Other Matters (Of which documents relating to claim of ₹ 30,61,664 are currently not available with the Company)	11,199,089	1,13,92,113
- Income Tax Matters	19,45,121	24,14,048
<b>ii) Guarantees</b>		
- Guarantees to a Bank against credit facilities extended to third parties In respect of Subsidiary	18,38,50,000	13,71,75,000
<b>iii) Other money for which the Company is contingently liable</b>	-	-
<b>(b) Commitments</b>	-	-
<b>Total Contingent Liabilities and Commitments</b>	<b>22,89,10,249</b>	<b>18,49,27,262</b>

Note: In respect of item 25(a)(i) the Company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Future cash outflow on (a) and (b) above is determinable only on the receipt of judgment / decision pending with respective Hon'ble Court / authorities / departments and or completion of negotiations / settlement.

26 The declaration filed under the Urban Land (Ceiling and Regulation) Act, 1976 in respect of the Company's holdings in excess of the ceiling prescribed under the said Act and the application for exemption filed under Section 20 of the said Act, to retain these lands are under consideration of the concerned authorities.

27 The Company has only one reportable segment of activity namely manufacture of "High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag."

28 Deferred tax assets of Rs. 10,65,893/- has not been recognized on prudent basis.

**29 Related Party disclosures as required under Accounting Standard – AS-18 issued by the Institute of Chartered Accountants of India, are given below:**

**(a) Name and Nature of Relationship of the Related Parties where Control Exists:**

Name of the Related Party	Nature of Relationship
i) Informed Technologies India Limited	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.
ii) Zeppelin Investments Private Ltd.	
iii) Khandelwal Remedies Private Ltd.	
vi) The Motwane Manufacturing Company Pvt. Ltd	Subsidiary Company

**(b) Name of the Related Parties having transaction with the Company during the year and the details of transactions carried out with them:**

		(In ₹)
<b>I Subsidiary Company</b>		
The Motwane Manufacturing Company Private Limited		
i)	Inter corporate deposit given / Repayment Received or Adjusted	Nil / Nil (20,000,000/Nil)
ii)	Interest received	38,91,820/- (2,631,672)
iii)	Purchase of equity shares of subsidiary company in right issue	Nil /(Nil)
		<b>(In ₹)</b>
<b>II Key Management Personnel</b>		<b>Remuneration</b>
i)	Mr. Gautam P. Khandelwal	12,00,000/-
ii)	Mr. S. B. Kanbargi	17,66,588/-
iii)	Mrs. Nidhi Salampuria	18,00,000/-
iv)	Mr.Santosh Khandelwal	9,10,000/-

**(c) Balances Outstanding as at 31<sup>st</sup> March, 2015**

Particulars	Maximum outstanding during the year (₹)	Receivables (₹)	Payables (₹)
<b>i) Related parties where control exists</b>			
Informed Technologies India Limited	Nil (Nil)	Nil (Nil)	Nil (Nil)
The Motwane Manufacturing Company Private Limited	38,918,200 (38,918,200)	38,918,200 (38,918,200)	Nil (Nil)
<b>ii) Key Management Personnel</b>			
Mr. Gautam Khandelwal	1,52,519 (223,652)	Nil (Nil)	Nil (Nil)
<b>iii) Relatives of Key Management Personnel*</b>			
		<b>*See Note</b>	

*Figures in brackets are related to previous year \**

The Company does not have an exhaustive list of business or professions in which relatives of directors of the Company have substantial interest. As such, payments made to any such persons, if any have not been identified. This management representation has been relied upon by the Auditors.

(d) No amounts have been written off/provided for or written back during the year in respect of debts due from or to related parties.

**30 Earnings Per Share:**

Particulars		For the year ended 31 <sup>st</sup> Mar, 2017	For the year ended 31 <sup>st</sup> Mar, 2016
Profit (Loss) for the year (In ₹)	(A)	(8,603,550)	( 8,804,278)
Number of Equity Shares Outstanding	(B)	1,30,95,507	1,30,95,507
Earnings per share of ₹10 each	(A/B)	(0.66)	(0.67)

**31 Payments to Auditor (Including service tax)**

(In ₹)

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017	For the year ended 31 <sup>st</sup> Mar, 2016
Audit Fees	2,08,435	1,94,904
For taxation matters including tax audit	73,585	85,012
For other services	5,750	69,700
For Reimbursement of Expenses	33,125	24,103
<b>Total</b>	<b>3,20,895</b>	<b>373,719</b>

**32 Sales**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Quantity (MT)	Value (In ₹)	Quantity (MT)	Value (In ₹)
Ferro Manganese Slag (Low MnO)	-	-	780.490	1,755,430
Ferro Manganese Slag (High MnO)	-	-	-	-
Others	-	70,478	-	1,277,730
<b>Total</b>	<b>-</b>	<b>70,478</b>	<b>780.490</b>	<b>3,033,160</b>

**33 Opening Stock**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Quantity (MT)	Value (In ₹)	Quantity (MT)	Value (In ₹)
Silico Manganese	0.24	5,400	0.24	5,400
Ferro Manganese Slag (High MnO)	-	-	-	-
Ferro Manganese Slag (Low MnO)	1.840	4,139	510.324	2,870,572
Silico Manganese Slag	3.48	325	3.48	325
<b>Total</b>		<b>9,864</b>		<b>2,876,297</b>

**34 Closing Stock**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Quantity (MT)	Value (In ₹)	Quantity (MT)	Value (In ₹)
Silico Manganese	-	-	0.24	5,400
Ferro Manganese Slag (Low MnO)	-	-	1.840	4,139
Silico Manganese Slag	-	-	3.48	325
<b>Total</b>	-	-	-	<b>9,864</b>

**35 Cost of material Consumed**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Quantity (MT)	Value (In ₹)	Quantity (MT)	Value (In ₹)
Slag RM	-	-	320	160,000
<b>Total</b>	-	-	-	<b>160,000</b>

**36 Value of all Imported and Indigenous Raw Materials, Stores, Spare Parts and Components Consumed:**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	(In ₹)	%	(In ₹)	%
Raw Materials :				
Indigenous	-	-	160,000	100
Imported	-	-	-	-
<b>Total</b>	-	-	<b>160,000</b>	<b>100</b>

**37 Value of all Imports calculated on CIF basis:**

(In ₹)

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Nil		Nil	
	Nil		Nil	

**38 Expenditure in Foreign Currency:**

(In ₹)

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017		For the year ended 31 <sup>st</sup> Mar, 2016	
	Professional and Consultation fees		-	
Traveling expenses		169,903		162,408
<b>Total</b>		<b>169,903</b>		<b>162,408</b>

**39 Earnings in Foreign Exchange: (In ₹)**

Particulars	For the year ended 31 <sup>st</sup> Mar, 2017	For the year ended 31 <sup>st</sup> Mar, 2016
	—————Nil—————	—————Nil—————

**40** The Principal business of the Company is manufacturing of High/Medium/Low Carbon Ferro Manganese and Silico Manganese Slag which is facing challenges. Company is considering various projects in the manufacturing sector, including therein power generation and distribution. In the mean time the company has on temporary basis parked the surplus in Fixed Deposits, Open-ended Mutual Funds and other investments. Considering the long term business plans of the Company and the nature of the investments that the Company has made, the Company has been advised that the provisions of Non Banking Finance Company Regulation do not apply to it. Based on these, in the opinion of the Board, the Company is not a Non Banking Finance Company defined in Section 45 I(f) of the Reserve Bank of India Act, 1934 (2 of 1934). The auditor have relied upon this expert advice and the decision of the board of the Board of Directors in this regard.

**41. Details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	5,00,000	26,053	5,26,053
(+) Permitted receipts	-	3,00,857	3,00,857
(-) Permitted payments	-	2,95,994	2,95,994
(-) Amount deposited in Banks	5,00,000	-	5,00,000
Closing cash in hand as on 30-12-2016	-	30,916	30,916

**42** Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable with the current year figures.

Signature to the Notes 1 to 42 form an integral part of the financial statements.

**As per our report of even date attached**

**For M.V.Ghelani & Co.**

Chartered Accountants  
Firm Regn. No. 119077W

**M.V.Ghelani**

Proprietor

Mumbai, 30th May 2017

**For and on behalf of the Board**

**Gautam P.Khandelwal**

Executive Chairman  
(DIN: 00270717)

**Nidhi Salampuria**

Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai, 30th May 2017

**Nimis Sheth**

Director  
(DIN: 00482739)

**Santosh Khandelwal**

Chief Financial Officer

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

PARTICULARS	FOR THE YEAR ENDED ON 31st MARCH 2017	Amount in Rupees FOR THE YEAR ENDED ON 31st MARCH 2016	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net Profit /(loss) before tax paid, prior period items & extra ord. Items	(6,950,060)	(8,804,278)	
<b>Adjustment for :</b>			
Depreciation and amortisation expense	3,626,464	3,790,501	
loss on sale / written off of Fixed Assets	619,862	-	
Loss on written off of Non-Usable Store	298,404	103,419	
Provision for diminution in value of current investment	-	385,036	
Provision for doubtful Deposit	-	-	
Advances written off	1,891	23,574	
Interest Expenses	207,262	243,660	
Profit on sale of Investment	(20,066,413)	(23,521,201)	
Dividend Received	(771,991)	(841,484)	
Interest Income	(4,362,092)	(3,231,946)	
Sundry Balance Written Back	-	(1,216,824)	
Provision no longer required written back	-	(363,304)	
Rent Received	(240)	(2,450)	
	<u>(20,446,853)</u>	<u>(24,631,019)</u>	
<b>Operating profit / (loss) before working capital change</b>	<b>(27,396,913)</b>	<b>(33,435,297)</b>	
<b>Adjustment for :</b>			
Inventories	9,864	2,866,433	
Long/Short Term Loans & Advances and other current assets	(3,028,224)	(20,505,131)	
Trade Payables, Other Current Liabilities and Provisions	<u>958,028</u>	<u>(1,348,031)</u>	
Cash Flow before prior period adjustments & extraordinary items	<b>(29,457,244)</b>	<b>(52,422,026)</b>	
Prior Period adjustments	-	-	
Income tax paid	(433,692)	(314,485)	
<b>Net cash flows from Operating Activities</b>	<b>“A”</b>	<b>(29,890,936)</b>	<b>(52,736,511)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(121,390)	(111,567)	
Proceeds from sale of Fixed Assets	4,828,488	-	
Proceeds from Investment in Mutual Fund / Shares (incl. Gain & Loss)	19,166,633	50,460,915	
Dividend Received	771,991	841,484	
Rent Received	240	2,450	
Interest Income	4,362,092	3,231,946	
<b>Net cash from Investing Activities</b>	<b>“B”</b>	<b>29,008,054</b>	<b>54,425,228</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds From Short Term Borrowing	-	-	
Receipt / Repayment of Long Term / Short Term Loan (Net)	1,162,094	(1,323,183)	
Interest expense	(207,262)	(243,660)	
<b>Net Cash provided by / (used in) Financing Activities</b>	<b>“C”</b>	<b>954,831</b>	<b>(1,566,843)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>71,949</b>	<b>121,874</b>
<b>Cash and Cash Equivalent at the beginning of the period</b>		<b>316,511</b>	<b>194,637</b>
<b>Cash and Cash Equivalent at the end of the period</b>		<b>388,460</b>	<b>316,511</b>

As per our report of even date attached

For M.V.Ghelani & Co.  
Chartered Accountants  
Firm Regn. No. 119077W

M.V.Ghelani  
Proprietor

Mumbai : 30th May 2017

For and on behalf of the Board

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)

Nidhi Salampuria  
Director & Company Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30th May 2017

Nimis Sheth  
Director  
(DIN: 00482739)

Santosh Khandelwal  
Chief Financial Officer

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF

**NAGPUR POWER AND INDUSTRIES LIMITED**

**Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of NAGPUR POWER AND INDUSTRIES LIMITED ("the Holding Company"), and its subsidiary, The Motwane Manufacturing Company Pvt. Ltd. (the holding company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2017, the Consolidated Profit and Loss Statement and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements") which we have signed under reference to this report.

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

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated financial statement in the terms of Section 134(5) of the Companies Act 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these Consolidated 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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 financial statements.

5. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

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

#### **Other Matter**

7. We did not audit the financial statements of the subsidiary company, namely, The Motwane Manufacturing Company Pvt. Ltd whose financial statements reflect total assets of Rs. 2345.48 Lacs as at 31st March 2017, total revenues of Rs. 2054.96 Lacs, net loss of Rs. 24.65 Lacs and net cash inflow amounting to Rs. 60.45 Lacs for the year ended on that date, as considered in the Consolidated financial statements. These financial statements and other information have been audited by the other auditor whose report has been furnished to us by the management, and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary; and our report in terms of sub- sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

#### **Report On Other Legal and Regulatory Requirements**

8. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of subsidiary, as noted in Other Matter paragraph above, 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 purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditor.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2017, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group is disqualified as on 31<sup>st</sup> March 2017, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A" and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group – Refer Note 28 to the consolidated financial statements;
  - (ii) The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.
- (iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the relevant transactions are in accordance with the books of accounts maintained by the company.

For **M.V. GHELANI & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 119077W

**(M. V. GHELANI)**  
**PROPRIETOR**  
Membership No.: 031105

Place : Mumbai

Date : May 30, 2017

**ANNEXURE A TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section in our report of even date to the members of the company on the consolidated financial statements for the year ended 31st March, 2017)

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

- 1 In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March, 2017, We have audited the internal financial controls over financial reporting of NAGPUR POWER AND INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and in respect of its subsidiary company wherein such audit of the internal financial controls over financial reporting was carried out by other Auditor whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of that date.

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

- 2 The respective Board of Directors of the Holding Company and its subsidiary Company which is incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary company incorporated in India 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.

**Auditor's Responsibility**

- 3 Our responsibility is to express an opinion on the Holding Company's and its subsidiary Company's incorporated in India, 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 the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in the terms 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 Holding Company's and its subsidiary Company's internal financial controls system over financial reporting.

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

- 5 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**

- 6 In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors, as referred to in other matters paragraph, the Holding Company and its subsidiary which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**Other Matter**

- 7 Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting in so far as it relates to consolidated/standalone financial statements of a subsidiary company incorporated in India, is based on the corresponding report of the auditor of such company.

For **M.V. GHELANI & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 119077W

**(M. V. GHELANI)**  
**PROPRIETOR**  
Membership No.: 031105

Place : Mumbai

Date : May 30, 2017

## Consolidated Balance Sheet as at 31st March, 2017

(In ₹)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	130,955,070	130,955,070
(b) Reserves and Surplus	4	518,208,378	528,514,675
		<b>649,163,448</b>	<b>659,469,745</b>
<b>(2) MINORITY INTEREST</b>			
		<b>6,450,769</b>	<b>7,158,395</b>
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term borrowings	5	1,112,000	1,112,000
(b) Other Long Term Liabilities	6	785,000	760,000
(c) Long-Term Provision	7	2,974,478	1,985,489
		<b>4,871,478</b>	<b>3,857,489</b>
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	8	64,198,856	58,494,150
(b) Trade Payables	9		
(i) Dues to Micro and Small Enterprises		-	-
(ii) Dues to Others		34,984,645	31,110,216
(c) Other Current Liabilities	10	17,090,488	12,209,416
(d) Short-Term Provisions	11	14,092,655	14,638,890
		<b>130,366,644</b>	<b>116,452,673</b>
<b>Total</b>		<b>790,852,338</b>	<b>786,938,301</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12	219,760,637	231,365,446
(ii) Intangible Assets		154,636,220	154,862,494
(b) Non-Current Investments	13	25,140,816	35,686,281
(c) Long Term Loans and Advances	14	16,177,274	16,910,108
		<b>415,714,947</b>	<b>438,824,329</b>
<b>(2) Current Assets</b>			
(a) Current Investments	15	183,319,410	171,874,165
(b) Inventories	16	74,703,872	77,319,190
(c) Trade Receivables	17	83,234,449	72,016,698
(d) Cash and Bank Balances	18	21,375,495	15,258,265
(e) Short-Term Loans and Advances	19	12,504,165	11,645,654
		<b>375,137,391</b>	<b>348,113,972</b>
<b>Total</b>		<b>790,852,338</b>	<b>786,938,301</b>

Significant Accounting Policies 1 & 2  
Other Notes on Financial Statements 28 to 35

Notes referred to above form an integral part of the Balance Sheet.

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

As per our report of even date attached

For M.V.Ghelani & Co.  
Chartered Accountants  
Firm Regn. No. 119077W

M.V.Ghelani  
Proprietor

Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)

Nidhi Salampuria  
Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30th May, 2017

Nimis Sheth  
Director  
(DIN: 00482739)

Santosh Khandelwal  
Chief Financial Officer

## Consolidated Profit and Loss statement for the year ended 31st March, 2017

(In ₹)

Particulars	Note No	For The Year Ended 31st March, 2017	For The Year Ended 31st March, 2016
<b>I Revenue from operations</b>	20	220,522,466	228,862,992
<b>Less: Excise duty / Service tax recovered</b>		(15,134,538)	(11,785,877)
		<u>205,387,928</u>	<u>217,077,115</u>
<b>II Other Income</b>	21	22,270,374	27,434,370
<b>III Total Revenue (I +II)</b>		<u><b>227,658,302</b></u>	<u><b>244,511,485</b></u>
<b>IV Expenses:</b>			
Cost of materials consumed	22	34,890,848	27,676,991
Purchases of Stock-in-Trade	23	44,984,630	83,825,163
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	4,428,879	(12,006,202)
Employee benefits expense	25	72,517,798	75,197,281
Finance costs	26	8,761,856	8,658,728
Depreciation and amortization expense	12	19,367,452	20,659,374
Other expenses	27	52,122,012	59,251,146
<b>Total Expenses</b>		<u><b>237,073,475</b></u>	<u><b>263,262,480</b></u>
<b>V Profit before tax (III - IV)</b>		<u>(9,415,173)</u>	<u>(18,750,995)</u>
<b>VI Tax expense:</b>			
(a) Current tax( Mat )		-	-
(b) Deferred tax		-	-
(c) (Short) / excess Provision for earlier Years		(1,598,750)	20,520
<b>VII Profit(Loss) for the year (before adjustment for Minority Interest) (V-VI)</b>		<u><b>(11,013,923)</b></u>	<u><b>(18,730,475)</b></u>
Less: Share of Profit /(loss) transferred to Minority		(707,626)	(2,914,331)
Less: Share of Pre Acquisition Profit transferred to goodwill on consolidation.		-	-
<b>Profit(Loss) for the year (after adjustment for Minority Interest)</b>		<u><b>(10,306,296)</b></u>	<u><b>(15,816,144)</b></u>
<b>VIII Earnings per equity share:</b>			
(a) Basic		(0.79)	(1.21)
(b) Diluted		(0.79)	(1.21)

Significant Accounting Policies

1 &amp; 2

Other Notes on Financial Statements

28 to 35

Notes referred to above form an integral part of the Profit &amp; Loss Statement.

This is the Profit &amp; Loss Statement referred to in our report of even date.

As per our report of even date attached

For and on behalf of the Board

For M.V.Ghelani & Co.  
Chartered Accountants  
Firm Regn. No. 119077W

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)

Nimis Sheth  
Director  
(DIN: 00482739)

M.V.Ghelani  
Proprietor

Nidhi Salampuria  
Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Santosh Khandelwal  
Chief Financial Officer

Mumbai : 30th May, 2017

Mumbai : 30th May, 2017

## Notes on Consolidated financial statements for the year ended 31<sup>ST</sup>March 2017

### 1 Basis of Consolidation:

(a) The Consolidated Financial Statements relate to Nagpur Power and Industries Ltd ('the Company or Parent company or Holding company') and its subsidiary company The Motwane Manufacturing Company Private Limited ('Subsidiary'). The Company and its Subsidiary together constitute 'the Group'. The Consolidated Financial Statements have been prepared on the following basis.

- i) The financial statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra group balances, intra group transactions and unrealized profits or losses as per Accounting Standard 21 'Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2015.
- ii) The financial statements of Subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company.
- iii) The excess of cost to the Company, of its investments in the Subsidiary over the Company's portion of equity as at the date of making the investment is recognized in the financial statements as Goodwill.
- iv) The amount of the reserves and surplus comprises the amount of the reserve as per the balance sheet of Parent Company and its share in post acquisition increase in reserve of the Subsidiary.
- v) Goodwill arising out of consolidation is not amortized. However, the same is tested for impairment at each Balance Sheet date.
- vi) The Minority Interest in the net assets of Subsidiary consists of :
  - the amount of equity attributable to the minorities at the dates on which Investment in Subsidiary is made and
  - the minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

(b) The Company holding in the Subsidiary is as under;

Name of the Subsidiary	Percentage of Holding
The Motwane Manufacturing Company Private Limited	70.64%

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis for preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

#### 2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### 2.3 Fixed Assets And Depreciation:

#### Holding Company:

##### **Tangible Assets**

Fixed assets are stated at Cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Cost of Tangible assets comprises purchase price, borrowing costs, and any attributable cost of bringing the asset to its working condition for the intended use. Borrowing costs relating to the acquisition of fixed assets that takes a substantial period of time to get ready for its intended use are also included in cost to the extent they relate to the period till such assets are put to use. Assets purchases for less than ₹ 5,000/- are not capitalised.

Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer's Valuation Certificate namely:

Building	3-10 years
Plant & Machinery	7-10 years
Heavy Vehicle	2 years
Office Equipment	3-4 years
Railway Siding	7 years

Depreciation on assets purchased / sold during the period is proportionately charged.

- **Intangible Assets**

Intangible assets are stated at cost of acquisition, less accumulated amortization/ depletion and accumulated impairment losses, if any, are amortized over a period of 3 years.

#### Subsidiary Company:

The subsidiary company provides depreciation as under:

- a) Fixed Assets (Tangible) are stated at their original cost.

(Net of Cenvat/Vat Credit wherever availed)

- b) Depreciation on Tangible Assets:

From the accounting period commencing from April 1, 2014, for the purpose of depreciation the company has adopted the useful life of Tangible Fixed Assets as mentioned in Schedule II to the companies Act, 2013, except in the case of major Plant & Machinery and Dies & Moulds. Based on the internal reassessment/ condition of the machinery and past experience, company has considered useful life of such plant & Machinery as 20 years instead of 15 years and useful life of Dies & Moulds as 20 years instead of 8 years.

Depreciation is provided on WDV method considering the useful life as mentioned in Schedule II to the companies Act, 2013.

- c) Depreciation on Intangible assets:

- i. Depreciation is provided on Computer Software under Intangible Assets on WDV method considering the useful life of 10 years in accordance with AS-26.



- ii. Technical Know-How is amortized over period of five years from the year of commercial production.
- iii. Research & Development Expenses are amortized over a period of five years.

#### 2.4 Investments:

Investments are classified into non-current investments and current investments. Non-current investments are stated at cost and diminution in value is provided for, where the management is of the opinion that the diminution in value is other than temporary. Current investments are stated at lower of cost and market value.

Investments that are readily realizable and are intended to be held for not more one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Non-current investments".

When disposing of a part of the holding of an individual investment, the carrying amount of cost allocated to the part that is disposed is determined on the basis of the average carrying amount of the total holding of the investment except current investment held by portfolio manager which is determined on the basis of First In First Out method.

#### 2.5 Inventories:

Inventories of raw materials are stated at lower of cost or net realizable value. Work in process is stated at cost. Stores, spares & tools are stated at cost except the obsolete/non usable stores, which are written off for obsolescence. Finished goods and by-products/waste products where cost is ascertainable are stated at lower of cost or net realisable value and by-products / waste products where cost cannot be determined are stated at net realisable value. The reusable waste, which is not ascertainable, is not accounted.

#### 2.6 Trade Receivables and Loans and Advances:

Trade Receivables and Loans and Advances are stated after making adequate provision for doubtful balances.

#### 2.7 Revenue Recognition:

Revenue is recognised when no significant uncertainty as to determination or realisation exists. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

#### 2.8 Retirement and Other Employee Benefit:

##### Holding Company :

- i) The Company contributes towards Provident Fund & Family Pension Fund which are defined contribution schemes. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. Liability in respect thereof is determined on the basis of contribution as required under the statute/rules.
- ii) The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.
- iii) Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

**Subsidiary Company :**

- a. The Company has established an irrevocable trust to administer gratuity. The Trust has taken a policy under the Group Gratuity Cum Life Insurance Scheme from the LIC of India covering all the eligible employees. The Company makes payment of annual premium and contribution to the Trust as demanded by LIC of India. The annual premium contribution is debited to P & L Account. It is informed that the annual premium contribution calculation is done by LIC considering guidelines given in Accounting Standard on Employee Benefits (Revised) AS-15.
- b. Provident Fund/ESIC remittances to the Government are charged against revenue each year on accrual basis.
- c. Leave Encashment is accounted on the basis of actuarial valuation considering guideline given in Accounting Standard on Employee Benefits (Revised) AS-15.
- d. Provision for Bonus is made on accrual basis.

**2.9 Foreign Exchange Transactions:**

Transactions denominated in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account. Exchange differences relating to fixed assets are adjusted in the cost of the asset. Premium in respect of forward contracts is accounted over the period of the contract.

**2.10 Taxation:****Holding Company:**

Income tax expense comprises of current tax and deferred tax. The deferred tax charge or credit is recognised using current tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available to realise the same. Other deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future income will be available to realise the same. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

**Subsidiary Company:**

Provision for Current Tax Liability, if any is computed on the basis of "Total Income / MAT" as returnable under the Income Tax Act, 1961.

The Company has not provided for deferred tax assets/liability as per Accounting Standard on Accounting for Taxes on Income (AS-22).

**2.11 Provision, Contingent Liabilities and Contingent Assets:**

Provision is recognised in the accounts when there is a present obligation as a result of past events(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent liabilities are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>3 SHARE CAPITAL</b>		
<b>Authorised share capital</b>		
20,000,000 Equity Shares of ₹ 10 each (Previous Year 20,000,000 Equity Shares of ₹10 each)	200,000,000	200,000,000
5,000,000 Unclassified Shares of ₹10 each (Previous Year 5,000,000 Shares of ₹10 each)	50,000,000	50,000,000
500,000 Equity Shares of ₹ 100 each (Previous Year 500,000 Equity Shares of ₹ 100 each)	-	-
<b>Total</b>	<b>250,000,000</b>	<b>250,000,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>		
1,30,95,507 Equity Shares of ₹ 10 each fully paid up. (Previous Year 1,30,95,507 Equity Shares of ₹10 each)	130,955,070	130,955,070
3,50,000- Equity Shares of ₹ 100 each fully paid up (Previous Year 3,50,000 Equity Shares of ₹ 100 each)	-	-
<b>Total</b>	<b>130,955,070</b>	<b>130,955,070</b>
<b>3.1 The reconciliation of the number of shares outstanding is set out below:</b>		
<b>Particulars</b>	<b>As at 31/03/2017</b>	<b>As at 31/03/2016</b>
Equity shares at the beginning of the year	13,095,507	13,095,507
Add: Shares issued during the year	-	-
Less: Shares cancelled/bought back during the year	-	-
Equity shares at the end of the year	<b>13,095,507</b>	<b>13,095,507</b>
<b>3.2</b> The Equity Shares of the Company have voting rights and are subject to the restriction as prescribed under the Companies Act, 2013.		
<b>3.3</b> The company has no holding Company. The subsidiary company does not hold any shares in the company.		
<b>3.4 List of share holders holding more than 5% shares</b>		
<b>Name of the shareholders</b>	<b>As at 31/03/2017</b>	<b>As at 31/03/2016</b>
	<b>No. of Shares</b>	<b>% held</b>
	<b>No. of Shares</b>	<b>% held</b>
i) Khandelwals Limited	5,641,100	43.08
ii) Life Insurance Corporation of India Ltd.	1,585,094	12.10
<b>3.5</b> Disclosures pursuant to Note no. 6(A)(h,i,j,k,l) of Part I of Schedule III to the Companies Act, 2013 is NIL.		
<b>4 RESERVES AND SURPLUS</b>		
<b>(a) General Reserve</b>		
Balance as per last Balance Sheet	489,447,497	489,447,497
Add: Transfer from Profit & Loss Account	-	-
Closing Balance	489,447,497	489,447,497
<b>(b) Share Premium Account</b>		
Balance as per last Balance Sheet	100,408,732	100,408,732
Add: Addition during the year	-	-
Closing Balance	100,408,732	100,408,732
<b>(c) Surplus i.e. Profit and Loss Account</b>		
Balance as per last Balance Sheet	(61,341,554)	(45,525,411)
Add: Profit/(Loss) for the year	(10,306,297)	(15,816,143)
Less: Appropriations	-	-
Closing Balance	(71,647,851)	(61,341,554)
<b>Net Reserves and Surplus (a)+(b)+(c)</b>	<b>518,208,378</b>	<b>528,514,675</b>

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)		As at 31st March, 2016 (In ₹)	
	Non Current	Current	Non Current	Current
<b>5 Long-term borrowings</b>				
<b>Particulars</b>				
<b>I Secured Loan</b>				
<b>From Other Parties</b>				
<b>a) Kotak Mahindra Prime Ltd.- Car loans</b>				
Secured by hypothecation of motor cars purchased under the loan				
i) Repayable in 36 equated monthly instalments (EMI) of ₹ 22,477/- each till Sept 2016 .	-	-	-	130,805
- Fixed Interest @ 10.55% p.a.				
Total borrowing from other parties (a)	-	-	-	130,805
<b>Total Secured Loan (I)</b>	-	-	-	<b>130,805</b>
<b>II Unsecured Loan from related party</b>				
From a Director	<b>1,112,000</b>	-	1,112,000	-
Rate of Interest @10% p.a				
<b>Total Unsecured Loan (II)</b>	<b>1,112,000</b>	-	<b>1,112,000</b>	-
<b>Total (I+II)</b>	<b>1,112,000</b>	-	<b>1,112,000</b>	<b>130,805</b>
5.1 There has been no default in repayment of principal and interest on the loan.				
<b>6 OTHER LONG TERM LIABILITIES</b>				
<b>Other Payables</b>				
Trade/Security Deposit Received from Dealers		785,000		760,000
<b>Total</b>		<b>785,000</b>		<b>760,000</b>
<b>7 LONG -TERM PROVISIONS</b>				
<b>Provision for employee benefits</b>				
Provision for Leave encashment		2,974,478		1,985,489
<b>Total</b>		<b>2,974,478</b>		<b>1,985,489</b>
7.1 The holding company contributes to defined benefit schemes for Gratuity, which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.				

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>8 SHORT TERM BORROWINGS</b>		
<b><u>Loan Repayable on Demand</u></b>		
<b><u>From banks</u></b>		
<b>Secured</b>		
Working Capital Advance	2,694,885	1,401,986
Secured against term deposit receipt of the bank		
Loans Repayable on Demand	61,503,971	57,092,164
Secured against equitable mortgage of factory land & building situated at Nashik and hypothecation of plant & machinery, stocks and book debts/receivables and other current assets of the subsidiary company and personal guarantee of a Director of the company.		
<b>Unsecured</b>		
Inter Corporate Deposit from Nagpur Power & Industries Limited	-	-
<b>Total</b>	<b>64,198,856</b>	<b>58,494,150</b>

8.1 There has been no default in repayment of principal and interest on the loan.

**9 TRADE PAYABLES****(i) To Micro, Small and Medium Enterprises**

(a) Principal and interest amount remaining unpaid	-	-
(b) Interest due thereon remaining unpaid	-	-
(c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(e) Interest Accrued and remaining unpaid	-	-
(f) Interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-

**Total (i)**

<b>(ii) To Others</b>	34,984,645	31,110,216
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<b>Total (ii)</b>	<b>34,984,645</b>	<b>31,110,216</b>
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<b>Total (i) + (ii)</b>	<b>34,984,645</b>	<b>31,110,216</b>
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9.1 In the absence of information with the Company, the names of Micro, Small and Medium Enterprises to whom the Company owes any sum together with interest outstanding for more than 30 days have not been given. The Auditors have relied upon this management representation.

9.2 The balances of Trade Payables are subject to confirmation.

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>10 OTHER CURRENT LIABILITIES</b>		
<b>(a) Current maturities of long-term debt</b>		
(Refer Note no. 5)		
Term Loan		
- from Others- Car Loans	-	130,805
<b>(b) Application money received for allotment of securities and due for refund</b>	-	2,824
<b>(c) Other Payables</b>		
-Statutory dues	3,054,004	2,597,740
-Security deposits	340,148	10,000
-Advances from customers	7,148,179	2,131,369
-Other liability for expenses	6,343,550	7,251,467
-Sundry creditors for capital goods	204,607	85,211
<b>Total</b>	<b>17,090,488</b>	<b>12,209,416</b>

10.1 The balances of Advance from customers are subject to confirmation.

**11 SHORT-TERM PROVISIONS****(a) Provision for employee benefits**

(i) Provision for Gratuity, Leave encashment/ Bonus	2,361,253	2,221,198
(ii) Others	1,870,529	1,850,740

**(b) Provision for Expenses**

	9,860,873	10,566,952
<b>Total</b>	<b>14,092,655</b>	<b>14,638,890</b>

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

## Note 12: FIXED ASSETS

(In ₹)

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2016	Additions	Deductions/ Adjustments	As at 31.03.2017	For the year	Deductions / Adjustments	As at 31.03.2017	As at 31.03.2017
<b>(A) TANGIBLE ASSETS</b>								
Freehold Land	186,846,260	-	-	186,846,260	-	-	-	186,846,260
Buildings	41,602,916	-	9,359,311	32,243,605	2,181,954	8,269,956	18,288,323	13,955,284
Plant and Equipment	78,354,744	672,365	20,793,681	58,233,428	2,794,489	16,434,682	45,977,655	12,255,773
Furniture and Fixtures	14,292,743	147,556	-	14,440,299	981,725	-	11,971,703	2,468,597
Vehicles	10,604,727	-	4,112	10,600,615	516,272	4,112	9,162,061	1,438,554
Capital Goods WIP	-	209,921	-	209,921	-	-	-	209,921
Office Equipment	4,606,604	243,419	63,410	4,786,613	591,963	63,410	3,999,950	786,663
Computers	1,237,414	-	-	1,237,414	20,798	-	1,155,205	82,209
Railway Siding	5,377,766	-	-	5,377,766	189,632	-	4,350,348	1,027,418
Electrical Installation	2,425,543	-	-	2,425,543	167,084	-	2,047,283	378,260
R & D Equipments	1,965,041	72,503	-	2,037,544	58,302	-	1,725,847	311,697
<b>Total (A)</b>	<b>347,313,758</b>	<b>1,345,764</b>	<b>30,220,514</b>	<b>318,439,008</b>	<b>7,502,219</b>	<b>24,772,160</b>	<b>98,678,374</b>	<b>219,760,637</b>
<b>(B) INTANGIBLE ASSETS</b>								
Goodwill on consolidation	129,498,797	-	-	129,498,797	-	-	-	129,498,797
Computer Software	4,383,090	103,925	-	4,487,015	338,635	-	3,362,181	1,124,834
Technical Know-how	4,056,430	-	-	4,056,430	397,627	-	2,863,551	1,192,879
R & D Amortisation	44,109,855	11,535,106	10,620,645	45,024,316	11,128,993	10,620,645	22,204,558	22,819,757
<b>Total (B)</b>	<b>182,048,172</b>	<b>11,639,031</b>	<b>10,620,645</b>	<b>183,066,558</b>	<b>11,865,255</b>	<b>10,620,645</b>	<b>28,430,290</b>	<b>154,636,220</b>
<b>Current year (A+B)</b>	<b>529,361,930</b>	<b>12,984,795</b>	<b>40,841,159</b>	<b>501,505,566</b>	<b>19,367,452</b>	<b>35,392,805</b>	<b>127,108,664</b>	<b>374,396,857</b>
<b>Previous year</b>	<b>526,340,762</b>	<b>13,060,244</b>	<b>10,039,071</b>	<b>529,361,935</b>	<b>20,659,375</b>	<b>10,039,071</b>	<b>143,133,996</b>	<b>386,227,940</b>

**NOTE:**

12. a) As regards the accounting for fixed assets & depreciation please refer to note 2.3  
 12. b) Freehold land at S.No.252/6 at village parthardi, Nashik purchased during the F.Y. 2011-12 is held in the name of  
 12. c) relative of the Director of the company.

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>13 NON-CURRENT INVESTMENTS</b>		
(At Cost Less permanent diminution in value (if any))		
<b>TRADE INVESTMENT</b>		
<b>Investment in Equity Instruments</b>		
<b>Unquoted, Fully paid up</b>		
<b>In Subsidiary</b>		
The Motwane Manufaturing Company Private Ltd	-	-
[2,47,245 Equity Shares (Previous Year : 2,47,245) of ₹ 100 each]		
<b>Total trade investment (a)</b>	-	-
<b>OTHER INVESTMENTS</b>		
<b>Investment in Equity Instruments</b>		
<b>Quoted, Fully paid up</b>		
<b>Ashok Leyland Ltd</b>	-	559,065
[Nil Equity Shares (Previous Year : 8000 ) of ₹ 1 each]	-	-
<b>ACC Ltd</b>	-	505,458
[Nil Equity Shares (Previous Year : 700 ) of ₹ 10 each]	-	-
<b>Axis Bank Ltd</b>	-	832,242
[Nil Equity Shares (Previous Year : 7200) of ₹ 2 each]	-	-
<b>Ballarpur Industries Ltd</b>	-	691,153
[Nil Equity Shares (Previous Year : 57,500 ) of ₹ 2 each]	-	-
<b>BASF India Ltd</b>	991,538	991,538
[800 Equity Shares (Previous Year : 800) of ₹10 each]	-	-
<b>Cairn India Ltd</b>	1,685,772	1,685,772
[4,500 Equity Shares (Previous Year : 4500 ) of ₹ 10 each]	-	-
<b>Crompton Greaves Ltd</b>	-	1,203,682
[Nil Equity Shares (Previous Year : 6000) of ₹ 2 each]	-	-
<b>Dish TV India Ltd</b>	-	523,913
[Nil Equity Shares (Previous Year : 5000) of ₹ 1 each]	-	-
<b>Globus Spirits Ltd</b>	1,765,900	2,500,000
[17,659 Equity Shares (Previous Year : 25000) of ₹ 10 each]	-	-
<b>HDFC Bank Ltd</b>	186,768	280,152
[1000 Equity Shares (Previous Year : 1500) of ₹2 each]	-	-
<b>HDFC Ltd</b>	1,252,917	1,822,425
[2200 Equity Shares (Previous Year :3200) of ₹2 each]	-	-
<b>Hindalco Industries Ltd</b>	772,453	772,453
[8500 Equity Shares (Previous Year : 8500) of ₹ 1 each]	-	-



## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>IDFC Ltd</b>	-	934,824
[Nil Equity Shares (Previous Year : 11000) of ₹ 10 each]		
<b>IDFC Bank Ltd</b>	608,299	608,299
[11000 Equity Shares (Previous Year :11000) of ₹ 10 each] (Received under the scheme of demerger of IDFC Ltd)		
<b>Indian Hotel Company Ltd</b>	-	1,103,993
[Nil Equity Shares (Previous Year : 19,240) of ₹ 1 each]		
<b>ITC Ltd</b>	644,435	644,435
[7500 Equity Shares (Previous Year : 5000) of ₹ 1 each] Including 2500 Bonus		
<b>Indo Solar Ltd</b>	369,570	
[50,000 Equity Shares (Previous Year :Nil) of ₹ 10 each]		
<b>Infosys Ltd</b>	2,529,140	
[2100 Equity Shares (Previous Year :Nil) of ₹ 5 each]		
<b>Jamna Auto Industries Ltd</b>	-	799,624
[Nil Equity Shares (Previous Year : 5500) of ₹ 5 each]		
<b>Kotak Mahindra Bank Ltd</b>	1,226,849	1,226,849
[8000 Equity Shares (PreviousYear :8000 ) of ₹ 5 each] ( Including 3600 bonus Shares )		
<b>Larsen &amp; Toubro Ltd</b>	3,429,283	2,874,994
[3,700 Equity Shares (Previous Year : 3,300) of ₹ 2 each]		
<b>Mahindra &amp; Mahindra Financial Services Ltd</b>	-	471,562
[Nil Equity Shares (Previous Year : 4165) of ₹ 2 each]		
<b>Mahindra &amp; Mahindra Ltd</b>	3,041,759	3,041,759
[7525 Equity Shares (Previous Year : 7125) of ₹ 5 each]		
<b>Mahindra Holidays &amp; Resorts India Ltd</b>	-	631,071
[Nil Equity Shares (Previous Year : 2000) of ₹ 10 each]		
<b>Marico Ltd</b>	-	164,565
[Nil Equity Shares (Previous Year : 7,500) of ₹ 1 each] ( Including 3500 bonus Shares )		
<b>Nitco Industries Ltd</b>	-	476,988
[Nil Equity Shares (Previous Year : 10,000) of ₹ 10 each]		
<b>Petronet LNG Ltd</b>	281,512	281,512
[7,000 Equity Shares (Previous Year : 7,000) of ₹ 10 each]		
<b>Pidilite Industries Ltd</b>	-	191,884
[Nil Equity Shares (Previous Year : 4,000) of ₹ 1 each]		

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>Powergrid Corporation of India Ltd</b> [22,773 Equity Shares (Previous Year : 22,773) of ₹ 10 each]	2,646,459	2,646,459
<b>State Bank of India Ltd</b> [Nil Equity Shares (Previous Year : 15000) of ₹ 1 each]	-	2,317,517
<b>Tata Consultancy Services Ltd</b> [2,400 Equity Shares (Previous Year : 2,400) of ₹ 1 each]	1,200,423	1,200,423
<b>Tata Comunication</b> [3,600 Equity Shares (Previous Year : Nil ) of ₹ 10 each]	2,002,223	
<b>Tech Mahindra Ltd</b> [Nil Equity Shares (Previous Year : 4,788) of Rs. 5 each]	-	1,289,604
<b>Torrent Power Ltd</b> [3,000 Equity Shares (Previous Year : 3000) of ₹ 10 each]	505,517	505,517
<b>Ultratech Cement Ltd</b> [Nil Equity Shares (Previous Year :114) of ₹ 10 each]	-	117,015
<b>VA Tech Wabag Ltd</b> [Nil Equity Shares (Previous Year : 598) of ₹ 2 each]	-	442,454
<b>Voltas Ltd</b> [Nil Equity Shares (Previous Year : 3000) of ₹ 1 each]	-	792,730
<b>Yes Bank Ltd</b> [Nil Equity Shares (Previous Year :800 ) of ₹ 10 each]	-	554,351
<b>Total Other Investments - Quoted (b) (i)</b>	25,140,817	35,686,281
<b>Investment in Equity Instruments - Unquoted, Fully paid up</b>	-	-
<b>Jhulelal Nagari Sahakari Patsantha</b> [6000 Equity Shares ( Previous year :6000) of ₹ 25/- each]	150,000	150,000
Less: Provision for Diminution Value of Investment	(150,000)	(150,000)
<b>Total Other Investments - Uquoted (b) (ii)</b>	-	-
<b>Total Other investments (b) (i+ii)</b>	<b>25,140,817</b>	<b>35,686,281</b>
<b>Total Non Current Investments (a+b)</b>	<b>25,140,817</b>	<b>35,686,281</b>
13.1 Aggregate amount of quoted investents	25,140,817	35,686,281
13.2 Market value of quoted investents	54,381,732	64,637,495
13.3 Aggregate amount of unquoted investments	150,000	150,000
13.4 Aggregate provision for diminution in value of investments	150,000	150,000

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>14 LONG TERM LOANS AND ADVANCES</b>		
<b>(a) Capital Advance</b>		
Unsecured, considered good	347	6,896
<b>(b) Security Deposit</b>		
(i) Unsecured, considered good	6,221,537	7,033,606
(ii) Unsecured, considered doubtful (Net of Provision)	163,041	167,540
<b>(c) Other Loans &amp; Advances</b>		
Unsecured, considered good		
(i) Income Tax /FBT Advances ( Net of Provision)	605,103	514,820
(ii) MAT Credit Entitlement	9,187,246	9,187,246
<b>Total</b>	<b>16,177,274</b>	<b>16,910,108</b>

14.1 The balances of Security Deposits are subject to confirmation.

14.2 In the opinion of the board, loans and advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

**15 CURRENT INVESTMENTS**

**(At Lower of Cost or Market Value)**

**Investment in Equity Instruments**

**Quoted**

<b>Adani Transmission Ltd</b>	224,532.95	-
[5686 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>City Union Bank Ltd.</b>	527,442.69	1,439,873
[6627 Equity Shares (Previous Year : 24392) of ₹ 1 each]		
<b>Dynamatic Technologies Ltd.</b>	-	592,855
[Nil Equity Shares : (Previous Year : 257) of ₹ 10 each]		
<b>Federal Bank Ltd</b>	752,626.87	-
[12,179 Equity Shares : (Previous Year : Nil) of ₹ 2 each]		
<b>Idfc Ltd</b>	377,085.10	-
[8,972 Equity Shares : (Previous Year : Nil) of ₹ 2 each]		
<b>Hatway Cable and Datacom Ltd</b>	715,644.17	-
[23,492 Equity Shares (Previous Year : Nil ) of ₹2 each]		
<b>HDFC Bank Limited</b>	2,015,142.00	975,703
[1,782 Equity Shares (Previous Year : 934) of ₹ 2 each]		

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>Hdfc Limited</b>	2,228,714.74	-
[1,796 Equity Shares (Previous Year : Nil) of ₹ each]		
<b>ICICI Bank</b>	573,351.25	573,351
2,863 Equity Share : (Previous Year :2863 ) of ₹ 2 each]		
<b>IIFL Ltd.</b>	990,210.76	213,064
[3,814 Equity Share : (Previous Year : 1043 ) of ₹ 2 each]		
<b>Jubilant Life Science Ltd.</b>	559,775.11	615,163
[1003 Equity Share : (Previous Year : 1466 ) of ₹ 1 each]		
<b>Manglam Cement</b>	-	481,580
[Current Year : Nil (Previous Year : 1788 of ₹ 10 each)]		
<b>Net4 India Ltd.</b>	241,270.13	241,270
[3985 Equity Shares (Previous Year : 3985) of ₹ 10 each]		
<b>Oriental Carbon &amp; Chem. Ltd.</b>	847,422.17	847,422
[1602 Equity Shares (Previous Year : 1602) of ₹ 10 each]		
<b>Polaris Consulting &amp; Services Ltd</b>	755,395.16	-
[4189 Equity Shares : (Previous Year : Nil) of ₹ 5 each]		
<b>Rain Industries Ltd.</b>	265,682.95	265,683
[6553 Equity Shares (Previous Year : 6553) of ₹ 2 each]		
<b>Sanghvi Movers Ltd.</b>	-	975,138
[Nil Equity Shares (Previous Year : 4394) of ₹ 2 each]		
<b>Shriram city Union Fin Ltd</b>	991,451.08	-
[506 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>SJVN Limited</b>	740,848.29	1,019,508
[23,568 Equity Shares (Previous Year : 32612 ) of ₹ 10 each]		
<b>Vesuvius India Ltd</b>	866,703.64	-
[855 Equity Shares (Previous Year : Nil ) of ₹ 10 each]		
<b>VST Industries Ltd.</b>	357,911.16	567,791
[216 Equity Shares (Previous Year : 349) of ₹ 10 each]		
<b>Total Quoted investments</b>	<b>14,031,210.22</b>	<b>8,808,402</b>
<b>Less: Provision for Diminution in value of current Investments</b>	<b>(231,626.00)</b>	<b>(663,986)</b>
<b>Total Quoted investments (A)</b>	<b>13,799,584.22</b>	<b>8,144,416</b>
<b>Investment in Mutual Funds</b>		

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>Unquoted</b>		
<b>In Units of HDFC Liquid Fund - Direct Plan - Growth</b> (1,803.037 Units (Previous Year : 3027.744 ))	5,340,212	8,685,313
<b>In Units of ICICI Prudential Corporate Bond Fund-Regular Plan Growth</b> [11,40,415.073 Units (Previous Year : 11,40,415.073 Units)]	20,000,000	20,000,000
<b>In Units of ICICI Prudential Income Regular Plan Growth</b> [1,44,351.2560 Units (Previous Year : 144,351.2560 Units)]	5,148,200	5,148,200
<b>In Units of BNP Paribas Bond Fund - Growth</b> [9,03,505.602 Units (Previous Year : 9,03,505,.6000 Units)]	10,000,000	10,000,000
<b>In Units of Birla Sun Life Dynamic Bond Fund-Retail-Growth-Regular Plan</b> [7,07,578.1610 Units (Previous Year : 7,07,578.1610 Units)]	14,000,000	14,000,000
<b>In Units of Canara Robeco Dynamic Bond Fund Regular Growth</b> [10,84,834.021 Units (Previous Year : 10,84,834.021 Units)]	14,000,000	14,000,000
<b>In Units of Canara Robeco - Income Regular Growth Fund</b> [8,78,977.626 Units (Previous Year :8,78,977.626 Units)]	20,000,000	20,000,000
<b>In Units of Kotak Bond Scheme Plan A - Growth</b> [7,35,197.172 Units (Previous Year : 7,35,197.172Units)]	23,397,963	23,397,963
<b>In Units of Franklin India Corporate Bond Opportunities Fund-Growth</b> [8,93,152.20 Units (Previous Year : 8,93,152.20 Units)]	10,000,000	10,000,000
<b>In Units of Franklin India Income Builder Account-Plan A - Growth</b> [5,22,856.68 Units (Previous Year : 5,22,856.68 Units)]	20,000,000	20,000,000
<b>In Units of Franklin India Income Builder Account-Plan B - Growth</b> [1,48,220.61 Units (Previous Year : 1,48,220.61 Units)]	5,000,000	5,000,000
<b>In Units of Franklin India Income Opportunities Fund - Growth</b> [2,08,767.334 Units (Previous Year : 10,70,234.412 Units)]	2,633,451	13,498,273
<b>In Units of Franklin India Feeder US Opportunities Fund - Growth</b> [9,56,496.480 Units (Previous Year : Nil Units)]	20,000,000	-
<b>Total Unquoted investments (B)</b>	<b>169,519,826</b>	<b>163,729,750</b>
<b>Total Current investments (A+B)</b>	<b>183,319,410</b>	<b>171,874,165</b>
<b>Aggregate amount of quoted investents</b>		
15.1 Aggregate amount of quoted investents	14,031,210	8,808,402
15.2 Market value of quoted investents	18,865,768	94,350,670
15.3 Aggregate amount of unquoted investments	169,519,826	163,729,750
15.4 Aggregate provision for diminution in value of investments	231,626	663,986

## Notes on Consolidated financial statements for the year ended 31st March 2017

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
-------------	--------------------------------	--------------------------------

Investments in mutual fund includes investments amounting to ₹ 5,340,212/- (Previous Year : ₹ 8,685,313/-) held in the name of portfolio manager under portfolio management service agreement which is based on statement from the portfolio manager and duly certified by their auditors

**16 INVENTORIES****Inventories**

(As taken, valued and certified by management)

(a) Raw Materials	26,758,717	24,870,421
(b) Work-in-Progress	11,528,899	7,882,651
(c) Finished goods	18,632,600	27,143,085
(d) Stock in Trade	17,488,835	17,049,013
(e) Stores and spares	294,821	369,556
(f) By Products / Waste Products	-	4,464
<b>Total</b>	<b>74,703,872</b>	<b>77,319,190</b>

**17 TRADE RECEIVABLE****Unsecured, considered good**

Debts outstanding for a period exceeding six months	13,660,882	20,294,874
Other Debts	69,573,567	51,721,824
<b>Total</b>	<b>83,234,449</b>	<b>72,016,698</b>

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	As at 31st March, 2017 (In ₹)	As at 31st March, 2016 (In ₹)
<b>18 CASH AND BANK BALANCES</b>		
<b>(a) Cash and cash equivalents</b>		
(I) Balances with Banks	3,734,801	5,107,998
(II) Cash on hand	582,679	452,252
(III) Others		
Term Deposits (Less than 3 months maturity)	-	500,000
<b>(b) Other Bank Balance</b>		
<b>(I) Balances with banks to the extent held as security or margin money</b>		
<b>Security against demand loan for working capital</b>		
(i) Term Deposit (Less than 12 months maturity) (Held by State Bank of India as security against demand loan for working capital)	5,218,015	5,218,015
<b>Margin Money against Bank Guarantee and letter of credit facilities to subsidiary co.</b>		
(ii) Term Deposits (More than 3 Months but less than 12 months maturity)	11,840,000	3,980,000
(iii) Term Deposits (More than 12 months maturity)	-	-
<b>Total</b>	<b>21,375,495</b>	<b>15,258,265</b>
<b>19 SHORT-TERM LOANS AND ADVANCES</b>		
<b>(a) Loans and advances to related parties</b>		
<b>(Unsecured, considered good)</b>		
Inter Corporate Deposit to subsidiary company		
<b>Others</b>		
<b>(Unsecured, considered good)</b>		
(i) Advance payment of tax/taxes (Net of Provision)	1,810,500	3,117,351
(ii) Other advances	8,866,617	7,460,810
(iii) Advances recoverable in cash or in kind or for value to be received	1,827,048	1,067,493
<b>Total</b>	<b>12,504,165</b>	<b>11,645,654</b>

19.1 The balances of Loans & Advances are subject to confirmation.

19.2 In the opinion of the board the Loans and Advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017 (In ₹)	For the year ended 31st March, 2016 (In ₹)
<b>20 REVENUE FROM OPERATIONS</b>		
Sale of products	207,432,773	216,910,310
Sale of Services	3,608,764	4,060,778
Other Operating Revenue	9,480,929	7,891,904
Total ( a )	220,522,466	228,862,992
Less : Excise duty	(13,532,988)	(10,457,104)
Less : Service Tax	(1,601,550)	(1,328,773)
Total ( b )	(15,134,538)	(11,785,877)
<b>Total ( a+b)</b>	<b>205,387,928</b>	<b>217,077,115</b>
<b>21 OTHER INCOME</b>		
Interest income	1,306,885	911,447
Dividend Income	771,991	841,484
Net gain /( loss) on sale of investments	20,066,413	23,521,201
Exchange Gain / (Loss)	-	291,333
Other non-operating income	125,083	1,868,906
<b>Total</b>	<b>22,270,372</b>	<b>27,434,370</b>
<b>22 COST OF MATERIALS CONSUMED</b>		
<b>Manufacturing</b>		
Indigeneous	26,432,305	20,671,494
Imported	8,458,543	7,005,497
<b>Total</b>	<b>34,890,848</b>	<b>27,676,991</b>
<b>23 PURCHASES OF STOCK - IN - TRADE</b>		
<b>Trading Goods</b>		
Indigeneous	22,840,378	14,835,445
Imported	22,144,252	68,989,718
<b>Total</b>	<b>44,984,630</b>	<b>83,825,163</b>



## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017 (In ₹)	For the year ended 31st March, 2016 (In ₹)
<b>24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>(a) Opening stocks :</b>		
Finished Goods	27,143,085	22,412,765
Work in progress	7,882,651	6,161,237
Stock-in-Trade	17,049,013	8,788,112
By Product/Waste Product	4,464	2,870,897
<b>Total (a)</b>	<u>52,079,213</u>	<u>40,233,011</u>
<b>(b) Stock ascertained and accounted during the year</b> (Refer Note 16.1)	-	160,000
<b>(c) Closing stocks :</b>		
Finished Goods	18,632,600	27,143,085
Work in progress	11,528,899	7,882,651
Stock-in-Trade	17,488,835	17,049,013
By Product/Waste Product	-	4,464
<b>Total (c)</b>	<u>47,650,334</u>	<u>52,079,213</u>
<b>(d) Total (b+c)</b>	<u>47,650,334</u>	<u>52,239,213</u>
<b>(e) (Increase)/Decrease</b>	<u>4,428,879</u>	<u>(12,006,202)</u>
<b>Total (a)-(d)</b>		
<b>25 EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries and Wages	65,683,251	69,689,959
(b) Contribution to Provident and other funds	5,661,367	4,490,971
(c) Staff Welfare Expenses	1,173,180	1,016,351
<b>Total</b>	<u>72,517,798</u>	<u>75,197,281</u>
25.1 The employee benefits expense includes the Whole Time Director's remuneration as approved by share holders at Annual General Meeting held on September 15, 2014.		
<b>26 FINANCIAL COST</b>		
Interest Expenses	7,084,721	7,759,222
Bank Charges & Commission	1,677,134	899,506
<b>Total</b>	<u>8,761,855</u>	<u>8,658,728</u>

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017 (In ₹)	For the year ended 31st March, 2016 (In ₹)
<b>27 OTHER EXPENSES</b>		
Power and Fuel	2,785,843	3,747,073
Rent	628,930	786,643
Repairs to buildings	1,881,355	2,755,576
Repairs to Machinery	1,079,714	1,018,291
Repairs to Others	2,725,455	2,958,303
Insurance	528,880	493,621
Rates and taxes,excluding taxes on income	2,307,343	2,838,829
Light and Water	605,079	580,551
Freight and Handling	2,361,293	4,878,474
Conveyance	1,648,099	1,862,453
Travelling Expenses	10,845,473	11,765,996
Payments to the auditor	520,895	573,719
Advances written off	-	23,574
Postage Telegram & Telephone	2,070,886	2,194,395
Printing & Stationery	739,913	949,568
Legal & Consulancy Charges	4,664,844	4,155,484
Security Expenses	6,239,192	1,798,145
Exchange ( Gain ) / Loss	2,283,987	-
Share Custody Charges	89,440	45,872
Excise Duty paid / Increase/(Decrease) on FG	(3,231,159)	3,166,242
Consumption of Stores and Spare Parts	600,452	495,568
Commission on Sales	1,049,088	1,874,967
Advertisement and Publicity	2,742,974	3,283,006
Sales Promotion	685,665	460,262
Listing Fees	229,000	237,531
General Charges	138,014	148,778
Recruitment Expenses	375,738	662,309
Upkeep of Motor Car	1,468,088	1,429,831
Obsolete/non-usable stock written off	298,404	103,419
Service charges of Surface Vehicles	-	153,900
Provision for diminution of current investment	-	385,036
Membership fees	258,300	99,386
Entertainment Expenses	124,324	283,738
Conference/Seminar Exp.	451,347	454,586
Miscellaneous Expenditures	2,925,155	2,586,021
<b>TOTAL</b>	<b>52,122,009</b>	<b>59,251,148</b>

## Notes on Consolidated financial statements for the year ended 31st March, 2017

Additional Information

## 28 CONTINGENT LIABILITIES AND COMMITMENTS:(to the extent not provided for)

(In ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(i) Contingent Liabilities</b>		
<b>a) Claims made against the Company not acknowledged as debt :</b>		
- Sales Tax Matters(Of which documents relating to claim of ₹ 6,27,736 are currently not available with the Company)	2,01,73,539	1,95,45,803
- Customs Duty Matters	1,17,42,500	1,44,00,298
- Other Matters (of which documents related to claim of ₹ 30,61,664 /- are currently not available with the company)	1,11,99,089	1,13,92,113
- Income Tax Matters	19,45,121	24,14,048
<b>b) Guarantees</b>	-	-
<b>c) Other money for which the company is contingently liable</b>		
<b>(ii) Commitments</b>	-	-
<b>Total Contingent Liabilities and Commitments</b>	<b>4,50,60,249</b>	<b>4,77,52,262</b>

Note: i) In respect of item 28(i)(a) the Company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Future cash outflow on (i) above is determinable only on the receipt of judgment / decision pending with respective Hon'ble Court / Authorities / Departments and or completion of negotiations / settlement.

ii) The Bank Guarantees and Letter of Credit issued by subsidiary's bankers, being own obligation it is not included in terms of ICAI Guidance note on Revised Schedule III of the companies Act, 2013.

29 The declaration filed under the Urban Land (Ceiling and Regulation) Act, 1976 in respect of the Company's holdings in excess of the ceiling prescribed under the said Act and the application for exemption filed under Section 20 of the Act, to retain these lands are under consideration of the concerned authorities.

## 30 Segment Reporting :

- a) As per Accounting Standard -17 on Segment Reporting issued by the Institute of Chartered Accountants of India, the Company has reported segments information on consolidated basis including business conducted through its subsidiaries.
- b) The reportable segments are :Manufacture of "High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag." andManufacture of "Electronics & Electrical Products, Energy Meters & others."

c) Primary Segment Information :		(In ₹)	
Particulars	For the year ended		
	31st March, 2017	31st March, 2016	
<b>I Segment Revenue:</b>			
A Sale of Products			
1. High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	70,478	17,55,430	
2. Electronics & Electrical Products, Energy Meters & others	(A) 20,73,62,295	21,51,54,880	
	<b>20,74,32,773</b>	<b>21,69,10,310</b>	
B. Sale of Services	(B) 36,08,764	40,60,778	
C Other Operating Revenue			
1 High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	7,97,889	12,77,730	
2 Electronics & Electrical Products, Energy Meters & others	86,83,040	66,14,174	
	(C) 94,80,929	78,91,904	
<b>Gross Revenue( A+B+C)</b>	<b>22,05,22,466</b>	<b>22,88,62,992</b>	
<b>Less : Inter Segment Revenue</b>	-	-	
<b>Net Revenue</b>	<b>22,05,22,466</b>	<b>22,88,62,992</b>	
<b>II Segment Results before Interest &amp; Tax :</b>			
Profit/(Loss) before Interest & Tax from each segment			
High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	(1,06,34,618)	(1,11,92,290)	
Electronics & Electrical Products, Energy Meters & others	99,81,501	11,00,024	
Total Profit/(Loss) before Interest & Tax	(6,53,117)	(1,00,92,266)	
Less : Interest	(87,61,856)	(86,58,728)	
<b>Profit/(Loss) before Tax</b>	<b>(94,14,973)</b>	<b>(1,87,50,994)</b>	
<b>III Other Information</b>			
<b>Segment Assets</b>			
High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	623,932,193	63,04,15,622	
Electronics & Electrical Products, Energy Meters & others	234,547,537	22,06,47,430	
<b>Total Segment Assets</b>	<b>85,84,79,730</b>	<b>85,10,63,052</b>	
<b>Segment Liability</b>			
High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	76,55,574	55,35,452	
Electronics & Electrical Products, Energy Meters & others	17,27,21,945	15,64,11,667	
<b>Total Segment Liability</b>	<b>18,03,77,519</b>	<b>16,19,47,119</b>	
<b>Capital Expenditure</b>			
High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	1,21,390	1,11,567	
Electronics & Electrical Products, Energy Meters & others	12,863,405	1,29,48,677	
<b>Total</b>	<b>12,984,795</b>	<b>1,30,60,244</b>	

**Depreciation**

High/ Medium/ Low Carbon Ferro Manganese and Silico Manganese Slag	36,26,464	37,90,501
Electronics & Electrical Products, Energy Meters & others	15,740,988	1,68,68,872
<b>Total</b>	<b>19,367,452</b>	<b>2,06,59,373</b>

**31 Related Party disclosures as required under Accounting Standard -18 issued by the Institute of Chartered Accountants of India and applicable to the Holding Company are given below:**

**(I) Name and Nature of Relationship of the Related Parties where Control Exists:**

Name of the Related Party	Nature of Relationship
a) Informed Technologies India Limited	Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise
b) Zeppelin Investments Private Limited	
c) Khandelwals Ltd.	

**(II) Name of the Related Parties having transaction with the Company during the year and the details of transactions carried out with them:**

(In ₹)

**1 Key Management Personnel**

**Remuneration**

a) Mr. Gautam P. Khandelwal	12,00,000/ (60,00,000)
b) Mr. S. B. Kanbargi	17,66,588 / (8,47,320)
c) Ms. Nidhi Salampur	18,00,000/(8,74,200)
d) Mr. Santosh Khandelwal	9,10,000/(7,54,246)
e) Mr. A.S.Parundekar	32,14,508 / (32,77,198)
f) Mr. Jitendra Agrawal	35,85,848 / (30,93,349)

**Rent**

a) Mr. P.H.Motwane	96,012 / (96,012)
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**Interest**

a) Mrs. H.H.Motwane	1,33,440 / (1,33,440)
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**Consultancy Charges**

Mrs. H.H.Motwane	1,80,000 /(4,80,000)
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**(III) Balances Outstanding as at 31<sup>st</sup> March, 2016**

(In ₹)

Particulars	Maximum balance during the year	Receivable	Payable
<b>1) Related parties where control exists</b>			
a) Informed Technologies India Ltd	NIL (NIL)	NIL (NIL)	NIL (NIL)
<b>2) Key Management Personnel</b>			
a) Mr. Gautam Khandelwal	1,52,519 (2,23,652)	NIL (NIL)	NIL (NIL)
b) Mrs. H. H. Motwane	11,23,333 (11,12,000)	NIL (NIL)	11,23,333 (11,12,000)
<b>3) Relatives of Key Management Personnel</b>		<b>*See Note</b>	

Figures in brackets are related to previous year

\* The company does not have an exhaustive list of business or professions in which relatives of directors of the Company have substantial interest. As such, payments made to any such persons, if any have not been identified. This management representation has been relied upon by the Auditors.

(IV) No amounts have been written off/provided for or written back during the year in respect of debts due from or to related parties.

**32 Earnings Per Share:**

Particulars		For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Profit (Loss) for the year (Rs)	(A)	(10,306,296)	(1,58,16,143)
Number of Equity Shares Outstanding	(B)	1,30,95,507	1,30,95,507
Earnings per share of Rs 10 each	(A/B)	(0.79)	(1.21)

33 The Principal business of the Company is manufacturing of High/Medium/Low Carbon Ferro Manganese and Silico Manganese Slag which is facing challenges. Company is considering various projects in the manufacturing sector, including therein power generation and distribution. In the mean time the company has on temporary basis parked the surplus in Fixed Deposits, Open-ended Mutual Funds and other investments. Considering the long term business plans of the Company and the nature of the investments that the Company has made, the Company has been advised that the provisions of Non Banking Finance Company Regulation do not apply to it. Based on these, in the opinion of the Board, the Company is not a Non Banking Finance Company defined in Section 45 I(f) of the Reserve Bank of India Act, 1934 (2 of 1934). The auditor have relied upon this expert advice and the decision of the Board of Directors in this regard.

**34 Details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	11,30,000	2,82,585	14,12,585
(+) Permitted receipts	-	9,65,623	9,65,623
(-) Permitted payments	-	9,31,899	9,31,899
(-) Amount deposited in Banks	11,30,000	-	11,30,000
Closing cash in hand as on 30-12-2016	-	3,16,309	3,16,309

35 The figures pertaining to Subsidiary have been reclassified wherever necessary to bring them in line with the Parent Company's Financial statement.

Signature to the Notes 1 to 35 which form an integral part of the Consolidated financial statements.

**As per our report of even date attached**

**For M.V.Ghelani & Co.**  
Chartered Accountants  
Firm Regn. No 119077W

**M.V.Ghelani**  
Proprietor

Mumbai, 30th May 2017

**For and on behalf of the Board**

**Gautam P.Khandelwal**  
Executive Chairman  
(DIN: 00270717)

**Nidhi Salampuria**  
Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai, 30th May 2017

**Nimis Sheth**  
Director  
(DIN: 00482739)

**Santosh Khandelwal**  
Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

PARTICULARS	Amount in Rupees	
	FOR THE YEAR ENDED 31st MARCH 2017	FOR THE YEAR ENDED 31st MARCH 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Profit (loss) before tax paid, prior period items & extra ord. Items	(9,415,173)	(18,750,994)
<b>Adjustment for :</b>		
Depreciation and amortisation expense	19,367,452	20,659,373
Loss on Sale/ Written off of Fixed Assets	610,383	-
Loss on written of non-usable stores	298,404	103,419
Provision for diminution in value of current investment	-	385,036
Advances written off	1,891	23,574
Interest Expenses	8,761,856	8,658,728
Profit on sale of Investment	(20,066,413)	(23,521,201)
Dividend Income	(771,991)	(841,484)
Rent Received	(240)	(2,450)
Sundry balane written off	-	(1,216,824)
Interest Income	(1,306,885)	(911,447)
Provision no longer required written back	-	(363,304)
	6,894,457	2,973,420
<b>Operating profit / (Loss) before working capital change</b>	<b>(2,520,716)</b>	<b>(15,777,574)</b>
<b>Adjustment for :</b>		
Inventories	2,316,914	(10,128,257)
Trade Receivables	(11,217,751)	(12,887,110)
Other Cash Balance	(7,860,000)	(1,308,652)
Long /Short Term Loans & Advances and other current assets	(1,121,215)	(904,058)
Trade Payables, Other Current Liabilities and Provisions	9,354,058	15,931,701
<b>Cash Flow before prior period adjustments &amp; extraordinary items</b>	<b>(11,048,710)</b>	<b>(25,073,949)</b>
Prior Perid adjustments / Earlier Year Tax	-	20,520
Income tax paid	(605,103)	(514,820)
<b>Net Cash Flow from Operating Activities</b>	<b>(11,653,813)</b>	<b>(25,568,250)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(12,984,795)	(13,060,244)
Proceeds from sale of Fixed Assets (Including Profit)	4,838,043	-
Proceeds from Investment in Mutual Fund / Shares ( incl. gain or loss)	19,166,633	50,460,915
Rent Received	240	2,450
Dividend Income	771,991	841,484
Interest Income	1,306,885	911,447
<b>Net Cash Flow From Investing Activities</b>	<b>13,098,998</b>	<b>39,156,052</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Shares to Minority Interest by Subsidiary.	-	-
Proceeds from long term / short term borrowings	-	-
Repayment of long term / short term borrowings	5,573,901	(5,518,957)
Interest expense	(8,761,856)	(8,658,728)
<b>Net Cash Provided By / (used in) Financing Activities</b>	<b>(3,187,955)</b>	<b>(14,177,685)</b>
<b>NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(1,742,770)</b>	<b>(589,884)</b>
<b>Cash and Cash Equivalent at the beginning of the period</b>	<b>6,060,250</b>	<b>6,650,133</b>
<b>Cash and Cash Equivalent at the end of the period</b>	<b>4,317,480</b>	<b>6,060,250</b>

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable with the current year figures.

As per our report of even date attached

For M.V.Ghelani & Co.  
Chartered Accountants  
Firm Regn. No. 119077W

M.V.Ghelani  
Proprietor

Mumbai : 30th May 2017

For and on behalf of the Board

Gautam P.Khandelwal  
Executive Chairman  
(DIN: 00270717)

Nidhi Salampuria  
Director & Company Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30th May 2017

Nimis Sheth  
Director  
(DIN: 00482739)

Santosh Khandelwal  
Chief Financial Officer

## Financial Year ended 31st March , 2017

## FORM AOC-1

(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

## Part "A": Subsidiaries

(In ₹)

Sr No	Name of the Subsidiary Company	The Motwane Manufacturing Company Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the each of foreign subsidiaries.	N.A
3	Share Capital	35,000,000
4	Reserve & surplus	26,825,592
5	Total Assets	234,547,537
6	Total Liabilities	172,721,945
7	Investments	-
8	Turnover	204,635,829
9	Profit / (Loss) before taxation	(2,464,913)
10	Provision for taxation / Income Tax refund of earlier year	(54,741)
11	Profit after taxation	(2,410,172)
12	Proposed dividend	-
13	Percentage of share holding	70.64%

**Notes:**

Names of subsidiaries which are yet to commence operations :- **NIL**

Names of subsidiaries which have been liquidated or sold during the year:- **NIL**

## Part "B": Associates and Joint Ventures

Statement pursuant to first proviso to sub-section(3) of section 129 of the companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 related to Associate Companies and Joint Ventures is **NIL**.

**As per our report of even date attached****For M.V.Ghelani & Co.**

Chartered Accountants  
Firm Regn. No. 119077W

**M.V.Ghelani**

Proprietor

Mumbai : 30 May 2017

**For and on behalf of the Board****Gautam P.Khandelwal**

Executive Chairman  
(DIN: 00270717)

**Nidhi Salampuria**

Director & Company  
Secretary  
(DIN: 07138654)  
(ACS 28712)

Mumbai : 30 May 2017

**Nimis Sheth**

Director  
(DIN: 00482739)

**Santosh Khandelwal**

Chief Financial Officer



## NAGPUR POWER AND INDUSTRIES LIMITED

CIN: L40100MH1996PLC104361

Registered Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400 021.

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Website: www.nagpurpowerind.com | Email id: npil\_investor@khandelwalindia.com |

### ATTENDANCE SLIP

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

Regd. Folio No:	*DP ID:
*Client ID:	No. of Shares Held:

Name of The Member : _____	Signature: _____
Name of The Proxy Holder : _____	Signature: _____

I/We hereby record my presence at the 21<sup>ST</sup> Annual General Meeting of the Company to be held on **Thursday, September 28, 2017** at 2:30 PM at **20<sup>th</sup> Floor, Nirmal Building, Nariman Point, Mumbai – 400 021**

#### Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No. /DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

# NAGPUR POWER AND INDUSTRIES LIMITED

CIN: L40100MH1996PLC104361

Registered Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400 021.

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Website: www.nagpurpowerind.com | Email id: npil\_investor@khandelwalindia.com |

## Proxy Form Form No. MGT-11

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

CIN : L40100MH1996PLC104361  
Name of the Company : Nagpur Power And Industries Limited  
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 the above named Company, hereby appoint

Name: .....	Name: .....	Name: .....
Address: .....	Address: .....	Address: .....
E-mail Id: .....	E-mail Id: .....	E-mail Id: .....
Signature:..... or failing him;	Signature:..... or failing him;	Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on **Thursday, September 28, 2017** at 2:30 PM at **20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021** and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the Directors Report and Auditor's Report thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2017.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re- appointment.
3. Appointment Of Statutory Auditors Of The Company, And To Fix Their Remuneration.

### Special Business

4. Regularization of Appointment of Mr. Ajit Parundekar (DIN: 00042608) as a Director of the Company.
5. Appointment of Mr. Virat Mehta (DIN: 07910116) as an Independent Director.
6. Re-Appointment of Mr. Gautam Premnath Khandelwal (DIN: 00270717) As Executive Chairman of The Company.
7. Alteration/Adoption of new set of Articles of Association of Company as per Companies Act, 2013.
8. Change In Place Of Keeping And Inspection Of Register And Index Of Members, Returns, Etc.

Affix  
Re. 1/-  
Revenue  
Stamp

Signed this..... day of .....2017

Signature of the Shareholder

Signature of the Proxy holder(s)

**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 (forty eight) hours before the commencement of the meeting.**
- 2. A proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# NAGPUR POWER AND INDUSTRIES LIMITED

CIN L40100MH1996PLC104361

| Regd. Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai-400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: npil\_investor@khandelwalindia.com | Website: www.nagpurpowerind.com |

## BALLOT FORM FORM NO. MGT-12

(Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule No. 21 (1) (c) of the Companies (Management & Administration) Rules 2014

(1) Name(s) of the First Named Shareholder (In block letter) \_\_\_\_\_

(2) Postal address \_\_\_\_\_

(3) Registered folio No/ DP Id No / Client ID : \_\_\_\_\_

(4) Number of Shares held : \_\_\_\_\_

I/we hereby exercise my/our vote in respect of the Ordinary/ Special resolution enumerated below by recording my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Resolution No.	Description	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the Directors Report and Auditor's Report thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2017.		
2.	To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Appointment Of Statutory Auditors Of The Company, And To Fix Their Remuneration.		
	<b>SPECIAL BUSINESS</b>		
4.	Regularization Of Appointment Of Mr. Ajit Parundekar (DIN: 00042608) As A Director Of The Company		
5.	Appointment Of Mr. Virat Mehta (DIN: 07910116) As An Independent Director		
6.	Re-Appointment Of Mr. Gautam Premnath Khandelwal (DIN: 00270717) As Executive Chairman Of The Company		
7.	Alteration/Adoption Of New Set Of Articles Of Association Of Company As Per Companies Act, 2013		
8.	Change In Place Of Keeping And Inspection Of Register And Index Of Members, Returns, Etc.		

Place:

Date:

Signature of the Shareholders/Beneficial Owner

Note: (i) If you opt to cast your vote by e-voting there is no need to fill up and send this form

(ii) Last date for receipt of Ballot Form: September 27, 2017

(iii) Please read the instructions printed overleaf carefully before exercising your vote

**INSTRUCTIONS:**

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Sanam Umbargikar, Practicing Company Secretary at C-502, Raylon Arcade, Ram Krishna Mandir Road, Next to Pidilite Industries, Kondivita, Andheri East, Mumbai -59 as to reach by 5:00 PM on Wednesday, September 27, 2017. Ballot Form received thereafter will strictly be treated as if not received.
2. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
3. In case the member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., M/s. Link Intime India Private Limited. Members are requested to keep the same updated.
6. There will be only one Ballot Form for every Folio / DP ID & Client ID irrespective of the number of joint members.
7. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
8. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
9. Instructions for e-Voting procedure are available in the Notice of the Annual General Meeting.
10. Members are requested not to send any other paper along with the Postal Ballot Form as much as all such envelopes will be sent to the Scrutinizer and any extraneous papers found in such envelope would be destroyed by the Scrutinizer.

**Please follow the steps for e-Voting procedure as given in the Notice of AGM or as available on [www.evotingindia.com](http://www.evotingindia.com). In case you have any feedback, queries or issue regarding e-voting, please contact [helpdesk.voting@cdslindia.com](mailto:helpdesk.voting@cdslindia.com)**

**To**

If undelivered please return to :

**NAGPUR POWER AND INDUSTRIES LIMITED**

Nirmal, 20<sup>th</sup> Floor, Nariman Point,  
Mumbai-400021.

Cin: L40100MH1996PLC104361

Tel.: 022 - 22023055/66 Fax : 022 - 22043162

Email :npil\_investor@khandelwalindia.com