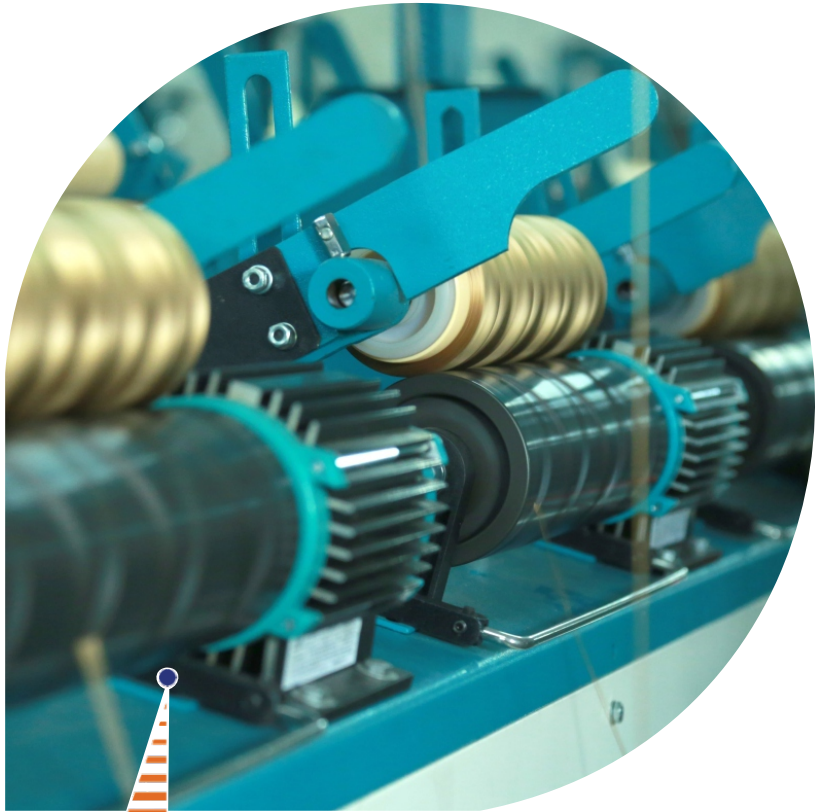


# ▶ 11<sup>th</sup> Annual Report 2016 - 17



 **MEERA**<sup>TM</sup>  
INDUSTRIES LIMITED

*Changing the way,  
we twist  
the yarn*



## GLIMPSES OF LISTING CEREMONY AT BSE, MUMBAI



Ringling Bell Ceremony  
at BSE, Mumbai



Felicitation of Mr. Dharmesh Desai,  
CMD at BSE Mumbai

Mr. Dharmesh Desai, CMD  
addressing Ringing Bell Ceremony



Mrs. Bijal Desai, WTD  
addressing Ringing Bell Ceremony



**BOARD OF DIRECTORS (as on 24/06/2017)**

<b>Chairman &amp; Managing Director</b>	<b>Mr. Dharmesh V Desai</b>
<b>Whole Time Director</b>	<b>Mrs. Bijal Dharmesh Desai</b>
<b>Non-Executive Director</b>	<b>Mr. Mayank Y Desai</b>
<b>Independent Director</b>	<b>Mr. Hetal R Mehta</b>

**KEY MANAGERIAL PERSONNEL :**

<b>Company Secretary</b>	<b>Mr. Parvez A Shaikh</b>
<b>Chief Financial Officer</b>	<b>Mr. Vinod S Ojha</b>
<b>Statutory Auditors</b>	<b>M/s K A Sanghavi &amp; co;</b> Chartered Accountants 1001, 1002, 1003, Rajhans Bonista, Ram Chowk, Ghod Dod Road, SURAT-395007.

<b>REGISTRAR &amp; TRANSFER AGENTS :</b>	<b>M/s Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, HYDERABAD-500032 Email: einward.ris@karvy.com
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<b>BANKERS TO THE COMPANY :</b>	<b>Kotak Mahindra Bank</b> <b>Axis Bank</b>
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<b>REGISTERED OFFICE &amp; PLANT :</b>	2126, Road No. 2, GIDC Sachin, SURAT – 394 230.
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<b>CIN :</b>	<b>L29298GJ2006PLC048627</b>
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Members are requested to bring this copy with them at the meeting as no copies shall be distributed at the meeting again. To support GO GREEN initiative of the Government of India, members are requested to furnish their mail id to the company RTA M/s Karvy Computershare Private Limited, Hyderabad either by email or letter.

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## Chairman Desk



Dharmesh V. Desai  
Chairman & Managing Director  
**MEERA™**  
INDUSTRIES LIMITED

As Chairman and Founder of Meera Industries Limited since its inception in year 2006, I derive great satisfaction of having steered the organisation into position of strength and leadership in textile twisting technology & machineries and I am proud to share that we have always been customer-focused and globally competitive through better quality, latest technology and continuous innovations.

In today's fluid global economic scenario, India is somewhat better placed among global textile players but, to attain first position globally we need to endure technological renovation and uplift the production capacities of Textile industries. For this, R & D department of Meera Industries has always been on forefront and has been instrumental in innovations and discovering transformations in textile twisting machineries. Our efforts were proudly recognized by CSIR, Govt. of India and we are coveted winner of 2 - R & D award for research in textile machine, Export Award in SME sector ( by TMMMA), and many other leadership awards. Being global exporters of wide range of textile machineries worldwide, we strive to impart latest Hi-tech machineries, judicious product information, maintain business transparency and share a strong bond of trust with our customers. Ecological considerations in textile twisting machineries manufacturing and their usage are paramount to Meera Industries and I shall ensure their compliance.

**“I am pleased to inform you that since inception Meera Industries have maintain its growth strides. Our shares are listed and actively traded on BSE since May15,2017 and received count-less response.**

**Our shares performed outstanding growth in June- July of this year with record hike of more than 50%.”**

I cherish a vision to transform Meera Industries from domestic leader to global leader of textile twisting technology and machinery. At Meera Industries, we are driving a focused strategy to develop technology, products and solutions that are ahead of the curve and positioned to meet emerging demands of the market. All our efforts are directed towards positioning Meera Industries to leverage emerging opportunities in the market place to accelerate our growth in the future.

The energy in our leadership team and the high passion levels in our employees give us the confidence that we are well on our way to build a strong and sustainable business. I sincerely thank our customers, employees, partners and supporters for their continued trust in building Meera Industries for this exciting future.



**MEERA INDUSTRIES LIMITED**

Registered Office: 2126, Road No. 2, GIDC Sachin, Suart – 394230

CIN: L29298GJ2006PLC048627

**NOTICE**

Notice is hereby given that the 11th Annual General Meeting of the members of the M/s. Meera Industries Limited will be held on Saturday, 12th August, 2017 at the Registered Office of the Company Situated at 2126, Road No. 2, GIDC, Sachin, Surat - 394230 at 09.30 a.m. to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Financial Statements including Audited Balance Sheet as at 31st March, 2017 and Profit & Loss Account and Cash Flow Statement for the year ended on that date along with the reports of Auditors and Directors thereon.
2. To declare Final Dividend on Equity Shares for the financial year 2016-17.
3. To appoint a Director in place of Mrs. Bijal Dharmesh Desai (DIN 00292319), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint auditors to hold office from the conclusion of the 11th Annual General Meeting upto the conclusion of next 5th Annual General Meeting and to fix their remuneration and in connection therewith to pass the following resolution with or without modifications as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of section 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s K A Sanghavi & Co; Chartered Accountants (FRN 120846), Surat who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the said rules, be and are hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next fifth Annual General Meeting subject to ratification at each Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors in consultation with the Auditors.”

**Special Business:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and 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, and Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015,

Mr. Hetal R. Mehta (holding DIN: 03370244), being eligible to be appointed as an Independent Director of the Company, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years effective from the conclusion of this Annual General Meeting.”

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

“RESOLVED THAT Mr. Mayank Y. Desai (holding DIN: 00354210), who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 and who holds office till the commencement of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**By Order of the Board,  
For Meera Industries Limited**

**Place : Sachin, Surat  
Date : 24/06/2017**

**Parvez A. Shaikh  
Company Secretary**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF THE MEMBER. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. Members/proxies should bring the attendance slip duly filled in or meeting and members may please bring their copies of the annual report to the meeting attending as no copies will be distributed again in the meeting.
3. If the final dividend, as recommended by the board of directors, is approved at the AGM, payment of such dividend will be made on or after 19th day of August, 2017 as under:
  - i. To all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited

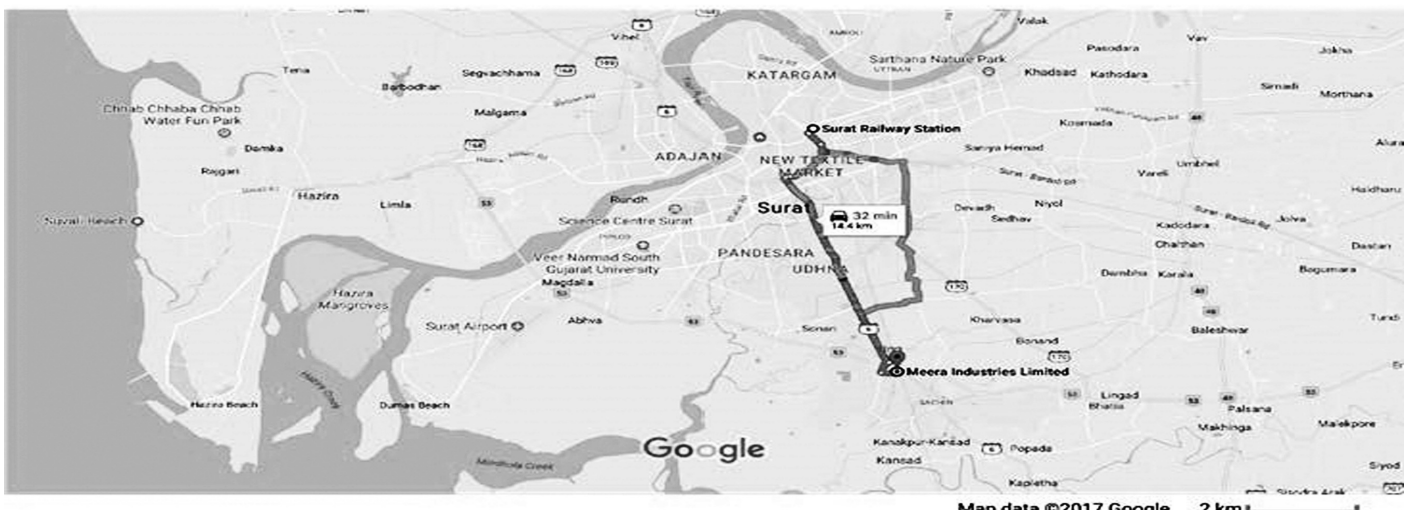
- (CDSL) as of the close of business hours on Monday, 14th August, 2017
- ii. To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the company as of the close of business hours on Monday, 14th August, 2017.
  4. Company has entrusted its registrar & share transfer activities to M/s Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032 Members are requested to do all future correspondence at the said address of RTA.
  5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, micr code and ifsc code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (dp). Changes intimated to the dp will then be automatically reflected in the company's records which will help the company and the company's registrars and transfer agents, karvy computershare private limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to karvy computershare private limited. This can be done by sending letters with postage pre-paid or by sending email to einward.ris@karvy.com
  6. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the company or karvy for assistance in this regard.
  7. In case of joint holders attending the agm, the member whose name appears as the first holder in the order of names as per the register of members of the company will be entitled to vote.
  8. Members seeking any information with regard to the accounts, are requested to write to the company at an early date, in any case on or before 5th August, 2017 so as to enable the management to keep the information ready at the AGM.
  9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned dp and holdings should be verified.
  10. The notice of the AGM along with the annual report 2016-17 is being sent by electronic mode to those members whose e-mail addresses are registered with the company / depositories. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this notice and the annual report 2016-17 will also be available on the company's website viz. [www.meeraind.com](http://www.meeraind.com)
  11. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with DPs/Karvy Computershare Private Limited. Members are requested to provide their e-mail address along with DP id/Client id and ensure that the same is also updated with their respective dp for their demat account(s). The registered e-mail address will be used for sending future communications. Such information may sent to karvy at mailid
  12. A google map showing route map is attached.
  13. Attendance slip and proxy form is attached.

**By Order of the Board,  
For Meera Industries Limited**

**Place : Sachin, Surat  
Date : 24/06/2017**

**Parvez A. Shaikh  
Company Secretary**

**Google Maps** **Surat Railway Station, Surat, Gujarat to Meera Industries Limited, Surat, Gujarat**



**Item No. 3**

As per the scheme of the Companies Act, 2013, 1/3<sup>rd</sup> of the directors retire each year and the director who has been longest in the office would retire at the Annual General Meeting. Mrs. Bijal Desai has been longest in the office of the director prior to her appointment as Whole-time Director at the Extra Ordinary General Meeting held on 25th February, 2017, Mrs. Bijal D. Desai (DIN: 00292319), Whole-time Director of the Company was appointed as such in the Company for a period of three years effective from 1st January, 2017. As required by regulation 36(3) of the Securities and Exchange Board (Listing Obligation and Disclosure Requirements), 2015, details in respect of Directors of seeking appointment and/or reappointment are given hereunder.

Mrs. Bijal Desai, 41, is a Post Graduate with Master Degree in Science from Veer Narmad South Gujarat University. She has more than 11 years of professional experience in the business and industry for handling activities related to operation and administration of the company. Her important contribution is connecting the machine of the company installed in any part of the world ONLINE with the help of internet for diagnosing problems and suggesting solutions thus providing real time interface to the customers. She is at the helm of the affairs in regard to Research & Development (R & D) functions of the company.

Having regard to the significant contributions made by her in the progress and development of the Company and in order to continue to avail the benefits of her vast experience and expertise in the proposed plans of the Company, it would be in the interest and benefit of the Company to re-appoint her as the Whole-time Director of the Company and continue such appointment.

Mrs. Bijal Desai does not hold any directorship and membership in committees of any listed company during the year under review. Approval of shareholders is sought for re-appointment of Mrs. Bijal D. Desai as detailed in item no. 3 of the Notice.

Although there is neither any change nor any alteration of terms of her appointment, her last approved terms of appointment and remuneration are as follows:

No.	Particulars	Details
1.	<b>Period of appointment</b>	3 years effective from 1 <sup>st</sup> January, 2017
2.	<b>Salary</b>	Rs. 18,75,000 per annum Such increments as may be decided by the Board of Directors which shall include any committee of the Board specifically authorised for this purpose from time to time (hereinafter referred to as "the Board")

No.	Particulars	Details
3.	<b>Commission</b>	At a rate such that the total remuneration does not exceed percentage limit of net profits of the Company as specified in the Act, calculated in accordance with Section 198, subject to the overall ceiling prescribed under Section 197 read with Section I of Part II of Schedule V to the Act. The actual amount of commission to be paid to Mrs. Bijal Desai for each year and periodicity of payment shall be decided by the Board from time to time
4.	<b>Perquisites and Benefits</b>	All usual perquisites and benefits allowed to senior management level including such as chauffeur driven car, mobile phone, LTA, PF, gratuity and Leave as per rules prevailing in the company Mrs. Bijal Desai holds 13,55,338 equity shares in the Company. Mr. Dharmesh Desai, her spouse and she herself, are deemed to be interested in the said resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.  The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders

**Item No. 5**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Hetal R. Mehta as an Additional Independent Director of the Company with effect from 7th April, 2017.

In terms of the provisions of Section 161(1) of the Act, Mr. Hetal R. Mehta would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Hetal R. Mehta for the office of Director of the Company.

Mr. Hetal R. Mehta is 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. Section 149 of the Act inter alia stipulates the criteria of independence should

a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Hetal R. Mehta that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mr. Hetal R. Mehta possesses appropriate skills, experience and knowledge.

In the opinion of the Board, Mr. Hetal R. Mehta fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Hetal R. Mehta is independent of the management.

Brief resume of Mr. Hetal R. Mehta, nature of his expertise in specified functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 are provided below:

Mr. Hetal R. Mehta (holding DIN: 03370244) is Engineer holding Bachelor's Degree in Engineering (Mechanical) from South Gujarat University. He holds degree of Chartered Engineer and Approved Valuer of Plant and Machinery. He has professional experience of around twenty two years in the field of Business and Industry. He is currently the Chairman of SETU Foundation. In past he was associated with Surat Engineering Vikas Association (SEVA) as President from almost ten year from 2008-17 and South Gujarat Electric Motor Manufacturers association for three year from 2007-09. He was the member of advisory committee of Ministry of Small and Medium Enterprise (MSME) for the year 2010-11 and 2011-12.

Mr. Hetal R. Mehta is also Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee and Stakeholders Relationship Committee of the Company.

He does not hold any shares of the Company in his name. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Hetal R. Mehta is appointed as an Independent Director. Copy of the draft letter for appointment of Mr. Hetal R. Mehta as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Save and except Mr. Hetal R. Mehta and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

#### **Item No. 6**

Mr. Mayank Y. Desai (holding DIN: 00354210) was appointed as an Additional Director by the Board of Directors on 28th January, 2017. As per the provisions of Section 161 of the Companies Act, 2013, he holds the office of Director till the commencement of this Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 alongwith the requisite deposit from a shareholder proposing the candidature of Mr. Mayank Y. Desai for appointment as a Director of the Company.

Brief resume of Mr. Mayank Y Desai, nature of his expertise in specified functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 are provided below:

Mr. Mayank Y. Desai is a Chartered Accountant with nearly 15 years of post-qualification experience. He possesses in depth knowledge of Income Tax, Foreign, Consultancy, Internal Audit and Statutory Audit. He is currently a Partner in the firm "Y. B. Desai & Associates". He worked as IT committee member for Western India Regional Council of Institute of Chartered Accountant of India. He has been elected as Committee Member of Surat District Cricket Association and Secretary of Surat Badminton Association.

Mr. Mayank Y. Desai is also Chairman of the Audit Committee and Member of the Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company.

He holds 24973 Equity shares of the Company in his name as on March 31, 2017.

Mr. Mayank Y. Desai is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

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

**By Order of the Board,  
For Meera Industries Limited**

**Place : Sachin, Surat  
Date : 24/06/2017**

**Parvez A. Shaikh  
Company Secretary**



**DIRECTORS' REPORT 2016-17**

To,  
The Members  
**Meera Industries Limited**

Your Directors have presented their 11th Report on the affairs of your Company together with the Audited Financial Statements and the Auditors' Report of your company for the financial year ended 31st March, 2017.

**FINANCIAL RESULTS** *(Amount in Rupees)*

Particulars	2016-17	2015-16
Gross Income	<b>134,584,942</b>	81,846,883
Expenditure	<b>119,962,595</b>	75,435,149
Profit Before Income Tax	<b>14,622,347</b>	6,411,734
Less: Extraordinary and Prior period items	<b>Nil</b>	(32,902)
Less: Provision for Income Tax Current/Deferred Tax Assets	<b>(3,989,532)</b>	(2,184,959)
Profit after Income Tax	<b>10,632,815</b>	4,193,873
Balance of the Last Year	<b>7,797,509</b>	5,139,137
Less: Prior Period Adjustment (including Tax Adjustment)	<b>Nil</b>	1,535,502
Less: Others (Residual value of assets written off)	<b>(49,356)</b>	Nil
Less: Adjusted for Bonus share issue	<b>6,825,000</b>	Nil
Less: Provision for Dividend	<b>3,927,500</b>	Nil
Less: Dividend Distribution Tax	<b>799,560</b>	Nil
Carried to Balance Sheet	<b>6,828,908</b>	7,797,509

Your directors are glad to report that during the year under review, your company has posted higher gross income of Rs. 134,584,942/- as compared to Rs. 81,846,883/- in the corresponding previous year, registering a growth of 64.43% as compared to previous corresponding year. As a result, your company has posted much better net profit of Rs. 10,632,815/- as compared to Rs. 4,193,873/- in the corresponding previous year registering healthy growth of more than 153.53%. Your directors believe that improved financial results are directly attributable to R & D activities undertaken by the company on machineries used in the process of yarn at different stages and savings in cost of conversion.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no significant change in the business carried on by the company and it continued to be plant and machinery for textiles.

**DIVIDEND**

Your directors have recommended a maiden dividend @ 10% or Re. 1 per share on enlarged equity share capital after the IPO which got listed on SME Platform of BSE. An outflow of Rs. 39,27,500 and dividend distribution tax of Rs. 799,560 have been provided after adjustments of the profit after tax

**CONVERSION OF THE COMPANY FROM PRIVATE LIMITED TO PUBLIC LIMITED**

The members of the Company at the extra-ordinary general meeting held on 25th February, 2017 passed a special resolution for conversion of the Company from private limited company to public limited company. Subsequently, the Registrar of Companies, Ahmedabad, Gujarat issued a fresh certificate of incorporation dated 9th March, 2017 certifying the conversion of Company into public limited company and that the name of the Company was changed from 'Meera Industries Private Limited' to 'Meera Industries Limited'.

**INITIAL PUBLIC OFFER**

The authorised share capital of the Company was increased on 28th January, 2017 from Rs. 12,500,000/- (Rupees One Crores Twenty Five Lakhs Only) to Rs. 5,00,00,000/- (Rupees Five Crores Only) to issue equity shares in the capital of the Company under Initial Public Offer (Issue) to meet the business needs of the Company. Your company issued a Prospectus dated 21/04/2017. The Issue of the Company was closed on 4th May, 2017 which received an overwhelming response from retail as well as non-retail investors. The Issue was subscribed 8.82 times. Since the Issue was over subscribed, the basis of allotment was finalized in consultation with the BSE Limited on 8th May, 2017. The Company allotted fully paid up 1,080,000 equity shares of Rs. 10/- each at par on 9th May, 2017 to the eligible applicants. The Equity Shares of the Company were listed and admitted to dealings on the Small and Medium Enterprise Platform of BSE Limited with effect from 15th May, 2017.

**CHANGE IN CAPITAL STRUCTURE OF THE COMPANY**

Subsequent to the aforesaid corporate actions, the authorized share capital of the Company as on date is Rs. 50,000,000/- (Rupees Five Crores Only) divided into 5,000,000 Equity shares of Rs.10/- each and issued, subscribed and paid-up capital of the Company is Rs. 39,275,000/- (Rupees Three Crores and Ninety Two Lakhs Seventy Five Thousand Only) divided in to 3,927,500 Equity shares of Rs.10/- each.

**USE OF PROCEEDS**

The proceeds from the Issue of the Company vide prospectus dated 21st April, 2017 have been utilized / are in process of utilization for the purpose for which they were raised and there is no deviation in the utilization of proceeds.

**MANAGEMENT DISCUSSION AND ANALYSIS**

As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report.

**TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

For the financial year ended 31st March, 2017, your Company has not proposed to carry or transfer any to amount to the General Reserve Account or any other specific reserve.

**INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

No other companies have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year.

However, your company has, in the current fiscal, established a Wholly Owned Subsidiary (WOS) namely Meera Industries USA LLC at North Carolina, USA and the operations were commenced on and from 23<sup>rd</sup> May, 2017. The facility created on 4600-sq ft area would serve as showroom for machinery of the company and small production house. The location is strategic for the company as it is in the heart of "Textile Country" as noted by etextilecommunications.com a leading business website of USA on its webpage at etextilecommunications.com/052517meera-industries-grand-opening.

Reserve Bank of India (RBI) has also approved the said Outbound Direct Investment (ODI) and allotted Unique Identification Number (UIN) as required under Foreign Exchange Management Act, 1999 (FEMA).

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed Dividend on the books or any Unpaid Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply to your company.

**MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

**EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, is annexed herewith as **Annexure: "A"**.

**MEETINGS OF THE BOARD OF DIRECTORS**

As required by clause (b) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors report that during the Financial Year 2016-17, the Company held

8 meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

No.	Date of Meeting	Board Strength	No. of Directors Present
1	27/04/2016	Two	Two
2	25/08/2016	Two	Two
3	24/09/2016	Two	Two
4	16/01/2017	Two	Two
5	18/01/2017	Two	Two
6	28/01/2017	Two	Two
7	16/03/2017	Three	Three
8	23/03/2017	Five	Five

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

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

**AUDITORS AND REPORT THEREON**

The Auditors, M/s Y B Desai & Associates; Chartered Accountants of Surat resigned as auditors of the company from 28th January, 2017 and in their place peer-reviewed

firm M/s K A Sanghavi & Co Chartered Accountants of Surat were appointed as auditors to hold office till conclusion of this Annual General Meeting. M/s K A Sanghavi & Co; Chartered Accountants will retire at the conclusion of this Annual General Meeting since being eligible for re-appointment. Your Directors recommend their re-appointment for next term.

The report of the Auditors is self explanatory. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2017 is annexed to the Balance Sheet.

As required by Section 134(3)(ca) of the Companies Act, 2013, your directors report that there is no fraud reported by the auditors in their report which is required to be reported here.

Your company has installed adequate internal financial controls with reference to the Financial Statements as reported by Auditors for the year ended 31st March, 2017.

#### SECRETARIAL AUDITORS

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed Mr. A. G. Shaikh, Company Secretary, Surat, as Secretarial Auditors of the Company for FY 2016-17. The Secretarial Audit Report for FY 2016-17 is annexed herewith as **Annexure "B"**. There are no adverse observations in the Secretarial Audit Report.

#### LOANS, GUARANTEES AND INVESTMENTS

As required by Section 134(3)(g), your directors report that there were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

#### DETAILS OF EMPLOYEES

In terms of rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 details on remuneration of top employees of the company are attached to as **Annexure "C"** and forms part of this report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

#### RELATED PARTY TRANSACTIONS

The Company has paid lease rent of Rs. 10,80,000 for the year ended 31st March, 2017. This was authorized by the

Board Resolution and also ratified by General Meeting resolution dated 25th February, 2017. Form No. AOC-2 is attached as **Annexure "D"**.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

As required by Section 134(3)(m) read with the Companies (Accounts) Rules, 2014, your directors report as under:

##### A. Conservation of Energy, Technology Absorption

##### Conservation of energy:

- (i) Steps taken / impact on conservation of energy, with special reference to the following:  
Use of LED lamps was initiated to replace CFL Bulbs and save on energy cost and conserve the same.
- (ii) Steps taken by the company for utilizing alternate sources of energy including waste generated: Nil
- (iii) Capital investment on energy conservation equipment: Nil

##### B. Technology absorption:

1. Efforts, in brief, made towards technology absorption.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
  - (a) Details of technology imported.
  - (b) Year of import.
  - (c) Whether the technology been fully absorbed
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.
4. Expenditure incurred on Research and Development: The Company is devoted to take the Textile Twisting Technology to a new level worldwide with a continuous innovation and technology up gradation. In order to achieve the same the company is involved in Research and Development activities having Separate In-house Research and Development facility Center recognized by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

To discover the new principle of high tech revolution and to meet the challenges your

company has incurred the expenditure of Rs. 4,005,557 with respect to the on-going R&D projects during the F.Y. 2016-17. The facts and figures reportedly shows the gradual increase in the effort to the technology enhancement comparing the expenditure of the F.Y. 2015-16 for the on-going projects which was Rs. 2,233,406 and is estimated to increase in up-coming years.

The continuous R & D led to the development of new product "TPRS having 120 mm primary Spindle and 260 mm Secondary Spindle (TPRS-25)" with the biggest advantage to perform both the functions primary and reverse secondary twisting at a single stage which eliminates the need to have two individual machines for both the processes and thereby saves space and cost of processing yarn. As compared to tangential belt driven system positions of spindles can be controlled individually without stopping the entire machine. Out of the commercialization of the product of the company witnessed an increase in their over all turnover out of which nearly 40% of the revenue was contributed from R & D developed products.

### C. Foreign exchange earnings and Outgo

(Amount in Rupees)

	Current year	Previous Year
Earnings	74,245,933	13,580,316
Outgo on account of expense	1,733,499	1,197,192
Outgo on account of import of components on CIF basis	16,42,326	Nil

### RISK MANAGEMENT

As required by clause (n) of sub-section (3) of Section 134 of the Companies Act, 2013, the management is discussing and examining elements of risk threatening the Company's existence and decide proper Risk Management Policy.

### DIRECTORS AND KMP

#### APPOINTMENT AND RESIGNATION

Mr. Mayank Y. Desai was appointed as Additional Director of the company from 28/01/2017. Mr. Yatish Parekh and Mr. S Swaminathan were appointed as Additional and Independent Director from 23/03/2017. Mr. Hetal R Mehta was co-opted as additional Independent director from 07/04/2017. Mr. Yatish Parekh resigned from 07/04/2017 and Mr. S Swaminathan resigned from 30/05/2017. Mr. Mayank Y Desai and Mr. Hetal R Mehta have been proposed by

a member for regularization as directors of the company. Details of directors seeking appointment are given in Explanatory Statement to the Notice Members are requested to consider their appointment in the interest of the company.

Mrs. Bijal Desai was appointed as Whole Time Director at the Board Meeting held on 18th January, 2017 for a term of 3 years. Mr. Dharmesh Desai was appointed Chairman and Managing Director effective from 18th January, 2017 for a term of 3 years. Their terms and condition as and when varied shall be put forth before Nomination and Remuneration committee as required by Section 178 of the Companies Act, 2013 and the rules made thereunder.

### DIRECTORS RETIRING BY ROTATION

As per the provisions of the Companies Act, 2013, Mrs. Bijal Dharmesh Desai, Whole-time Director, retires by rotation and being eligible, has offered herself for re-appointment.

### DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### CRITERIA FOR PERFORMANCE EVALUATION

Since the company's equity shares listed in the current financial year, performance evaluation etc. of board of directors, independent directors and committees of directors would be applicable in the current financial year and would form part of the next report.

### DETAILS ON DEPOSITS, SHARES, COURT ORDER ETC.

In terms of rule (5) of the Companies (Accounts) Rules, 2014 your directors report as under:

#### DEPOSITS

Since your company has not accepted any Public deposits during the year it has no information to offer.

#### SHARES

##### a. BUY BACK OF SECURITIES

Your Company has not bought back any of its securities during the year under review.

##### b. SWEAT EQUITY

Your Company has not issued any Sweat Equity Shares during the year under review.

##### c. BONUS SHARES

Your Company has issued 1,663,500 Equity Shares of Rs. 10/- each fully paid up in the ratio of 1.5 Equity Shares for every 1 Equity Share each by partly capitalizing security premium account and



partly balance lying in the Profit & Loss Account on 28th January, 2017.

**d. EMPLOYEES STOCK OPTION PLAN**

Your Company has not provided any Stock Option Scheme to the employees.

**e. RIGHT ISSUE OF SECURITIES**

Your Company has issued 75,000 Equity shares of Rs. 10/- each fully paid up for cash at premium of Rs 30 to the existing shareholders of the company under the scheme of Right issue during the year under review.

**ORDER OF COURT**

No orders are passed by the regulators or courts or Tribunals impacting the going concern status of your company's operation in future.

**DETAILS ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of rule (9) of the Companies (Accounts) Rules, 2014 your directors report that your company is not covered under the provisions of Section 135 of the Companies Act, 2013 hence is not particulars to offer for expenses known as CSR expenses.

**CORPORATE GOVERNANCE**

The Company being listed on the Small and Medium Enterprise platform is exempted from provisions of corporate governance as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence Corporate Governance Report is not required to be attached

to this Annual Report. However, Management Discussion and Analysis (MDA) is placed at **Annexure "E"**

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

There is no case filed, during the Financial Year under the said Act hence the company has no details to offer.

**ACKNOWLEDGMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation and financial assistance received from the Kotak Mahindra Prime Limited. Your directors also keep on record their appreciation of continued support by Kotak Mahindra Bank and Axis Bank being Bankers to the company. Your directors also place on record valuable services rendered by M/s Guinness Corporate Advisors Private Limited, the Merchant Bankers, M/s Karvy Computershare Private Limited, the RTA, ICICI Bank, the banker to the IPO, NSDL and CDSL the depositories for full co-operation and support for the IPO of the company and BSE Limited for listing shares of the company on the SME Platform and Executives, Staff and Workforce of the company for their support and devotion and all others who directly or indirectly helped your company.

**For and on behalf of the Board**

**Place : Sachin, Surat**

**Date : 24/06/17**

**Dharmesh Desai  
Chairman &  
Managing Director**

Annexure "A"  
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	L29298GJ2006PLC048627
2	Registration Date	5/7/2006
3	Name of the Company	MEERA 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	2126, ROAD NO. 2, GIDC, SACHIN, SURAT-394230
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 E-mail : einward.ris@karvy.com

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

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

S. N.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of machinery for textile, apparel and leather production	28263	100.00
	<b>Total</b>		<b>100.00</b>

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

S. N.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					
2	<b>NOT APPLICABLE</b>				
3					

**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 year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	1,109,000	1,109,000	100.00%	-	2,794,500	2,794,500	98.14%	151.98%
b) Central Govt	-		-	0.00%	-		-	0.00%	0.00%
c) State Govt(s)	-		-	0.00%	-		-	0.00%	0.00%
d) Bodies Corp.	-		-	0.00%	-		-	0.00%	0.00%

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	
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	1,109,000	1,109,000	100.00%	-	2,794,500	2,794,500	98.14%	151.98%
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	1,109,000	1,109,000	100.00%	-	2,794,500	2,794,500	98.14%	151.98%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs -	-	-	0.00%	-	-	-	0.00%	0.00%	
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	0.00%	0.00%	
i) Others (specify)	-	-	-	0.00%	-	-	0.00%	0.00%	
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	-	53,000	53,000	1.86%	4.78%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-		-	-	-		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>c) Others (specify)</b>	-	-	-		-	-	-		
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	0.00%	0.00%	
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	53,000	53,000	1.86%	4.78%
<b>Total Public (B)</b>	-	-	-	0.00%	-	53,000	53,000	1.86%	4.78%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	1,109,000	1,109,000	100.00%	-	2,847,500	2,847,500	100.00%	156.76%

## (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	Bijal Dharmeshbhai Desai	542,135	48.89%	0	1,355,338	48.50%	0	-0.38%
2	Dharmesh Vinodbhai Desai	457,865	41.29%	0	1,169,662	41.86%	0	0.57%
3	Devendra Somabhai Naik	72,000	6.49%	0	180,000	6.44%	0	-0.05%
4	Rekha Devendra Naik	37,000	3.34%	0	89,500	3.20%	0	-0.13%
	<b>TOTAL</b>	<b>1,109,000</b>	<b>100.00%</b>	<b>0</b>	<b>2,794,500</b>	<b>100.00%</b>	<b>0</b>	<b>0.00%</b>

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

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No of Shares	% of Total Shares
1	Bijal Dharmeshbhai Desai						
	At the beginning of the year			542,135	48.89%	542,135	48.89%
	Changes during the year	1/28/2017	Bonus	813,203	73.33%	1,355,338	48.50%
	At the end of the year					1,355,338	48.50%
2	Dharmesh Vinodbhai Desai						
	At the beginning of the year			457,865	41.29%	457,865	41.29%
	Changes during the year	1/28/2017	Bonus	686,797	61.93%	1,144,662	40.96%
		3/23/2017	Allotment	25,000	2.25%	1,169,662	41.86%
	At the end of the year					1,169,662	41.86%
3	Devendra Somabhai Naik						
	At the beginning of the year			72,000	6.49%	72,000	6.49%
	Changes during the year	1/28/2017	Bonus	108,000	9.74%	180,000	6.44%
	At the end of the year					180,000	6.44%
4	Rekha Devendra Naik						
	At the beginning of the year			37,000	3.34%	37,000	3.34%
	Changes during the year	1/16/2017	Transfer	(3,000)	-0.27%	34,000	1.22%
	1/28/2017	Bonus	55,500	5.00%	89,500	3.20%	
	At the end of the year					34,000	3.20%



**(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	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No of Shares	% of Total Shares
1	Avani Mayank Desai						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	3/23/2017	Allotment	24,973	2.25%	24,973	0.88%
	At the end of the year				0.00%	24,973	0.88%
2	Mayank Yashwantra Desai						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	3/23/2017	Allotment	24,973	2.25%	24,973	0.88%
	At the end of the year				0.00%	24,973	0.88%
3	Kaunshkumar B Desai						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	1/16/2017	Transfer	1,000	0.09%	1,000	0.04%
		3/23/2017	Allotment	27	0.00%	1,027	0.04%
	At the end of the year				0.00%	1,027	0.04%
4	Pinakin Bharatkumar Naik						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	1/16/2017	Transfer	1,000	0.09%	1,000	0.04%
		3/23/2017	Allotment	27	0.00%	1,027	0.04%
	At the end of the year				0.00%	1,027	0.04%
5	Nileshkumar Balubhai Patel						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	1/16/2017	Transfer	1,000	0.09%	1,000	0.04%
	At the end of the year				0.00%	1,000	0.04%

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No of Shares	% of Total Shares
1	Bijal Dharmeshbhai Desai						
	At the beginning of the year			542,135	48.89%	542,135	48.89%
	Changes during the year	1/28/2017	Bonus	813,203	73.33%	1,355,338	48.50%
	At the end of the year					1,355,338	48.50%
2	Dharmesh Vinodbhai Desai						
	At the beginning of the year			457,865	41.29%	457,865	41.29%
	Changes during the year	1/28/2017	Bonus	686,797	61.93%	1,144,662	40.96%
		3/23/2017	Allotment	25,000	2.25%	1,169,662	41.86%
	At the end of the year					1,169,662	41.86%
3	Mayank Yashwantraai Desai						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	3/23/2017	Allotment	24,973	2.25%	24,973	0.88%
	At the end of the year				0.00%	24,973	0.88%
4	S Swaminathan Iyer						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
5	Yatish C. Parekh						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

## V. INDEBTEDNESS:

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

(Amt. RUPEES)

Particulars	Secured Loans excluding	Unsecured Loans deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	751,600.00	3,330.00	-	754,930.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>751,600.00</b>	<b>3,330.00</b>	<b>-</b>	<b>754,930.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	(666,378.00)	(3,330.00)	-	(669,708.00)
<b>Net Change</b>	<b>(666,378.00)</b>	<b>(3,330.00)</b>	<b>-</b>	<b>(669,708.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	85,222.00	-	-	85,222.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>85,222.00</b>	<b>-</b>	<b>-</b>	<b>85,222.00</b>

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

SN.	Particulars of Remuneration Name Designation	Name of MD/WTD/Manager		Total Amount (Rs/Lac)
		BIJAL DESAI WHOLE-TIME DIRECTOR	DHARMESH DESAI MANAGING DIRECTOR	
1	Gross salary	1875000	2370000	42.45
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	<b>Total (A)</b>	<b>1,875,000.00</b>	<b>2,370,000.00</b>	<b>42.45</b>
	Ceiling as per the Act	NA	NA	NA

**B. Remuneration to other Directors:**

SN.	Particulars of Remuneration Name	Name of Directors			Total Amount (Rs/Lac)
		S Swaminathan Iyer	Yatish C. Parekh	Mayank Y. Desai	
1	Independent Directors				
	Fee for attending board committee meetings	15,000.00	15,000.00	15,000.00	45,000.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>45,000.00</b>
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>45,000.00</b>
	<b>Total Managerial Remuneration</b>	<b>45,000.00</b>			
	Overall Ceiling as per the Act	NA	NA		NA

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB:**

SN.	Particulars of Remuneration Designation	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		CEO	CFO	CS	
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				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	<b>Total</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] Details)	Appeal made, if any (give
<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 “B”****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

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

To,  
The Members,  
Meera Industries Limited  
2126, Road No. 2,  
GIDC Sachin  
SURAT – 394 230

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Meera Industries Limited. (hereinafter called “the company”) Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

Based on my verification of the 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, there by report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed here under and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (As applicable to a SME Listed company)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the company as listing was done on 15th May, 2017)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable to the company as listing was done on 15th May, 2017)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the company as listing was done on 15th May, 2017)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the company)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the company) and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the company)
- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company namely the Factories Act, 1948 and Gujarat Factories Rules, 1963 and other labour laws such as Industrial Disputes Act, 1947, Industrial Standing Orders, 1946, Trade Unions Act, 1926, Contract Labour Regulation and Abolition Act, 1968 and the Rules made thereunder.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India and found satisfactory compliance.

During the period under review on a broad examination of applicable laws, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings and of the committee meetings, agenda and detailed notes on agenda were sent as seven days in advance or an Independent director was present at the meeting called by shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, where applicable.

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

Place : SURAT  
Date: 18/06/2017

Signature: A G SHAIKH  
Membership No. A4596  
C P No.: 2171

## Annexure "D"

## Form AOC-2

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts / arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	date(s) of approval by the Board	Nil
(g)	Amount paid as advances, if any:	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

No.	Particulars	Details
(a)	Name(s) of the related party & nature of relationship	Bijal Dharmesh Desai Key Managerial Personnel
(b)	Nature of contracts/ arrangements/transactions	Lease Rental
(c)	Duration of the contracts / arrangements / transactions	5 year
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 1,080,000 paid as rent during the year
(e)	Date(s) of approval by the Board, if any:	NA Since the contract was entered into in the ordinary course of business and on arm's length basis.
(f)	Amount paid as advances, if any:	Nil

**For and on Behalf of the Board  
For Meera Industries Limited**

**Place : Sachin, Surat  
Date : 24/06/2017**

**Dharmesh V. Desai  
Chairman & Managing Director**

## Annexure "E"

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**Industry structure, developments and outlook**

India has the fourth largest economy in the world by purchasing power parity. Against a background of global instability, India registered a growth of 7.6% during the financial year 2016, becoming the fastest growing major economy in the world. During the same period, macroeconomic parameters such as inflation, fiscal deficit and current account balance all exhibited signs of improvement. The financial year 2016 has also witnessed the launch of several government programs and initiatives designed to boost manufacturing, industrial growth, foreign direct investment and ease of doing business. Financial, insurance, real estate and professional services are estimated to have achieved double-digit growth for the financial year 2016. The industrial sector, broadly comprising mining, manufacturing, electricity and construction is estimated to have grown to 7.3% of India's economy for the financial year 2016 from 5.9% for the financial year 2015.

Global textile machinery market is witnessing tremendous growth buoyed by growing demand of textile and apparel market. It is forecasted to grow at a CAGR of 14.02 per cent till 2018. The major manufacturers of textile machinery are Germany, Italy, Switzerland, France and now China. China is leading in the field of textile exports today because they installed a large set-up for spinning and weaving industry.

The industry witnessed a growth of 8-10 per cent to Rs 22,000 crore in 2014 from Rs 20,000 crore in 2013. The size of India's textile machinery industry is poised to double to Rs 45,000 crore in the next seven years from the present Rs 22,000 crores in light of new projects and emphasis on setting up textile parks. The textile machinery manufacturing section is one of the important segments of the machinery manufacturing industry in India. Our in-house production is insufficient to meet domestic demand. This industry is nearly 60 years old and has more than 1,000 machinery and component manufacturing units. Nearly 300 units produce complete machinery and the remaining produce various textile machinery components. However, not all the units work to full capacity or even the optimum capacity level.

Indian imports for textile machinery parts and accessories are growing at a CAGR of 25 per cent in last few years, whereas exports are very low as compare to imports, but it is also showing increasing trend and it is increasing at a CAGR of 36 per cent. Domestic demand for textile machinery is increasing at a CAGR of 17 per cent over the year. The demand is increasing; but demand met by indigenous manufacturer is not even half of the total demand.

**Opportunities and Threats, Risks and concerns**

Purchase of new machinery is the key growth driver of the market. One of the major growth drivers for global machinery market is the strong economic recovery; post-recession,

increasing demand for textile products, and environment friendly fibers, and a growing demand in the developing countries. India is strategically located from most of major textile & apparel producing countries and India has good potential to explore global opportunities & tap global market. India has to first focus on exports to the neighboring countries which are emerging as significant textile producers.

The major challenges faced in the textile machinery manufacturing industry is the lack of investment in R&D, except for the manufacturing units who have technical collaboration with reputed foreign companies; no progress has been made in the quality of the machinery produced. This dependence on borrowed technology and want of research has kept most of the sectors except spinning machinery sector far behind in the standard and performance of the machinery produced. This has resulted in the import of second hand machinery especially in the area of weaving thus discouraging the advancement of technology in the manufacturing of similar machinery in India. Lack of systematic fiscal support to the industry by the Government has also added to the problems.

**Segment-wise or product-wise performance**

The Company is presently engaged in the manufacturing of Yarn Twisting, Winding and Heat –Setting Machines for textile industries.

**Internal control systems and their adequacy**

The Company understands the importance for adequate internal controls and has a systematic internal controls system in place.

**Discussion on financial performance with respect to operational performance**

The Company has reported profits during the year under review. The operational performance of the Company is on the growth path. The operational details are mentioned in the financial statement.

**Material developments in Human Resources / Industrial Relations front, including number of people employed.**

The Company understands the value of human resource and continuously strives to build a team with experience, integrity and good governance. Various incentives are also provided to nurture and retain the human resource. The relations of the management with staff and workers remained cordial during the entire year. As on 31st March, 2017 the Company has 81 employees on its payroll.

Disclaimer: Statements mentioned in this report are forward looking statements and based on certain assumptions and expectations of future events which are out of control of the Company and the actual results can differ materially from those reflected herein. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information, or event.

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF  
MEERA INDUSTRIES LIMITED****Report on the Standalone Financial Statements**

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

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

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone 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 Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those

risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone 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 Company's Directors, as well as evaluating the overall presentation of the Standalone 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**

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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, the 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 aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has pending litigations under Central Sales Tax Act, 1956 and the details of the same are given in Annexure A to this report read with Note No. 41 to the Financial statements, which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - iii. There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection fund by the Company and
  - iv. The Company has provided requisite disclosures in its standalone 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 these are in accordance with the books of accounts maintained by the Company. Refer to Note No. 18 to the standalone financial statements.

Place : SURAT  
Date : 24-06-2017

for K A SANGHAVI AND CO  
Chartered Accountants  
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI  
M. NO. 101413  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT

### Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

#### Re: MEERA INDUSTRIES LIMITED

- I.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c. According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- II.
  - a. The management has conducted physical verification of inventory except goods-in-transit at reasonable intervals during the year.
  - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- III. According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of clauses 3(iii) (a), (b) & (c) of the Order are not applicable to the Company and hence not commented upon.
- IV. In our opinion and according to the information and explanations given to us, the company does not have any transactions to which the provisions of Section 185 apply. The company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security.
- V. The Company has not accepted any deposits from the public. Hence, the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act and rules framed there under are not applicable. The provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.

VI. The provisions of The Companies (Cost Records and Audit) Rules, 2014 as amended by the Companies (cost records and audit) Amendment Rules, 2016 read with provisions of Sec. 148(1) of The Companies Act, 2013 for the maintenance of cost records are not applicable to the company. Hence the Company is not required to maintain Cost Records and hence not required to get the cost audit done as per the provisions of The Companies (Cost Records and Audit) Rules, 2014

VII. a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it, though there has been a slight delay in few cases.

b. According to the information and explanations given to us, the following dues of Central Sales Tax have not been deposited by the company on account of disputes :

Nature of statute	Nature of Dues	Amount unpaid	Period to which the amount relates (Assessment Year)	Forum where Dispute is pending
Central Sales Tax Act, 1956	Demand raised on account of not having C-Form from Sales Parties	97,342/-*	A.Y.2010-11	Deputy Commissioner of Commercial Tax

\*The amounts paid under protest have been reduced from the amounts demanded in arriving at the aforesaid disclosure.

VIII. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and Financial Institution. The Company had no Debentures issued or outstanding during the year.

IX. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loan taken by the Company have been applied for the purposes for which they were raised.

X. According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.

XIV. According to the information and explanations given to us and based on our examinations 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 our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly the provisions of clause 3(xv) of the Order are not applicable and hence not commented upon.

XVI. According to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and hence not commented upon.

Place : SURAT  
Date : 24-06-2017

for K A SANGHAVI AND CO  
Chartered Accountants  
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI  
M. NO. 101413  
1001, 1002, 1003, RAJHANS BONISTA,  
RAM CHOWK, GHOD DOD ROAD,  
SURAT-395007 GUJARAT



**Annexure “B”****TO THE AUDITORS’ REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **MEERA INDUSTRIES LIMITED** (“The Company”) as of 31 March 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

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

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

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

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

degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 Institute of Chartered Accountants of India. However, we are of the opinion that the company

can make the Internal Controls on Financial Reporting more adequate and more effective considering the inherent risk and nature and size of the business activities carried out by the company.

**Place : SURAT**

**Date : 24-06-2017**

**for K A SANGHAVI AND CO**

**Chartered Accountants**

**FRN : 120846W**

**AMISH ASHVINBHAI SANGHAVI**

**M. NO. 101413**

**1001,1002,1003, RAJHANS BONISTA, RAM CHOWK,  
GHOD DOD ROAD, SURAT-395007 GUJARAT**

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**BALANCE SHEET AS AT 31/03/2017**

		In Rs.	
Particulars	Note	31/03/2017	31/03/2016
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	3	28475000.00	11090000.00
Reserves and surplus	4	9078908.00	17607509.00
Money received against share warrants		-	-
		<u>37553908.00</u>	<u>28697509.00</u>
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	5	85222.00	754930.00
Deferred tax liabilities (Net)	6	522212.00	856892.00
Other Long term liabilities		-	-
Long-term provisions	7	<u>1765000.00</u>	<u>-</u>
		<u>2372434.00</u>	<u>1611822.00</u>
Current liabilities			
Short-term borrowings		-	-
Trade payables	8	16991069.00	11085689.00
Other current liabilities	9	17215445.00	16073009.00
Short-term provisions	10	<u>4966060.00</u>	<u>-</u>
		<u>39172574.00</u>	<u>27158698.00</u>
<b>TOTAL</b>		<b><u>79098916.00</u></b>	<b><u>57468029.00</u></b>
<b>ASSETS</b>			
Non-current assets			
Fixed assets			
- Tangible assets	11	18447713.00	19285757.00
- Intangible assets	12	965353.00	1013566.00
- Capital work-in-progress		-	-
- Intangible assets under development		-	-
		<u>19413066.00</u>	<u>20299323.00</u>
Non-current investments		-	-
Deferred tax assets (net)		-	-
Long-term loans and advances	13	731667.00	149572.00
Other non-current assets		-	-
		<u>20144733.00</u>	<u>20448895.00</u>
Current assets			
Current investments	14	2467788.00	2267416.00
Inventories	15	12310937.00	5908400.00
Trade receivables	16	9944662.00	6794585.00
Cash and cash equivalents	17	22144408.00	18318454.00
Short-term loans and advances	18	5760282.00	1946148.00
Other current assets	19	<u>6326106.00</u>	<u>1784131.00</u>
		<u>58954183.00</u>	<u>37019134.00</u>
Summary of Significant Accounting Policies	1 & 2		
<b>TOTAL</b>		<b><u>79098916.00</u></b>	<b><u>57468029.00</u></b>

Accompanying notes are integral part of the Financial Statements.

In terms of our attached report of even date

For K A SANGHAVI AND CO  
**CHARTERED ACCOUNTANTS**

FRN : 120846W

AMISH ASHVINBHAI SANGHAVI  
(PARTNER)  
(M. NO. : 101413)

Place : SURAT

Date : 24-06-2017

DHARMESH  
VINODBHAI  
DESAI  
(MANAGING  
DIRECTOR)  
(DIN : 00292502)

BIJAL  
DHARMESHBHAI  
DESAI  
(WHOLE TIME  
DIRECTOR)  
(DIN : 00292319)

VINOD  
SATYANARAYAN  
OJHA  
(CHIEF FINANCIAL  
OFFICER)

PARVEZ  
AYAZ  
SHAIKH  
(COMPANY  
SECRETARY)

For and on behalf of Board of Directors of  
**MEERA INDUSTRIES LIMITED**

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2017**

			In Rs.
Particulars	Note	31/03/2017	31/03/2016
Revenue from operations	20	131227232.00	80577055.00
Other income	21	3357710.00	1269828.00
<b>Total Revenue</b>		<b>134584942.00</b>	<b>81846883.00</b>
<b>Expenses</b>			
Cost of materials consumed	22	77478197.00	46666784.00
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	(4719932.00)	(777701.00)
Employee benefits expense	24	11747768.00	6095594.00
Finance costs	25	316445.00	296999.00
Depreciation and amortization expense	26	2539693.00	3198897.00
Other expenses	27	32600424.00	19954576.00
<b>Total expenses</b>		<b>119962595.00</b>	<b>75435149.00</b>
Profit before exceptional, extraordinary and prior period items and tax		14622347.00	6411734.00
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		14622347.00	6411734.00
Extraordinary Items		-	-
Profit before prior period items and tax		14622347.00	6411734.00
Prior Period Items	28	-	(32902.00)
Profit before tax		14622347.00	6378832.00
Tax expense:	29		
- Current tax		4324212.00	2324350.00
- Deferred tax		(334680.00)	(139391.00)
Profit/(loss) for the period from continuing operations		10632815.00	4193873.00
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit/(loss) for the period		10632815.00	4193873.00
Earnings per equity share:	30		
- Basic		3.83	1.51
- Diluted		3.83	1.51

Summary of Significant Accounting Policies 1&2

Accompanying notes are integral part of the Financial Statements.

In terms of our attached report of even date

For K A SANGHAVI AND CO  
**CHARTERED ACCOUNTANTS**

FRN : 120846W

AMISH ASHVINBHAI SANGHAVI  
(PARTNER)  
(M. NO. : 101413)

Place : SURAT  
Date : 24-06-2017

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VINODBHAI  
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BIJAL  
DHARMESHBHAI  
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(WHOLE TIME  
DIRECTOR)  
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For and on behalf of Board of Directors of  
**MEERA INDUSTRIES LIMITED**

VINOD  
SATYANARAYAN  
OJHA  
(CHIEF FINANCIAL  
OFFICER)

PARVEZ  
AYAZ  
SHAIKH  
(COMPANY  
SECRETARY)

**MEERA INDUSTRIES LIMITED**  
**CIN : L29298GJ2006PLC048627**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

In Rs.

<b>PARTICULARS</b>	<b>31ST MARCH 2017</b>	<b>31ST MARCH 2016</b>
<b>CASH FLOW FROM OPERATING ACTIVITY</b>		
Net profit before taxation	14,622,347.00	6,378,832.00
Depreciation	2,539,693.00	3,198,897.00
Non cash item	-	-
Tax paid on Regular Assessment	4,465.00	
Investment Income	(793,170.00)	(741,882.00)
Dividend Income	(37,970.00)	
Loss on sale of Fixed Asset	-	4,713.00
Gain on Sale of Shares	(19,294.00)	-
Increase / decrease in inventories	(6,402,537.00)	(2,520,490.00)
Increase / decrease in sundry Debtors	(3,150,077.00)	2,300,177.00
Increase / decrease in Short term advances and loans	(6,150,980.00)	2,646,154.00
Increase / decrease in Long term advances and loans	(582,095.00)	(100,000.00)
Increase / decrease in Sundry Creditors	5,905,380.00	1,325,160.00
Increase / decrease in other Current Liability	(818,426.00)	7,438,234.00
Increase / decrease in other Non - Current Liability	1,765,000.00	-
Income tax paid	(4,533,932.00)	(3,442,248.00)
Adjustments of earlier years	-	5,147.00
<b>Net cash flow from Operating activities</b>	<b>2,348,404.00</b>	<b>16,492,695.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
Purchase of Fixed asset	(1,702,803.00)	(5,921,366.00)
Proceeds from sale of Fixed Asset	-	30,000.00
Purchase of Shares	(407,525.00)	(2,267,416.00)
Proceeds from sale of Shares	226,446.00	-
Interest Income	793,170.00	741,882.00
Dividend Income	37,970.00	
<b>Net cash flow From Investing activity</b>	<b>(1,052,742.00)</b>	<b>(7,416,900.00)</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Issue of share Capital at premium of Rs. 30/- each	3,000,000.00	-
Repayment of Borrowings	(469,708.00)	(779,457.00)
<b>Net cash flow From financing activity</b>	<b>2,530,292.00</b>	<b>(779,457.00)</b>
<b>Net Increase/ decrease in cash and cash equivalent</b>	<b>3,825,954.00</b>	<b>8,296,338.00</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>18,318,454.00</b>	<b>10,022,115.00</b>
<b>Cash and cash equivalent at end of period</b>	<b>22,144,408.00</b>	<b>18,318,454.00</b>

**Notes :**

- The figures in brackets represent outflows.
- Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

In terms of our attached report of even date For and on behalf of the Board of Directors of

In terms of our attached report of even date

For and on behalf of Board of Directors of

For K A SANGHAVI AND CO

MEERA INDUSTRIES LIMITED

CHARTERED ACCOUNTANTS

FRN : 120846W

AMISH ASHVINBHAI SANGHAVI

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(CHIEF FINANCIAL  
OFFICER)

PARVEZ

AYAZ

SHAIKH

(COMPANY  
SECRETARY)

Place : SURAT

Date : 24-06-2017

**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017****1 CORPORATE INFORMATION :**

Meera Industries Limited ("the Company") was incorporated on 05/07/2006 as a private Limited company and during the year on 09/03/2017, it got converted in Public Limited Company domiciled in India. Its shares are listed on BSE SME platform effective from 09/05/2017. The company is primarily engaged in the business of manufacture and sale of customized textile machinery and machinery parts including Import and Export of the same.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :****(i) Basis of preparation of Financial Statements :**

These financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in absolute figures of Indian Rupees.

**(ii) Presentation and disclosure of financial statements :**

During the year end 31ST March 2017, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

**(iii) Use of estimates :**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, if any at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(iv) Tangible Fixed Assets (AS 10) :**

Tangible Fixed assets are carried at cost of acquisition and other applicable costs less accumulated depreciation and accumulated impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use. Borrowing costs directly attributable to the qualifying assets are capitalized as part of the cost. The costs of internally generated assets comprise direct costs attributed to the generation of the assets.

Capital work in progress, if any comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Assets held for disposal, if any are stated at the lower of net book value and the estimated net realizable value.

When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Gain / loss arising from de-recognition / sale / disposal of fixed assets are measured as the difference between the net disposal / sale proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss when the asset is derecognized / disposed off.

Advances paid towards the acquisition of fixed assets, if any outstanding as of balance sheet date is disclosed under long term loans and advances.

No assets have been revalued during the year.

**(v) Intangible Assets :**

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and accumulated impairment losses, if any.

**(vi) Borrowing Costs (AS 16):**

Loan processing charges paid to Bank for Term Loans have been charged to revenue account since the same are not attributable to the acquisition of qualifying assets as per the requirements of AS 16.

Borrowing cost primarily includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

**(vii) Depreciation / Amortization (AS 6):**

Depreciation on tangible fixed assets is calculated on the Straight Line Method (SLM) based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Intangible assets, if any are amortized on a straight line basis over the estimated useful economic life.

No assets have been revalued during the year.

**(viii) Impairment of tangible and Intangible Assets (AS 28):**

As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technique and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

No reversal of impairment loss has been recognized in the Profit & loss Account.

Since the company has not carried out the activities in segments, the impairment loss or reversal of the impairment loss has not been provided for the segments.

In the opinion of the Board of Directors and to the best of their knowledge and belief the aggregate value of the current assets, loans and advances on realization in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.

**(ix) Investments (AS 13):**

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined in respect of each category of the investments. Long-term investments are carried at cost. However, provision for diminution in value, if any is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, if any, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(x) Government grants and subsidies (AS 12):**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

During the year, the Company has not applied for any Grants / subsidies related to the Revenue or specific Fixed Assets nor the Company has received any such Grants / subsidies during the year.

**(xi) Inventories (AS 2):**

Inventories of materials including stores and spares and consumables, packing materials, components,

work-in-progress and project work-in-progress are valued at the lower of cost and estimated net realisable value. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period.

**(xii) Revenue recognition (AS 9):**

Revenue comprises sale & export of customized machinery and service income; interest income, dividend income and export incentive income. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The Company collects excise duty, sales taxes, value added taxes (VAT), Central Sales Tax as applicable on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Revenue from sale of goods is recognised in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Interest income are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

Dividend income from investments is recognized when the right to receive payment is established.

Export incentives are recognised when the right to receive the same is established.

**(xiii) CENVAT & Gujarat VAT Credit:**

CENVAT and Gujarat VAT credit available on purchase of materials, purchase of capital goods and input services is not charged to cost of material, capital goods and services. CENVAT and VAT credit availed is accounted by way of adjustment against excise duty and VAT payable on dispatch of finished goods or service tax payable on rendering of services.

**(xiv) Retirement and other Employee benefits (AS 15) :**

Defined contributions to Provident Fund and Employee State Insurance Corporation are charged to the statement of Profit & Loss of the year, when the employee renders the related service. There are no other obligations other than the contribution payable to the respective statutory authorities.

No retirement benefits have been paid to any employee during the year by the company.

The company does not pay the leave salary. However, the unavailed leave at the end of the financial year gets carry forwarded to subsequent years for availment.

In accordance with the Payment of Gratuity Act, 1972, the company provides for an amount for gratuity to eligible employees, at retirement or termination of employees. The company's obligation in respect of the gratuity plan, which is defined benefit plan (unfunded), is provided for based on actuarial valuation carried out by an independent actuary using Projected Unit Credit (PUC) method. The company has not recognized actuarial gains and losses in the Statement of Profit and Loss since the plan is unfunded and the fair value of plan assets is not applicable.

**(xv) Foreign Exchange Transactions (AS 11):**

Transactions in foreign currencies other than those covered by forward contracts entered into by the Company are accounted at the exchange rates prevailing on the date of transactions or at rates that closely approximate the rate at the date of the transaction.

Monetary assets (debtors for exports) and liabilities (Creditors for imports) relating to foreign currency transactions remaining unsettled at the end of the period are translated at the period-end rate and the difference in translation and realized gain and losses on foreign exchange transactions are recognized in the statement of profit and loss.

Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

Exchange difference in respect of liability incurred to acquire fixed assets is adjusted to the carrying amount of such fixed assets.

Forward premium in respect of forward exchange contracts, if any is recognized over the life of contract. There is no carry forward of Forward contract as at the end of the year. The company has not entered into any forward exchange contracts intended for trading or speculation purposes.

**(xvi) Taxation (AS 22):**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected



to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Separate and detailed calculation of Deferred tax is appended in these notes.

**(xvii) Provisions and contingent liabilities, Contingent assets (AS 29):**

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

Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

The opening balance of provisions is used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote.

A contingent asset is not recognized in the financial statements and hence not disclosed.

**(xviii) Earning / (loss) per share (AS 20) :**

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares

outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors for the purpose of calculating diluted earnings / (loss) per share. The net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus and right issue as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**(xix) Cash and Cash Equivalents :**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

**(xx) Operating leases :**

**Where the Company is a lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on the basis of the lease (rent agreements). Initial direct costs such as legal costs, brokerage costs, etc. if any, are recognised immediately in the statement of profit and loss.

**3. SHARE CAPITAL :**

*In Rs*

Particulars	31/03/2017	31/03/2016
<b>Authorised</b>		
5000000 (1250000) Equity Shares RS. 10/- EACH WITH VOTING RIGHTS of Rs. 10/- Par Value	50000000.00	12500000.00
	50000000.00	12500000.00
<b>Issued</b>		
2847500 (1109000) Equity Shares RS. 10/- EACH WITH VOTING RIGHTS of Rs. 10/- Par Value	28475000.00	11090000.00
	28475000.00	11090000.00
<b>Subscribed</b>		
2847500 (1109000) Equity Shares RS. 10/- EACH WITH VOTING RIGHTS of Rs. 10/- Par Value	28475000.00	11090000.00
	28475000.00	11090000.00
<b>Paidup</b>		
2847500 (1109000) Equity Shares RS. 10/- EACH WITH VOTING RIGHTS of Rs. 10/- Par Value Fully Paidup	28475000.00	11090000.00
	28475000.00	11090000.00

**TERMS / RIGHTS ATTACHED TO EQUITY SHARES**

The Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share.

The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

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

**DETAILS OF CONVERTIBLE SECURITIES:**

The company has not issued any securities convertible into equity or preference shares.

**DETAILS OF SHARES RESERVED FOR EMPLOYEES STOCK OPTIONS :**

The company has not reserved any shares for employees stock options.

**Holding More Than 5% :**

Particulars	31/03/2017		31/03/2016	
	Number of Share	% Held	Number of Share	% Held
BIJALBEN DHARMESHBHAI DESAI	1355338	47.60	542135	48.89
DHARMESH VINODKUMAR DESAI	1169662	41.08	457865	41.29
DEVENDRA SOMABHAI NAIK	180000	6.32	72000	6.49

**SHARE HOLDERS HOLDING MORE THAN 5 % EQUITY SHARES IN THE COMPANY :**

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The company has no holding company.

**Reconciliation**

Particulars	31/03/2017		31/03/2016	
	Number of Share	Amount	Number of Share	Amount
Number of shares at the beginning	1109000	11090000.00	1109000	11090000.00
Add : Issue	0	0.00	0	0.00
Less : Bought Back	0	0.00	0	0.00
Others				
- BONUS ISSUE ON 28/01/2017	1663500	16635000.00		0.00
- RIGHT ISSUE ON 23/03/2017	75000	750000.00		0.00
	1738500	17385000.00	0	0.00
Number of shares at the end	2847500	28475000.00	1109000	11090000.00

**Details Of Shares issued for consideration other than cash For Preceding Five Years :**

Particulars	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013
Number Of Equity Shares Bought Back	0	0	0	0	0
Number Of Preference Shares Redeemed	0	0	0	0	0
Number of Equity Share Issue as Bonus Share	1663500	0	0	0	0
Number of Preference Share Issue as Bonus Share	0	0	0	0	0
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	0	0	0	0	0
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	0	0	0	0	0

**4. RESERVE AND SURPLUS :***In Rs*

Particulars	31/03/2017	31/03/2016
Securities Premium Opening	9810000.00	9810000.00
Additions	2250000.00	0.00
Adjusted for issue of Bonus Shares	(9810000.00)	(0.00)
	<b>2250000.00</b>	<b>9810000.00</b>
Profit and Loss Opening	7797509.00	5139137.00
Amount Transferred From Statement of P&L	10632815.00	4193873.00
Amount Transferred From Sundries		
- General Reserve	0.00	0.00
- Others	(49356.00)	0.00
	<b>(49356.00)</b>	<b>0.00</b>
Appropriation and Allocation		
- Proposed Dividend	3927500.00	
- Equity Dividend Distribution Tax	799560.00	
- Adjusted for issue of Bonus Shares		
- Tax adjustment of earlier year	6825000.00	0.00
	0.00	1535501.00
	<b>(11552060.00)</b>	<b>(1535501.00)</b>
	<b>6828908.00</b>	<b>7797509.00</b>
	<b>9078908.00</b>	<b>17607509.00</b>

**AMOUNT ADJUSTED FROM PROFIT & LOSS ACCOUNT BALANCE UNDER THE HEAD "OTHERS" :**

The amount of Rs. 49,356/- i.e. (49367-11) adjusted under the head "Others", is the amount of residual value of the asset whose useful life has been expired as on March 31, 2017 after netting off the amount of 5% of the original cost of the said asset as per the requirements of Schedule II of the Companies Act, 2013.

**5. LONG TERM BORROWINGS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Term Loan</b>		
<b>Financial Institution</b>		
<b>Secured</b>		
<b>Rupee</b>		
KOTAK MAHINDRA PRIME LIMITED (ECO SPORT CAR LOAN)	85222.00	443200.00
KOTAK MAHINDRA PRIME LIMITED (MERCEDES CAR LOAN)	0.00	308400.00
<b>Loan and Advances From Related Parties</b>		
<b>Unsecured</b>		
<b>Director</b>		
DHARMESH VINOD DESAI	0.00	3330.00
	<b>85222.00</b>	<b>754930.00</b>

**LONG TERM BORROWINGS :**

The company has enjoyed two vehicle loans facility from Kotak Mahindra Prime Ltd. – one for ECO Sport Car ` 85,222/- ( ` 4,43,200/-) and another for Mercedes Car NIL ( ` 3,08,400/-) which are secured by hypothecation of respective asset for which the loans were taken. The directors have not given any personal guarantee for the vehicle loans.

*(Amounts are in Rs. (Lakhs))*

Loan Details	Principal Loan Amt.	Rate of Interest	Tenure (months)	Monthly instalment	Security offered
Kotak Mahindra Prime Ltd.	10.00	10.54%	36	0.32	Ford ECO Sport Car
Kotak Mahindra Prime Ltd.	20.00	10.01%	60	0.42	Mercedes Benz Car

**6. DEFERRED TAXES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Deferred Tax Assets</b>		
- Employee Benefits	619236.00	0.00
- Fixed Assets	15254.00	0.00
	<b>634490.00</b>	<b>0.00</b>
<b>Deferred Tax Liabilities</b>		
- Depreciation	1156702.00	856892.00
	<b>1156702.00</b>	<b>856892.00</b>

**DEFERRED TAX:**

Deferred tax liability has been created on the basis of the timing difference in depreciation as per the Companies Act, 2013 and the depreciation allowable as per The Income Tax Rules, 1962. Further the same is created due to the claim made under the Income tax Act, 1961 as per provisions of Sec. 35(2AB) and 35(1)(iv) during the reporting year. During the year ended on 31.03.2016, deferred tax liability was due to the difference in depreciation as per the Companies Act, 2013 and the depreciation allowable as per The Income Tax Rules, 1962.

Deferred tax asset is on the basis of the provisions of gratuity on the basis of the actuarial valuation and the written off of the value of the asset having zero useful life during the reporting year.

**CALCULATION OF DEFERRED TAX :****Deferred Liabilities :**

- DEDUCTION U/S. 35(1)(IV) OF THE ACT	1,60,202.00
- DEDUCTION U/S. 35(2AB) OF THE ACT	7,98,652.00
- DEPRECIATION	11,405.00
<b>Total (A)</b>	<b>9,70,259.00</b>

**Deferred Assets**

- GRATUITY EXPENSES	20,04,000.00
- AMOUNT WRITTEN OFF OF ASSET WITH ZERO USEFUL LIFE	49,367.00
<b>Total (B)</b>	<b>20,53,367.00</b>

Total Deferred Assets (B-A)

10,83,108.00

Tax on Deferred Assets @ 30.90% On Rs. 10,83,108.00

3,34,680.00

**Net Differed Tax (Assets) Charged to P & L A/c****3,34,680.00****Defer Tax Liabilities/Assets Transferred to Balance Sheet :**

Opening Balance of Deferred Tax (Liabilities)	8,56,892.00
Deferred Tax (Assets) Charged to P & L A/c	3,34,680.00
Deferred Tax (Liabilities) Transferred to Balance Sheet	5,22,212.00

**7. LONG TERM PROVISIONS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Employee Benefits</b>		
- Gratuity		
PROVISION FOR GRATUITY	1765000.00	0.00
	<b>1765000.00</b>	<b>0.00</b>

**PROVISIONS FOR GRATUITY :**

Total provision for gratuity has been made as per the independent actuarial valuation report to the extent of Rs. 20,04,000/- (Nil). As per the actuarial valuation report, the provision of gratuity that may be incurred in the next 12 months period from the date of the financial statements i.e. Rs. 2,39,000/- (nil) is classified as short term provisions and the remaining amount is considered as long term provisions.

**8. TRADE PAYABLES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Creditors Due others</b>		
- SUNDRY CREDITORS - CAPITAL GOODS	446744.00	326419.00
- SUNDRY CREDITORS - EXPENSES	3011192.00	1320704.00
- SUNDRY CREDITORS - GOODS	11724112.00	8157832.00
- SUNDRY CREDITORS - LABOUR	1809021.00	1280734.00
	<b>16991069.00</b>	<b>11085689.00</b>

**TRADE PAYABLES**

As certified and confirmed by the management that there are no entities of trade payables which are Micro Enterprises and small enterprises.

**9 OTHER CURRENT LIABILITIES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Interest accrued but not due on borrowings</b>		
<b>Secured</b>		
INTEREST ACCRUED BUT NOT DUE	832.00	5757.00
<b>Other payables</b>		
Employee Related		
<b>Accrued Salary Payable</b>		
WAGES AND SALARY PAYABLE	1053797.00	553080.00
<b>Accrued Payroll Liabilities</b>		
ESIC PAYABLE	48180.00	21402.00
PROVIDENT FUND PAYABLE	154431.00	91206.00
<b>Tax Payable</b>		
<b>TDS</b>		
TDS PAYABLE	238448.00	354526.00
<b>Service Tax</b>		
SERVICE TAX PAYABLE	0.00	62981.00
<b>Other</b>		
PROFESSIONAL TAX PAYABLE	297380.00	158580.00
TCS PAYABLE	2741.00	0.00
<b>Income Tax</b>		
PROVISION FOR TAX	4324212.00	2324350.00
<b>Other Current Liabilities</b>		
ADVANCE FROM DEBTORS	10414705.00	11559199.00
AUDIT FEES PAYABLE	107500.00	0.00
BIJAL D. DESAI (EXP. REIMBURSEMENT)	0.00	277780.00
DIRECTORS SITTING FEES PAYABLE	45000.00	0.00
CONSULTANCY FEES PAYABLE	0.00	16000.00
DEVENDRA S. NAIK (EXP. REIMBURSEMENT)	0.00	312608.00
INDIA INFOLINE LTD.	52967.00	0.00
WATER CHARGES PAYABLE	652.00	2543.00
JOBWORK CHARGES PAYABLE	0.00	10387.00
DIRECTORS REMUNERATION PAYABLE	274600.00	322610.00
BIJAL DHARMESH DESAI	100000.00	0.00
DHARMESH VINOD DESAI	100000.00	0.00
	<b>17215445.00</b>	<b>16073009.00</b>

**10. SHORT TERM PROVISIONS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Employee Benefits</b>		
<b>Gratuity</b>		
PROVISION FOR GRATUITY	239000.00	0.00
<b>Dividend</b>		
<b>Dividend on Equity Shares</b>		
PROPOSED DIVIDEND	3927500.00	0.00
<b>Dividend on Distribution Tax</b>		
<b>Dividend on Distribution Tax Equity Shares</b>		
TAX ON PROPOSED DIVIDEND	799560.00	0.00
	<b>4966060.00</b>	<b>0.00</b>

In Rs

## 11. TANGIBLE ASSETS:

Particulars	Gross			Depreciation				Impairment			Net			
	Opening	Addition	Deduction	Closing	Opening	During Period	Deduction	Other Adj.	Closing	Opening	During Period	Reversal	Closing	Opening
Building														
Factory Building														
FACTORY BUILDING	10706883.00			10706883.00	5252575.00	233990.00			5486565.00				5220318.00	5454308.00
FACTORY BUILDING		290625.00		290625.00		3193.00			3193.00				287432.00	
Total	10706883.00	290625.00		10997508.00	5252575.00	237183.00			5489758.00				5507750.00	5454308.00
Other Building														
AVADH SANGRILA GUEST HOUSE	4224540.00			4224540.00	87994.00	131956.00			219950.00				4004590.00	4136546.00
Total	4224540.00			4224540.00	87994.00	131956.00			219950.00				4004590.00	4136546.00
Plant and Machinery														
AIR COMPRESSOR	23080.00			23080.00	11463.00	1744.00			13207.00				9873.00	11617.00
PLANT AND MACHINERY	73404.00			73404.00	31486.00	3529.00			35015.00				38389.00	41918.00
PLANT AND MACHINERY	4800.00			4800.00	2069.00	415.00			2484.00				2316.00	2731.00
PLANT AND MACHINERY	147780.00			147780.00	73412.00	11162.00			84574.00				63206.00	74368.00
PLANT AND MACHINERY	21000.00			21000.00	2683.00	1339.00			4022.00				16978.00	18317.00
PLANT AND MACHINERY	381000.00			381000.00	179634.00	29782.00			209416.00				171584.00	201366.00
PLANT AND MACHINERY	11711.00			11711.00	5692.00	905.00			6597.00				5114.00	6019.00
PLANT AND MACHINERY	10593455.00			10593455.00	7311275.00	458849.00			7770124.00				2823331.00	3282180.00
PLANT AND MACHINERY	74750.00			74750.00	12564.00	4073.00			16637.00				58113.00	62186.00
PLANT AND MACHINERY	24744.00			24744.00	6400.00	1585.00			7985.00				16759.00	18344.00
PLANT AND MACHINERY	32911.00			32911.00	15537.00	2622.00			18159.00				14752.00	17374.00
PLANT AND MACHINERY	3990.00			3990.00	1340.00	188.00			1528.00				2462.00	2650.00
PLANT AND MACHINERY	26650.00			26650.00	4525.00	1726.00			6251.00				20399.00	22125.00
PLANT AND MACHINERY	16793.00			16793.00	3991.00	1120.00			5111.00				11682.00	12802.00
PLANT AND MACHINERY		342185.00		342185.00		16301.00			16301.00				325884.00	
Total	11436068.00	342185.00		11778253.00	7662071.00	535340.00			8197411.00				3580842.00	3773997.00
Equipments														
Office Equipments														
AIR CONDITIONER	35000.00			35000.00	17487.00	2627.00			20114.00				14886.00	17513.00
AIR CONDITIONER	17500.00			17500.00	6419.00	1257.00			7676.00				9824.00	11081.00
AIR CONDITIONER	64000.00			64000.00	7949.00	4075.00			12024.00				51976.00	56051.00
AIR CONDITIONER	26500.00			26500.00	3001.00	1685.00			4686.00				21814.00	23499.00
AIR CONDITIONER	42500.00			42500.00	7546.00	2342.00			9888.00				32612.00	34954.00
AIR CONDITIONER		47000.00		47000.00		1280.00			1280.00				45720.00	
Total	185500.00	47000.00		232500.00	42402.00	13266.00			55668.00				176832.00	143098.00

In Rs

## 11. TANGIBLE ASSETS : (Contd.....)

Particulars	Gross			Depreciation				Impairment			Net			
	Opening	Addition	Deduction	Closing	Opening	During Period	Deduction	Other Adj.	Closing	Opening	During Period	Reversal	Closing	Opening
Factory Equipments														
ELECTRIC INSTALATIONS	213803.00			213803.00	213803.00				213803.00					
ELECTRIC INSTALATIONS	87254.00			87254.00	16720.00	8288.00			25008.00				62246.00	70534.00
ELECTRIC INSTALATIONS	112908.00			112908.00	19636.00	10848.00			30484.00				82424.00	93272.00
ELECTRIC INSTALATIONS	30689.00			30689.00	4369.00	2935.00			7304.00				23385.00	26320.00
ELECTRIC INSTALATIONS	132838.00			132838.00	14528.00	12647.00			27175.00				105663.00	118310.00
ELECTRIC INSTALATIONS	42862.00			42862.00	4415.00	4091.00			8506.00				34356.00	38447.00
Total	620354.00			620354.00	273471.00	38809.00			312280.00				308074.00	346883.00
Computer Equipments														
COMPUTER AND ACCESSORIES	1320535.00			1320535.00	1205141.00			49367.00	1254508.00				66027.00	115394.00
COMPUTER AND ACCESSORIES	32800.00			32800.00	12390.00	10944.00			23334.00				9466.00	20410.00
COMPUTER AND ACCESSORIES	33000.00			33000.00	12426.00	10999.00			23425.00				9575.00	20574.00
COMPUTER AND ACCESSORIES	43000.00			43000.00	13617.00	13634.00			27251.00				15749.00	29383.00
COMPUTER AND ACCESSORIES	5200.00			5200.00	2349.00	1134.00			3483.00				1717.00	2851.00
COMPUTER AND ACCESSORIES	51800.00			51800.00	20974.00	11976.00			32950.00				18850.00	30826.00
COMPUTER AND ACCESSORIES	12800.00			12800.00	5677.00	4595.00			10272.00				2528.00	7123.00
COMPUTER AND ACCESSORIES	7800.00			7800.00	4926.00	1242.00			6168.00				1632.00	2874.00
COMPUTER AND ACCESSORIES		116250.00		116250.00		19994.00			19994.00				96256.00	
Total	1506935.00	116250.00		1623185.00	1277500.00	74518.00		49367.00	1401385.00				221800.00	229435.00
Furniture and Fixtures														
FURNITURE AND FIXTURES	468849.00			468849.00	203762.00	54714.00			258476.00				210373.00	265087.00
FURNITURE AND FIXTURES	45032.00			45032.00	8426.00	4363.00			12789.00				32243.00	36606.00
FURNITURE AND FIXTURES	246166.00			246166.00	182227.00	51631.00			233858.00				12308.00	63939.00
FURNITURE AND FIXTURES	2083.00			2083.00	374.00	200.00			574.00				1509.00	1709.00
FURNITURE AND FIXTURES	36000.00			36000.00	3725.00	3424.00			7149.00				28851.00	32275.00
FURNITURE AND FIXTURES	57970.00			57970.00	5848.00	5515.00			11363.00				46607.00	52122.00
FURNITURE AND FIXTURES	10005.00			10005.00	2569.00	770.00			3339.00				6666.00	7436.00
FURNITURE AND FIXTURES	32169.00			32169.00	8214.00	2479.00			10693.00				21476.00	23955.00
FURNITURE AND FIXTURES	92932.00			92932.00	21881.00	7304.00			29185.00				63747.00	71051.00
FURNITURE AND FIXTURES	73000.00			73000.00	8957.00	6340.00			15297.00				57703.00	64043.00
FURNITURE AND FIXTURES	455637.00			455637.00	339190.00	93665.00			432855.00				22782.00	116447.00
FURNITURE AND FIXTURES		142224.00		142224.00		2423.00			2423.00				139801.00	
Total	1519843.00	142224.00		1662067.00	785173.00	232828.00			1018001.00				644066.00	734670.00



## 11. TANGIBLE ASSETS : (Contd.....)

In Rs

Particulars	Gross				Depreciation				Impairment				Net	
	Opening	Addition	Dedu- ction	Clos- ing	Opening	During Period	Dedu- ction	Other Adj.	Clos- ing	Opening	During Period	Rev- ersal	Clos- ing	Opening
Vehicles														
Motor Vehicles														
MOTOR CAR	2221000.00			2221000.00	1170724.00	313927.00			1484651.00				736349.00	1050276.00
MOTOR CAR	1208699.00			1208699.00	231901.00	145445.00			377346.00				831353.00	976798.00
MOTOR CAR	3639381.00			3639381.00	1648674.00	487524.00			2136198.00				1503183.00	1990707.00
MOTOR CAR	300524.00			300524.00	68922.00	29807.00			98729.00				201795.00	231602.00
TWO WHEELER	57960.00			57960.00	14000.00	5926.00			19926.00				38034.00	43960.00
TWO WHEELER	42924.00			42924.00	30161.00	10617.00			40778.00				2146.00	12763.00
Total	7470488.00			7470488.00	3164382.00	993246.00			4157628.00				3312860.00	4306106.00
Other Fixed Assets														
AIR CONDITIONER (R&D)	135500.00			135500.00	336.00	8569.00			8905.00				126595.00	135164.00
PLANT AND MACHINERY R&D	26985.00			26985.00	1435.00	1635.00			3070.00				23915.00	25550.00
COMPUTER AND ACCESSORIES (R & D)		229000.00		229000.00		9335.00			9335.00				219665.00	
FACTORY BUILDING (R & D)		160202.00		160202.00		2184.00			2184.00				158018.00	
PLANT AND MACHINERY (R & D)		170326.00		170326.00		7620.00			7620.00				162706.00	
Total	162485.00	559528.00		722013.00	1771.00	29343.00			31114.00				690899.00	160714.00
Grand Total	37833096.00	1497812.00	0.00	39330908.00	18547339.00	2286489.00	0.00	49367.00	20883195.00	0.00	0.00	0.00	18447713.00	19285757.00
Previous	32814848.00	5712507.00	694259.00	37833096.00	16201552.00	3005333.00	69546.00	0.00	18547339.00	0.00	0.00	0.00	19285757.00	16613296.00

## 12. INTANGIBLE ASSETS

In Rs

Particulars	Gross			Depreciation				Impairment			Net			
	Opening	Addition	Dedu- ction	Clos- ing	Opening	During Period	Dedu- ction	Other Adj.	Clos- ing	Ope- ning	During Period	Rev- ersal	Clos- ing	Opening
Computer Software														
SOFTWARE AND LICENCE	63000.00			63000.00	10803.00	10011.00			20814.00				42186.00	52197.00
SOFTWARE AND LICENCE	148705.00			148705.00	33372.00	23966.00			57338.00				91367.00	115333.00
SOFTWARE AND LICENCE	133095.00			133095.00	27050.00	21326.00			48376.00				84719.00	106045.00
SOFTWARE AND LICENCE	148705.00			148705.00	29463.00	23789.00			53252.00				95453.00	119242.00
SOFTWARE AND LICENCE	118963.00			118963.00	19270.00	18254.00			37524.00				81439.00	99693.00
SOFTWARE AND LICENCE	490572.00			490572.00	142872.00	107717.00			250589.00				239983.00	347700.00
SOFTWARE AND LICENCE	55559.00			55559.00	19264.00	6551.00			25815.00				29744.00	36295.00
SOFTWARE AND LICENCE	60350.00			60350.00	9033.00	8596.00			17629.00				42721.00	51317.00
SOFTWARE AND LICENCE	92950.00			92950.00	7206.00	13985.00			21191.00				71759.00	85744.00
SOFTWARE AND LICENCE		204991.00		204991.00		19009.00			19009.00				185982.00	
Total	1311899.00	204991.00		1516890.00	298333.00	253204.00			551537.00				965353.00	1013566.00
Grand Total	1311899.00	204991.00	0.00	1516890.00	298333.00	253204.00	0.00	0.00	551537.00	0.00	0.00	0.00	965353.00	1013566.00
Previous	1103040.00	208859.00	0.00	1311899.00	104769.00	193564.00	0.00	0.00	298333.00	0.00	0.00	0.00	1013566.00	998271.00

**FIXED ASSETS :**

- The amount of Rs. 49,367/- (Nil) adjusted under the head "Others", is the amount of residual value of the asset whose useful life has been expired as on March 31, 2017 after netting off the amount of 5% of the original cost of the said asset as per the requirements of Schedule II of the Companies Act, 2013.
- Buildings include the building used for in house Research and Development work which forms 20% of Total Building Area as certified by the management. Further, other assets used for R&D purpose are shown separately under Other Fixed Assets.
- There is no intent to sale any of the assets held by the company and hence there is no fixed assets held for disposal.
- All the assets purchased during the year were put to use before 31st March 2017. Hence, there is no capital work-in-progress at the year end.
- There is no lease hold fixed asset held by the company during the year under reporting and in the preceding year.

**13. LONG-TERM LOANS AND ADVANCES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Security Deposits</b>		
<b>Unsecured, considered good</b>		
DEPOSIT WITH JOSH PETROLEUM	10000.00	10000.00
ELECTRICITY DEPOSIT (DGVCL)	118667.00	36572.00
INDIA INFOLINE DEPOSIT	100000.00	100000.00
RENT DEPOSITE (BIJAL DESAI)	500000.00	0.00
TELEPHONE DEPOSIT	3000.00	3000.00
<b>Loans and advances to others</b>		
	<b>731667.00</b>	<b>149572.00</b>

**14. CURRENT INVESTMENTS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Investments in Equity Instruments :</b>		
<b>Trade Quoted</b>		
88 (31/03/2016 : 28) EQUITY of Rs. 894.66 Each Fully Paidup in ASIAN PAINTS LTD.	78730.00	24862.00
248 (31/03/2016 : 248) EQUITY of Rs. 402 Each Fully Paidup in CAPITAL FIRST LTD.	99696.00	99696.00
120 (31/03/2016 : 120) EQUITY of Rs. 411.05 Each Fully Paidup in CYIENT LIMITED	49325.00	49325.00
203 (31/03/2016 : 203) EQUITY of Rs. 242.21 Each Fully Paidup in GMM PFAUDLER LTD.	49168.00	49168.00
40 (31/03/2016 : 40) EQUITY of Rs. 2842.14 Each Fully Paidup in HERO MOTOCORP LTD.	113686.00	113686.00
1128 (31/03/2016 : 1128) EQUITY of Rs. 223.51 Each Fully Paidup in ICICI BANK LTD.	252122.00	252122.00
141 (31/03/2016 : 190) EQUITY of Rs. 929.22 Each Fully Paidup in INDUSIND BANK LTD.	131020.00	176552.00
137 (31/03/2016 : 137) EQUITY of Rs. 1192.78 Each Fully Paidup in LARSEN & TOUBRO LTD.	163411.00	163411.00
67 (31/03/2016 : 67) EQUITY of Rs. 1762.68 Each Fully Paidup in LUPIN LTD.	118100.00	118100.00
116 (31/03/2016 : 116) EQUITY of Rs. 433.57 Each Fully Paidup in M M FORGINGS LTD.	50294.00	50294.00
24 (31/03/2016 : 24) EQUITY of Rs. 3676.39 Each Fully Paidup in MARUTI SUZUKI INDIA LTD.	88233.00	88233.00
290 (31/03/2016 : 290) EQUITY of Rs. 173.16 Each Fully Paidup in MUNJAL SHOWA LTD.	50217.00	50217.00
1057 (31/03/2016 : 1057) EQUITY of Rs. 94.47 Each Fully Paidup in NMDC LTD.	99855.00	99855.00
214 (31/03/2016 : 161) EQUITY of Rs. 233.07 Each Fully Paidup in OIL INDIA LTD.	49876.00	49876.00
584 (31/03/2016 : 292) EQUITY of Rs. 85.73 Each Fully Paidup in POWER FINANCE CORPORATION LTD.	50064.00	50064.00
2095 (31/03/2016 : 2095) EQUITY of Rs. 35.48 Each Fully Paidup in PTC INDIA FINANCIAL SERVICES LTD.	74323.00	74323.00
123 (31/03/2016 : 123) EQUITY of Rs. 1028.62 Each Fully Paidup in RELIANCE INDUSTRIES LTD.	126520.00	126520.00
250 (31/03/2016 : 250) EQUITY of Rs. 505.62 Each Fully Paidup in RELIANCE INFRASTRUCTURE LTD.	126404.00	126404.00
963 (31/03/2016 : 963) EQUITY of Rs. 186.03 Each Fully Paidup in STATE BANK OF INDIA	179143.00	179143.00
144 (31/03/2016 : 144) EQUITY of Rs. 350.75 Each Fully Paidup in TATA CHEMICALS LTD.	50507.00	50507.00
136 (31/03/2016 : 136) EQUITY of Rs. 365.72 Each Fully Paidup in TATA MOTORS LTD.	49738.00	49738.00
250 (31/03/2016 : 250) EQUITY of Rs. 303.91 Each Fully Paidup in TV TODAY NETWORK LTD.	75978.00	75978.00
42 (31/03/2016 : 42) EQUITY of Rs. 2353.71 Each Fully Paidup in TVS SRICHAKRA LTD.	98856.00	98856.00
141 (31/03/2016 : ) EQUITY of Rs. 416.68 Each Fully Paidup in CASTROL INDIA LTD.	58752.00	0.00
86 (31/03/2016 : ) EQUITY of Rs. 937.11 Each Fully Paidup in INFOSYS LTD.	80592.00	0.00
316 (31/03/2016 : ) EQUITY of Rs. 326.51 Each Fully Paidup in SHEMAROO ENTERTAINMENT LTD.	103178.00	0.00
(31/03/2016 : 293) EQUITY of Rs. Each Fully Paidup in HINDUSTAN ZINC LTD.	0.00	50486.00
	<b>2467788.00</b>	<b>2267416.00</b>

**QUOTED INVESTMENTS:**

- The investments are valued at cost or market price whichever is less.
- None of the investee companies are subsidiaries / associates / JVs / controlled special purpose entities.
- Aggregate amount of quoted investments  
Book Value Rs. 24,67,788 /- ( Rs. 22,67,416/-)  
Market Value Rs. 32,75,265/- ( Rs. 23,14,994/-)
- Aggregate amount of unquoted investments is NIL (NIL)
- Aggregate provision for diminution in the value of investments is NIL (NIL) since there is no permanent fall in the value of the quoted investments.

**15. INVENTORIES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Raw Material</b>		
- RAW MATERIAL	5488193.00	3721820.00
<b>Finished Goods</b>		
- SEMI FINISHED GOODS	6276962.00	1557030.00
- R&D GOODS	545782.00	629550.00
	<b>12310937.00</b>	<b>5908400.00</b>

**INVENTORIES:**

Inventories are valued at cost or net realisable value whichever is lower by following FIFO method.

**16. TRADE RECEIVABLES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Trade Receivable</b>		
<b>Unsecured considered good</b>		
<b>Within Six Months</b>		
SUNDRY DEBTORS	9324802.00	2521930.00
<b>Exceeding Six Months</b>		
SUNDRY DEBTORS	619860.00	4272655.00
	<b>9944662.00</b>	<b>6794585.00</b>

**TRADE RECEIVABLES:**

Sundry debtors are trade receivables which are due in respect of goods sold in the normal course of the business. the debtors outstanding for more than 6 months are those debtors which are outstanding for more than 6 months from the date they are due for payment but all of them are good as reviewed by the management and hence no provisions for doubtful debts has been made.

**17. CASH AND CASH EQUIVALENTS :***In Rs*

Particulars	31/03/2017	31/03/2016
Cash in Hand	369863.00	757377.00
<b>Balances With Banks</b>		
<b>Balance With Scheduled Banks</b>		
<b>Current Account</b>		
AXIS BANK	486391.00	32497.00
KOTAK MAHINDRA BANK (CURRENT A/C.)	4182261.00	8568206.00
<b>Deposit Account</b>		
KOTAK MAHINDRA BANK TERM DEPOSITE	11572346.00	8960308.00
<b>Other Account</b>		
KOTAK MAHINDRA BANK (EEFC A/C.)	5533547.00	66.00
	<b>22144408.00</b>	<b>18318454.00</b>

**Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-**

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08-11-2016	35000.00	19994.00	54994.00
(+) Permitted receipts		319095.00	319095.00
(-) Permitted payments		287552.00	287552.00
(-) Amount deposited in Banks	35000.00		35000.00
Closing cash in hand as on 30-12-2016		51537.00	51537.00

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

**TERM DEPOSITS WITH KOTAK MAHINDRA BANK :**

The amount of Term deposits with Kotak Mahindra Bank is inclusive of interest accrued and reinvested in the FDs.

**18. SHORT-TERM LOANS AND ADVANCES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Security Deposits</b>		
<b>Loans and advances to others</b>		
<b>Unsecured, considered good</b>		
ADVANCE TO SUPPLIERS	1746687.00	0.00
BIJAL D. DESAI	0.00	2247.00
INDIA INFOLINE LIMITED	0.00	220622.00
STAFF ADVANCES	57100.00	0.00
ADVANCE TAX	3700000.00	1500000.00
TDS RECEIVABLE	79317.00	74188.00
TDS RECEIVABLE FROM KOTAK MAHINDRA PRIME LTD.	16695.00	0.00
PREPAID EXPENSES	160483.00	149091.00
	<b>5760282.00</b>	<b>1946148.00</b>

**19. OTHER CURRENT ASSETS :***In Rs*

Particulars	31/03/2017	31/03/2016
BASIC EXCISE DUTY (CENVAT)	1767665.00	159289.00
EDUCATION CESS (CENVAT)	0.00	4252.00
EDUCATION CESS (SERVICE TAX)	0.00	6367.00
EXCISE DUTY PLA	24049.00	2342.00
IMPORT DUTY PAID BUT CREDIT NOT TAKEN	71758.00	0.00
INTEREST RECEIVABLE ON FD	87674.00	50924.00
SERVICE TAX INPUT CREDIT AVAILABLE	383520.00	56282.00
VAT/CST PAID UNDER PROTEST	175000.00	175000.00
VAT CREDIT RECEIVABLE	3816440.00	1314675.00
ASSOCIATION FOR ECONOMICS AND SOCIAL DEVELOPMENT	0.00	15000.00
	<b>6326106.00</b>	<b>1784131.00</b>

**20. REVENUE FROM OPERATIONS :***In Rs*

Particulars	31/03/2017	31/03/2016
Sale of Products		
Manufactures Goods		
EXPORT SALES	80826927.00	14515292.00
LOCAL SALES	50400305.00	66061763.00
	<b>131227232.00</b>	<b>80577055.00</b>

**NOTE: COMPUTATION OF SALES:**

Particulars	For the year ended 31.03.2017 (Rs.)	For the year ended 31.03.2016 (Rs.)
<b>Sale of Products :</b>		
<b>Manufacturing:</b>		
Export Sales	8,08,26,927	1,45,15,292
	<u>8,08,26,927</u>	<u>1,45,15,292</u>
Local Sales	5,04,82,179	6,62,22,277
Less : Credit Note on Sales	81,874	1,60,514
	<u>5,04,00,305</u>	<u>6,60,61,763</u>
<b>Total</b>	<b>13,12,27,232</b>	<b>8,05,77,055</b>
Gross Sales	13,80,02,042	9,01,82,302
Less: Excise Duty	58,27,687	78,32,700
Less: VAT	9,47,123	17,72,547
<b>Net Sales</b>	<b>13,12,27,232</b>	<b>8,05,77,055</b>

**21. OTHER INCOME :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Interest</b>		
INTEREST ON FD	793170.00	741882.00
<b>Dividend</b>		
DIVIDEND INCOME	37970.00	8073.00
<b>Profit(Loss) on Redemption / Sale of Investment &amp; Fixed Assets (Net)</b>		
GAIN ON SALE OF SHARES	19294.00	0.00
<b>Miscellaneous</b>		
DISCOUNT	0.00	10191.00
DUTY DRAWBACK INCOME	1506398.00	458919.00
EXPORT INCENTIVE FOCUS MARKETING SCHEME	154989.00	0.00
FOREIGN EXCHANGE DIFFERENCE	835889.00	50763.00
OTHER RECEIPT	10000.00	0.00
	<b>3357710.00</b>	<b>1269828.00</b>

**22. COST OF MATERIALS CONSUMED :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Raw Material</b>		
Opening	3721820.00	2608581.00
Purchase	79244570.00	47780023.00
Closing	5488193.00	3721820.00
	<b>77478197.00</b>	<b>46666784.00</b>

**Details of Raw Material :**

Particulars	31/03/2017	31/03/2016
RAW MATERIAL	77478197.00	46666784.00
	<b>77478197.00</b>	<b>46666784.00</b>

Purchase of Raw Material includes purchases as under:	As at 31.03.2017	As at 31.03.2016
Import of Raw Material	16,42,326	-
Local Purchase of Raw Material	7,77,62,624	4,80,22,338
	7,94,04,950	4,80,22,338
Less: Debit Note for Goods return	1,60,380	2,42,315
<b>TOTAL</b>	<b>7,92,44,570</b>	<b>4,77,80,023</b>

**23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE : In Rs**

Particulars	31/03/2017	31/03/2016
<b>Opening</b>		
Finished Goods	1557030.00	779329.00
	<b>1557030.00</b>	<b>779329.00</b>
<b>Closing</b>		
Finished Goods	6276962.00	1557030.00
	<b>6276962.00</b>	<b>1557030.00</b>
<b>Increase/Decrease</b>		
Finished Goods	(4719932.00)	(777701.00)
	<b>(4719932.00)</b>	<b>(777701.00)</b>

**Details of Changes in Inventory**

Particulars	31/03/2017	31/03/2016
<b>Finished Goods</b>		
FINISHED GOODS	0.00	779329.00
SEMI-FINISHED GOODS	(4719932.00)	(1557030.00)
	<b>(4719932.00)</b>	<b>(777701.00)</b>

**24. EMPLOYEE BENEFITS EXPENSE :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Salary, Wages &amp; Bonus</b>		
BONUS EXPENSES	477900.00	300700.00
SALARY	3708727.00	2125659.00
WORKER WAGES	3968907.00	2686630.00
<b>Contribution to Gratuity</b>		
GRATUITY EXPENSES	2004000.00	0.00
<b>Contribution to Provident Fund</b>		
PF CONTRIBUTION	759319.00	189659.00
<b>Staff Welfare Expenses</b>		
STAFF WELFARE EXPENSES	553648.00	214452.00
<b>Other Employee Related Expenses</b>		
ESIC CONTRIBUTION	275267.00	578494.00
	<b>11747768.00</b>	<b>6095594.00</b>

**25. FINANCE COSTS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Interest Expenses</b>		
<b>Interest Expenses</b>		
BANK INTEREST	0.00	42323.00
INTEREST ON CAR LOAN	35991.00	125571.00
<b>Bank Charges</b>		
BANK CHARGES	275822.00	67988.00
<b>Other Interest Charges</b>		
INTEREST ON LATE PAYMENT OF SERVICE TAX	155.00	46861.00
INTEREST ON LATE PAYMENT OF TDS	4477.00	14256.00
	<b>316445.00</b>	<b>296999.00</b>

**26. DEPRECIATION AND AMORTISATION EXPENSE :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Depreciation &amp; Amortisation</b>		
Depreciation Tangible Assets	2286489.00	3005333.00
Amortisation Intangible Assets	253204.00	193564.00
	<b>2539693.00</b>	<b>3198897.00</b>

**27. OTHER EXPENSES :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Manufacturing Service Costs Expenses</b>		
<b>Power and Fuel</b>		
DIESEL EXPENSES	223133.00	50360.00
ELECTRICITY EXPENSES (FACTORY)	705837.00	556821.00
<b>Water Charges</b>		
WATER CHARGES	104138.00	110258.00
<b>Freight And Forwarding Charges</b>		
Loading Unloading Charges	136845.00	57741.00
FREIGHT INWARD EXPENSES	1036484.00	706669.00
PACKING AND FORWARDING EXPENSES	85612.00	72274.00
<b>Lease Rentals</b>		
FACTORY LAND RENT EXPENSES	1080000.00	0.00

## 27. OTHER EXPENSES : (Contd.....)

In Rs

Particulars	31/03/2017	31/03/2016
<b>Other Manufacturing Costs</b>		
CONSUMABLES AND SPARES	62604.00	13669.00
CUSTOM DUTY ON IMPORT	112591.00	0.00
FACTORY EXPENSES	40015.00	134832.00
HANDLING CHARGES (IMPORT)	70497.00	0.00
JOBWORK CHARGES (NET)	4924350.00	3544645.00
<b>Administrative and General Expenses</b>		
<b>Telephone Postage</b>		
Telephone Expenses	101192.00	168222.00
POSTAGE & COURIER EXPENSES	194777.00	211037.00
<b>Printing Stationery</b>		
PRINTING & STATIONERY EXPENSES	138154.00	112202.00
<b>Rent Rates And taxes</b>		
EXCISE DUTY EXPENSE	18759.00	10113.00
GIDC NOTIFIED AREA TAX	1027808.00	692983.00
INCOME TAX ON REGULAR ASSESSMENT	4465.00	0.00
SBC & KKC EXPENSES	39820.00	839.00
SERVICE TAX EXPENSES	6367.00	96438.00
STT	633.00	2388.00
VAT EXPENSES	272901.00	299391.00
<b>Auditors Remuneration</b>		
Audit Fees	120000.00	59748.00
<b>Directors Sitting Fees</b>		
DIRECTORS SITTING FEES	45000.00	0.00
<b>Managerial Remuneration</b>		
<b>DIRECTORS REMUNERATION</b>	<b>4245000.00</b>	<b>4160000.00</b>
<b>Repairs Maintenance Expenses</b>		
REPAIR AND MAINTENANCE EXPENSES	337598.00	348582.00
AMC EXPENSES	138239.00	0.00
<b>Electricity Expenses</b>		
OFFICE ELECTRICITY EXPENSES	0.00	61869.00
<b>Travelling Conveyance</b>		
CONVEYANCE & PETROL EXPENSES	134419.00	112393.00
DAILY ALLOWANCE	86346.00	0.00
TRAVELLING EXPENSES	981778.00	1443524.00
<b>Legal and Professional Charges</b>		
LEGAL AND PROFESSIONAL FEES	415361.00	74627.00
ACCOUNTANT FEES	192400.00	180000.00
CONSULTANCY CHARGES	95348.00	59310.00
<b>Insurance Expenses</b>		
INSURANCE EXPENSES	1516069.00	102105.00
<b>Vehicle Running Expenses</b>		
VEHICLE RUNNING & MAINTENANCE EXPENSES	223397.00	284767.00
<b>Donations Subscriptions</b>		
DONATION EXPENSES	464411.00	50000.00
<b>Safety and Security Expenses</b>		
SECURITY SERVICES EXPENSES	387000.00	364871.00
<b>Information Technology Expenses</b>		
COMPUTER EXPENSES	141029.00	124017.00
SOFTWARE LICENSE RENEWAL EXPENSES	12582.00	223061.00
INTERNET EXPENSES	35052.00	15744.00
<b>Subscriptions, Membership Fees</b>		
MEMBERSHIP & SUBSCRIPTION	56030.00	64154.00



## 27. OTHER EXPENSES : (Contd.....)

In Rs

Particulars	31/03/2017	31/03/2016
<b>Other Administrative and General Expenses</b>		
DISCOUNT EXPENSES	342192.00	0.00
GARDENING EXPENSES	12940.00	1600.00
OFFICE EXPENSES	194451.00	230776.00
DOCUMENTATION CHARGES	45964.00	0.00
ISO RENEWAL FEES	52473.00	0.00
RATING FEES EXPENSE	15495.00	0.00
PMS CHARGES	65290.00	0.00
SHARE ISSUE EXPENSES	968750.00	0.00
RCMC CERTIFICATE RENEWAL FEES	0.00	23940.00
LOSS ON SALE OF ASSET	0.00	4713.00
LOSS ON SALE OF SHARES	0.00	17299.00
<b>Selling Distribution Expenses</b>		
<b>Advertising Promotional Expenses</b>		
ADVERTISEMENT EXPENSES	309469.00	91039.00
SALES PROMOTION EXPENSES	471773.00	0.00
<b>After Sales Service Expenses</b>		
MACHINE ERECTION CHARGES	209770.00	137840.00
PENALTY CHARGES ON SALES	0.00	1062400.00
<b>Commission Paid</b>		
COMMISSION EXPENSES	724866.00	946892.00
<b>Transportation Distribution Expenses</b>		
CLEARING & FORWARDING CHARGES	263974.00	54531.00
FREIGHT OUTWARD EXPENSES	3189534.00	510931.00
HANDLING CHARGES (EXPORT)	169246.00	0.00
<b>Other Selling Distribution Expenses</b>		
EXHIBITION EXPENSES	341538.00	0.00
FOREIGN BUSINESS EXPENSES	667095.00	0.00
EXPORT INSURANCE EXPENSES	0.00	12445.00
<b>Write off Assets and Liabilities</b>		
<b>Other Write Offs</b>		
SUNDRY BALANCES WRITTEN OFF	536006.00	57110.00
<b>Research and Development Expenses</b>		
RESEARCH AND DEVELOPMENT EXPENSES	4005557.00	2233406.00
	<b>32600424.00</b>	<b>19954576.00</b>

1. Job work charges of Rs. 49,24,350/- (Rs. 35,44,645/-) are recorded net off the labour income of Rs. 3,17,580/- (Rs. 34,847/-)

## 2. COMPUTATION OF R&amp;D EXPENSES :

Particulars	For the year ended 31.03.2017 (Rs.)	For the year ended 31.03.2016 (Rs.)
<b>Research and Development Expenses :</b>		
Opening Stock of R&D Goods	6,29,550	-
Add :		
Purchase of R&D Goods	11,17,176	4,86,430
Other R&D Expenses	1,66,771	48,701
Salary and Wages	24,90,742	22,02,325
Bonus	1,47,100	1,25,500
	<b>45,51,339</b>	<b>28,62,956</b>
Less : Closing Stock of R&D Goods	5,45,782	6,29,550
	<b>40,05,557</b>	<b>22,33,406</b>

**28. PRIOR PERIOD ITEMS :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Prior Period Expenses</b>		
VAT RECEIVABLE (PRIOR PERIOD)	(0.00)	(32902.00)
	<b>0.00</b>	<b>(32902.00)</b>

**29. TAX EXPENSE :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Current tax</b>		
INCOME TAX PAYABLE	4324212.00	2324350.00
<b>Deferred tax</b>		
DEFERRED TAX ASSET	(334680.00)	(139391.00)
	<b>3989532.00</b>	<b>2184959.00</b>

**30. EARNINGS PER EQUITY SHARE :***In Rs*

Particulars	31/03/2017	31/03/2016
<b>Earnings Per Equity Share</b>		
<b>Basic</b>		
Basic EPS Before Extra Ordinary Item	3.83	1.51
<b>Diluted</b>		
Diluted EPS Before Extra Ordinary Item	3.83	1.51
<b>Number of Shares used in computing EPS</b>		
Basic	2774350	2772500
Diluted	2774350	2772500
<b>Weighted Average Number of shares</b>		
<b>Number of Shares for basic EPS calculation</b>		
Number of Bonus Shares Issued	1663500.00	1663500.00
Number of Shares Issued as Rights Issue	1850.00	0.00

**31. OPERATING LEASES :**

The Company has taken factory land on lease rental agreement of 5 years with fixed rental on monthly basis for each of the years included in the lease period which is increasing every year. Each renewal is at the option of lessee. There are no restrictions placed upon the company by entering into these leases. The total rental expenses during the period was Rs. 10,80,000 (NIL).

The company has not entered into any lease agreements with any person during the year whereby any operating lease incomes are generated. The company has not acquired any fixed assets under finance lease / operating lease agreements during the year.

**32. EARNING / (LOSS) PER SHARE :**

Basic and Dilutive Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'.

Particulars		31/03/2017	31/03/2016
Basic :			
Profit after tax as per P & L Account before exceptional item	A	1,06,32,815	41,93,873
Weighted Number of Equity shares outstanding during the period	B	27,74,350	27,72,500
Basic EPS (Rupees)	A/B	3.83	1.51
Diluted EPS (Rupees)	A/B	3.83	1.51

Since the company has not issued any convertible preference shares or convertible debentures, the diluted EPS is same as that of Basic EPS.

**33. SEGMENTAL REPORTING (AS 17):**

Since the company is operating in single geographical / business segment, the disclosures required by AS-17 are not applicable.

**34. RELATED PARTY DISCLOSURES :****a. List of related parties and nature of relationships where control exists :**

The company doesn't have any Joint Ventures with any person / Association / Investment in any wholly or partly owned subsidiary during the year whether in India or outside India.

**b. Other related parties with whom transactions have taken place during the year :**

i) Entities where Key Management Personnel (KMP) / relatives of key management personnel (RKMP) have significant influence : **NIL**

ii) Key Management Personnel :

- DHARMESH VINODBHAI DESAI - MANAGING DIRECTOR

- BIJAL DHARMESH DESAI - WHOLE TIME DIRECTOR

- VINOD SATYANARAYAN OJHA – CHIEF FINANCIAL OFFICER

- PARVEZ AYAZ SHAIKH – COMPANY SECRETARY

iii) Relatives of key management personnel : **NIL**

**c. Transactions between the company and related parties and the status of outstanding balances as at March 31, 2017 (and March 31, 2016)**

Particulars	Subsidiaries	Entities where KMP / RKMP has significant influence	KMP	RKMP
Managerial Remuneration	NIL (NIL)	NIL (NIL)	44,99,924 (41,60,000)	NIL NIL
Rentals Paid	NIL (NIL)	NIL (NIL)	10,80,000 (NIL)	NIL (NIL)
Short Term Deposits	NIL (NIL)	NIL (NIL)	2,00,000 (NIL)	NIL (NIL)
Loans Taken	NIL (NIL)	NIL (NIL)	NIL (3,330)	NIL (NIL)
Rent Deposit	NIL (NIL)	NIL (NIL)	5,00,000 (NIL)	NIL (NIL)

**d. Disclosure of significant transactions with related parties :**

Type of Transaction	Type of relationship	Name of the entity/ person	Year ended on March 31, 2017	Year ended on March 31, 2016
Managerial Remuneration	KMP	Bijal Dharmesh Desai	18,75,000	18,60,000
	KMP	Dharmesh Vinodbhai Desai	23,70,000	23,00,000
	KMP	Vinod Satyanarayan Ojha	2,54,924	NIL
Rentals Paid	KMP	Bijal Dharmesh Desai	10,80,000	NIL
Short Term Deposits	KMP	Bijal Dharmesh Desai	1,00,000	NIL
	KMP	Dharmesh Vinodbhai Desai	1,00,000	NIL
Loans Taken	KMP	Dharmesh Vinodbhai Desai	NIL	2,50,000
Loans Repaid	KMP	Dharmesh Vinodbhai Desai	NIL	2,50,000
Rent Deposit	KMP	Bijal Dharmesh Desai	5,00,000	NIL

Disclosures as required by Regulation 34(3) read with para A of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The company has no subsidiary in India or outside India during the reporting period and hence the disclosure requirements as per Regulation 53(f) SEBI (LODR) Regulations, 2015 are not required to be made.

**Note :** No loans have been granted by the Company to any person for the purpose of investing in the shares of Meera Industries Limited.

### 35. CASH FLOW STATEMENT :

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

36. Based on the information available with the company, there are no dues to Micro & Small Enterprises under the Micro, Small and medium Enterprises Development Act, 2006.

### 37. DISCLOSURE REQUIRED U/S. 186(4) OF THE COMPANIES ACT, 2013 :

The company has not given any loans and guarantees to any related parties nor provided any guarantees for obtaining loans by the related parties.

No related parties have given any securities for loans obtained by the company.

The Company has no subsidiaries in India or Outside India during the year under reporting.

38. The provisions of sec. 135 of the Companies Act, 2013 related to Corporate Social Responsibility are not applicable to the company hence, no provision is made out of profit and no such expenses were incurred by the company during the reporting period.

39. During the year the company has not entered into any hire purchase agreement with any institutions.

### 40. PROVISION FOR TRADE GUARANTEES / WARRANTIES :

The company is engaged in the business of manufacturing of textile machinery and not provided or entered into any service contracts which creates the liability of warranties etc. and therefore, no such liabilities are provided.

### 41. CONTINGENT LIABILITIES :

Particulars	March 31, 2017	March 31, 2016
Amount payable if the "C" Forms under GVAT / CST pending for collection are not received till the date of assessment	10,72,460	94,850
Sales tax matter disputed in Appeal	97,342	97,342

#### Notes:

1. The "C" forms are yet to be collected from the customers to whom interstate goods have been sold against "C" Forms with concessional rate of CST. However, as at the year end the forms are to be collected from various customers. The amount stated against non collection of "C" forms is the amount of tax liability that may be generated @ 3% of the Invoice value of such goods sold. However, the Company and its management are in the process of collection and obtaining the "C" Forms from various customers and are hopeful in succeeding in the exercise before the completion of VAT assessments and hence considering the facts of the matters, no provision in this regard is considered necessary by the management.
2. The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under sales tax and the appeal is pending with the appellate authority. Considering the facts of the matters, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the Company in the light of the legal opinion obtained by the company.

### 42. CAPITAL AND OTHER COMMITMENTS :

There are no contracts remaining to be executed on Capital account and hence no provision has been made on this account.

The Company has no obligation on account of non-fulfilment of export commitments under various advance licenses during the reporting period and hence no provisions have been made.

**43. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF SCHEDULE III OF THE COMPANIES ACT, 2013****a. Value of imports calculated on CIF basis :**

Particulars	March 31, 2017	March 31, 2016
Raw Materials & Components	16,42,326.00	NIL
Stores and Spares	NIL	
Capital Goods	NIL	NIL

**b. Expenditure in Foreign Currency (Accrual Basis)**

Particulars	March 31, 2017	March 31, 2016
Expenses debited in the statement of Profit & Loss being in the nature of:		
- Foreign Business Expenses	6,67,095	-
- Exhibition Expenses	3,41,538	-
- Foreign Commission Expenses	7,24,866	1,34,792
- Penalty Charges on Sales	-	10,62,400

**c. Imported and Indigenous raw materials, components and spare parts consumed :***(Amount in Lakhs Rupees)*

Particulars	March 31, 2017		March 31, 2016	
	Amount	%	Amount	%
Imported	16.42	2.12	NIL	0.00
Indigenous	758.36	97.88	466.67	100.00

**d. Earning in Foreign Currency (accrual basis) :**

Particulars	March 31, 2017	March 31, 2016
FOB value of exports	7,42,45,933	1.35.80.316

- e. The company has incurred revenue expenditure of Rs. 40,05,557/- (Rs. 22,33,406/-) and capital expenditure of Rs. 5,59,528/- (Rs. 1,62,485/-) for in house research and development during the year.

**f. Directors' Remuneration :**

Particulars	March 31, 2017	March 31, 2016
Directors' Remuneration	42,45,000	41,60,000

**g. Auditor's remuneration :**

Particulars	March 31, 2017	March 31, 2016
As Statutory Auditor and Tax Auditor	1,00,000	59,748
For other certification work	25,000	-
<b>TOTAL</b>	<b>1,25,000</b>	<b>59,748</b>

44. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting policies. (GAAP)

45. The previous year's figures have been regrouped or reclassified wherever necessary to confirm with the current year's presentation.

**Accompanying notes are integral part of the Financial Statements.**

In terms of our attached report of even date

For and on behalf of Board of Directors of

For K A SANGHAVI AND CO

MEERA INDUSTRIES LIMITED

CHARTERED ACCOUNTANTS

FRN : 120846W

AMISH ASHVINBHAI SANGHAVI

(PARTNER)

(M. NO. : 101413)

DHARMESH

VINODBHAI

DESAI

(MANAGING  
DIRECTOR)

(DIN : 00292502)

BIJAL

DHARMESHBHAI

DESAI

(WHOLE TIME  
DIRECTOR)

(DIN : 00292319)

VINOD

SATYANARAYAN

OJHA

(CHIEF FINANCIAL  
OFFICER)

PARVEZ

AYAZ

SHAIKH

(COMPANY  
SECRETARY)

Place : SURAT

Date : 24-06-2017

**MEERA INDUSTRIES LIMITED**

**Registered Office: 2126, Road No. 2, GIDC Sachin, Suart – 394230**

**CIN: L29298GJ2006PLC048627**

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**ADMISSION SLIP**

Shareholders attending the Meeting in person or/by proxy is requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

**For Demat Shares**

**For Physical Shares**

DP ID:	REGD. FOLIO NO.:
CLIENT ID :	NO. OF SHARES HELD :

Full Name of Shareholder: \_\_\_\_\_

Folio No.: \_\_\_\_\_

Full Name of the Proxy: \_\_\_\_\_

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 11th Annual General Meeting held on Saturday, the 12<sup>th</sup> August, 2017 at 9.30 a.m. at 2126, Road No. 2, GIDC, Sachin, Surat - 394230.

\_\_\_\_\_  
Member's / Proxy's Signature  
(To be signed at the time of handing over this slip)

**Note :** Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

**Form No. MGT-11****PROXY FORM**

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

CIN:L29298GJ2006PLC048627

Name of the Company: Meera Industries Limited

Registered Office: 2126, Road No. 2, GIDC, Sachin, Surat – 394230

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:

1.	Name:	E-mail Id :
	Address:	Signature:

or failing him

2.	Name:	E-mail Id :
	Address:	Signature:

or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting held on Saturday, the 12<sup>th</sup> August, 2017 at 9.30 a.m. at 2126, Road No. 2, GIDC, Sachin, Surat – 394230 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	Vote		
		For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
1.	Adoption of Financial Statements including Audited Balance Sheet as at 31st March, 2017 and Profit & Loss Account and Cash Flow Statement for the financial year 2016-17.			
2.	Declaration Dividend on Equity Shares.			
3.	Re-appointment of Mrs. Bijal Dharmesh Desai as Director who retires by rotation.			
4.	Appointment of Statutory Auditors & fixing their remuneration.			
	<b>SPECIAL BUSINESS</b>			
5.	Appointment of Mr. Hetal R. Mehta as an Independent Director.			
6.	Appointment of Mr. Mayank . Y. Desai as a Director.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

\_\_\_\_\_  
Signature of Member(s)\_\_\_\_\_  
Signature of Proxy holder(s)

Affix Re.1  
Revenue  
Stamp

**Notes:**

- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Eleventh Annual General Meeting.
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- It is optional to indicate your preference. If you leave 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in any manner as he/she may deem appropriate.

## ABOUT THE WHOLLY OWNED SUBSIDIARY AT USA



Ribbon Cutting  
Ceremony of Facilities Centre, USA

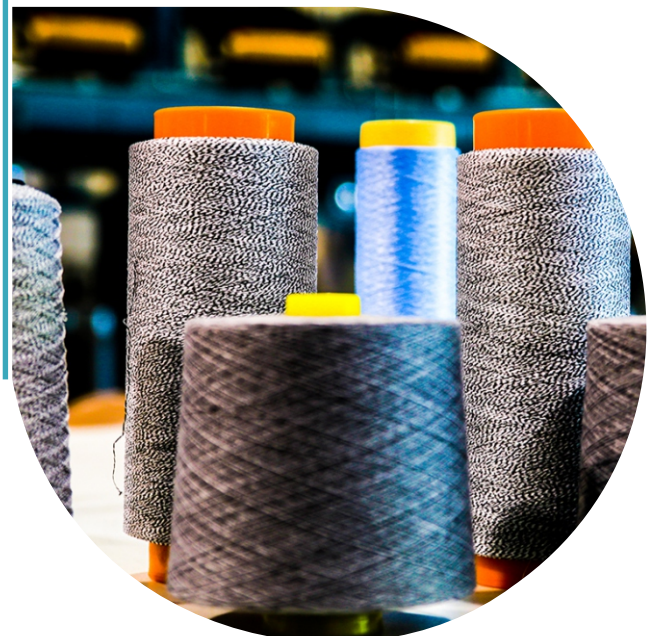


Sampling & Small lot production  
Facilities at USA

Demonstrating at  
Meera Industries USA LLC



Variety of Yarns  
Handled by Facility Centre at USA





**BOOK POST  
PRINTED MATTER**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*If undelivered Please return to :*  
**MEERA INDUSTRIES LIMITED**  
**CIN: L29298GJ2006PLC048627**  
**Registered Office:** 2126, Road No. 2,  
GIDC Sachin, Suart - 394230.