73rd

ANNUAL REPORT
2018-19

ECE INDUSTRIES LIMITED

DIRECTORS

Mr. Prakash Kumar Mohta - MD	Mr. Sakate Khaitan
Mr. Mahendra Kumar Jajoo	Mrs. Moulishree Gani
Mr. Shiban Ganju	Mr. Yogesh D. Korani

EXECUTIVES

Mr. Rajat Sharma	President & CFO
Mr. A.V. Ramachandran	President - (Transformer Division-Sonepat)
Mr. Manish Sikka	President - (Elevator Division-Ghaziabad)
Mr. H.M. Mot	President - (Transformer Division-Hyderabad)
Mr. Pravin Rane	Vice-President - (Transformer Division-Sonepat)
Mr. Nirmal Badjate	Vice-President (Finance) - (Elevator Division-Ghaziabad)
Mr. Piyush Agarwal	Company Secretary

REGISTERED OFFICE

"ECE HOUSE"
28-A, Kasturba Gandhi Marg
New Delhi - 110001

REGISTRAR

MAS Services Limited
T-34, II Floor, Okhla Industrial Area
Phase-II, New Delhi - 110020

BANKERS

Bank of Baroda
Canara Bank
Central Bank of India
State Bank of India

AUDITORS

VSD & Associates
Chartered Accountants
DD-34, Basement, Kalkaji
New Delhi - 110019

PLANTS & PRODUCTS

SONEPAT	Transformers
GHAZIABAD	Elevators & Other Components
HYDERABAD	Transformers

ECE
INDUSTRIES
LIMITED

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NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Seventy Third Annual General Meeting of the members of ECE Industries Limited will be held at "Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi – 110003 on Monday, the 30th day of September, 2019 at 04:30 P.M. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss of the Company for the year ended 31st March, 2019 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To consider declaration of Dividend on Equity Shares for the year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Sakate Khaitan (DIN: 01248200) who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration.

   "RESOLVED THAT pursuant to the provisions of Sections 139, 140, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, M/s VSD & Associates, Chartered Accountants (Firm Regn. No. 008726N) who signified their consent in writing, be re-appointed as Statutory Auditors of the Company from the financial year 2019-20 upto the financial year 2023-24 i.e. from the conclusion of this AGM upto the conclusion of 78th AGM of the Company, on such remuneration to be decided and fixed by the Board of Directors of the Company."

AS SPECIAL BUSINESS

5. To re-appoint Mr. Mahendra Kumar Jajoo (DIN: 00006504) as an Independent Director and in regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Special Resolution:-

   "RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mahendra Kumar Jajoo (DIN: 00006504), appointed earlier as an Independent Director by the shareholders of the Company at the Annual General Meeting for a period of 5 years and whose term of office expires at the conclusion of ensuing AGM, being eligible and offer himself for re-appointment as an Independent Director for further term of 5 (five) consecutive years from the date of ensuing AGM upto the conclusion of the 78th AGM of the Company in the Calendar year 2024 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years, for a term, upto the conclusion of the 78th Annual General Meeting of the Company in the Calendar year 2024.
6. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2020 and in this regard to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:-

   "RESOLVED THAT pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, M/s K.L. Jaisingh & Co., Cost Accountant bearing Membership No. 1222 being the Cost Auditors appointed by the Board of Directors of the Company to conduct the cost audit for the Financial Year ending 31st March, 2020 be paid the consolidated remuneration (apart from GST and reimbursement of actual travel and out-of-pocket expenses) of Rs.50,000/- (Rupees Fifty thousand only).

By Order of the Board

Place : New Delhi

(Piyush Agarwal)
Company Secretary

Dated: 29th July, 2019

Registered Office:
ECE House,
28-A, Kasturba Gandhi Marg, New Delhi – 110001.
CIN: L31500DL1945PLC008279
Email: ecehodelhi@gmail.com
Website: www.eceindustriesltd.com
Tel. No.: (+91-11) 233142 37-39
Fax: (+91-11) 23310410

NOTES FOR MEMBERS' ATTENTION

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 HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2019 to 30.09.2019 both days inclusive for the purpose of updating the members register and share transfer books of the Company.

4. (a) Pursuant to the provisions of section 124 and 125 of the Companies Act, 2013 dividends for the Financial Year ended 31st March, 2012 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education and Protection Fund' ("IEPF") constituted by the Central Government. Members who have not encashed their dividend warrant(s) for the Financial Year ended 31st March, 2012 or any subsequent financial year(s) are urged to claim such amount from the Company.

   The last dates of claim for the following dividends are as follows:

Financial year ended	Date of declaration of dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEP Fund
31.03.2012	25.09.2012	24.09.2019	23.10.2019
31.03.2013	18.09.2013	17.09.2020	16.10.2020
31.03.2014	25.09.2014	24.09.2021	23.10.2021
31.03.2015	28.09.2015	27.09.2022	26.10.2022
31.03.2017	29.09.2017	28.09.2024	26.10.2024
31.03.2018	26.09.2018	25.09.2025	24.10.2025

   (b) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 26, 2018 (date of last Annual General Meeting) on the website of the Company (www.eceindustriesltd.com), and also on the website of the Ministry of Corporate Affairs.

   c) Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended from time to time, all equity shares of the Company on which dividend remain unpaid or unclaimed for seven consecutive years or more as on October 23, 2019 shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the Company's website www.eceindustriesltd.com. Shareholders are requested to claim the dividend on these equity shares latest by October 23, 2019 to avoid aforesaid transfer of shares. No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at www.iepf.gov.in.

5. Members are requested to bring their copy of the Annual Report, as copies of the Report will not be distributed again at the meeting.
6. Members who hold shares in dematerialised form are requested to bring their Depository Participant Account Number (Client ID No.) for easier identification at the Annual General Meeting.
7. Particulars of Director proposed to be appointed / re-appointed at the 73rd Annual General Meeting are given in the Explanatory Statement forming part of the notice.
8. Electronic copy of the Annual Report for the financial year ended 31.03.2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
9. Electronic copy of the Notice of the 73rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members as a part of Annual Report whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 73rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode as a part of Annual Report.
10. Members may also note that the Notice of the 73rd Annual General Meeting and the Annual Report for the financial period ended on 31.03.2019 will also be available on the Company's website www.eceindustriesltd.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: grievances@eceindustriesltd.com.
11. **Voting through electronic means**

A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended upto date, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their vote electronically on the resolutions mentioned in the notice of 73rd Annual General Meeting of the Company through e-Voting Services provided by National Depository Services Limited (NSDL)

The instructions for members for voting electronically are as under:-

I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):

a. Open e-mail and open PDF file viz."ECE-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.

b. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/.

c. Click on Shareholder-Login.

d. Put user ID and password as initial password noted in step (i) above. Click Login.

e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

g. Select "EVEN" of **"ECE Industries Limited"**.

h. Now you are ready for remote e-voting as Cast Vote page opens.

i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

j. Upon confirmation, the message "Vote cast successfully" will be displayed.

k. Once you have voted on the resolution, you will not be allowed to modify your vote.

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

II. In case of Members receiving Physical copy of Notice of 73rd Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)

a. Initial password is provided in the letter attached with this Annual Report.

b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

B. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

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

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

E. The voting period begins on 27th September, 2019 (09.30 am) and ends on 29th September, 2019 (05.00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

F. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2019.

G. Any person, who acquire shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2019, that person may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA i.e. MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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

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

J. Mr. B. L. Khandelwal, Practicing Chartered Accountant has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

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

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

M. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.eceindustriesltd.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

By Order of the Board

(Piyush Agarwal)
Company Secretary

Place : New Delhi
Dated : 29th July, 2019

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (2) OF THE COMPANIES ACT, 2013

Item No. 5 :

Mr. Mahendra Kumar Jajoo (DIN: 00006504) had been appointed earlier by the shareholders as an Independent Director for a term of 5 years whose term of office expires at the conclusion of this Annual General Meeting, being eligible, offer himself for re-appointment. Mr. Mahendra Kumar Jajoo is an entrepreneur having vast experience in the industrial sector and a senior member of 'The Institute of Chartered Accountants of India'.

Mr. Mahendra Kumar Jajoo is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2014 and has given his consent to act as Director.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company.

In the opinion of the Board, Mr. Mahendra Kumar Jajoo fulfills the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and is independent of the management. The 'Nomination & Remuneration Committee' has also recommended the appointment of Mr. Mahendra Kumar Jajoo. Copy of the draft letter for appointment of Mr. Mahendra Kumar Jajoo as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

It is, therefore, in the Company's interest that it should continue to avail of his services as a member of the Board. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Mahendra Kumar Jajoo as a Director, for the approval by the shareholders of the Company.

Except Mr. Mahendra Kumar Jajoo, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in this item of the notice.

Item No. 6 :

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit Committee. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on 10th June, 2019, the Board has considered and approved appointment of M/s K.L. Jaisingh & Co., Cost Accountants, for conduct of the Cost Audit of the Company's various manufacturing units at a remuneration as mentioned in the resolution for this item of the notice.

The Resolution at Item No.6 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

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

By Order of the Board

(Piyush Agarwal)
Company Secretary

Place : New Delhi
Dated: 29th July, 2019

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Dear Shareholders,

We have pleasure in presenting the Seventy Third Annual Report with Audited Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL RESULTS **(₹ in Lakh)**

Particulars	31.03.2019	31.03.2018
Turnover (Gross)	25,271.39	26,579.13
Profit/(Loss) before Depreciation, Exceptional Items & Tax	512.01	5,267.92
Gain/(Loss) from Exceptional items	(880.95)	1,169.44
	(368.94)	6,437.36
Less : Depreciation	169.38	177.29
Profit/(Loss) before Tax	(538.32)	6,260.07
Provision for :		
(i) Current Income Tax	(1.45)	365.08
(ii) Tax / MAT Charge / (Credit) for earlier years	-	(73.92)
(iii) Deferred Tax Charge/(Credit)	(450.27)	340.77
Profit for the year	(86.60)	5,628.14

IND AS - IFRS CONVERGED STANDARDS

Your Company has already adopted Indian Accounting Standards ("IND-AS") with effect from 1st April, 2017. Your Company has accordingly prepared IND-AS financials for the year ended 31st March, 2019 along with comparable figures as on 31st March, 2018.

REVIEW OF PERFORMANCE

The sales turnover for the current year is Rs.25,271.39 Lakh against Rs.26,579.13 Lakh in the previous year. The total gross profit / (loss) for the year ended 31st March, 2019 comes to Rs.(86.60) Lakh (Previous Year Rs.5,628.14 lakh).

In view of the current order booking position in hand, the Company is expecting increased revenue as well as the improved profitability in current fiscal.

DIVIDEND

We recommend payment of Dividend for the year 2018-19 @ Rs. 2.50 per share (25%), which will be paid after obtaining your approval in the Annual General Meeting.

SHARE CAPITAL

During the year ended 31st March, 2019, there is no change in the issued and subscribed share capital of your Company. The number of equity shares outstanding as on 31st March, 2019 are 72,88,645 of Rs.10/- each.

VOLUNTARY DELISTING

Your Company has applied earlier to National Stock Exchange of India Limited (NSE) for voluntary delisting of its equity shares in terms of SEBI (Delisting of Equity Shares) Regulations, 2009 after providing an exit opportunity to the public shareholders and filed the final application for delisting which was pending with NSE for disposal. The NSE vide its letter dated April 24, 2019 has approved the delisting and the equity shares of the Company has been successfully delisted from NSE w.e.f. May 17, 2019.

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

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are set out in a separate statement attached hereto and forming part of the report. (Annexure-I)

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to applicable provisions of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company has transferred such unpaid or unclaimed dividends and corresponding shares upto the financial year 2010-11.

Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. Due dates for Transfer of Unclaimed Dividend to IEPF are provided in the Notes to the Notice.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website. The shareholders are therefore requested to verify their records and claim their dividends of all the last seven years, if not claimed.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

(including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

- **Policy on Directors' Appointment**

  Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013 and good corporate practices. Emphasis is given to persons from diverse fields and professions.

- **Policy on Remuneration**

  Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that -

  - Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
  - For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of your company state that :

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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;

(c) 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;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) 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.

DIRECTORS

During the year 2018-19, Mr. Sakate Khaitan, Director of the Company is retiring by rotation and being eligible offer himself for re-appointment.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

There were six meetings of the Board of Directors and one meeting of the Independent Directors held during the year ended on 31st March, 2019.

DETAILS OF COMMITTEE OF DIRECTORS

The Company has duly constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship/Grievance Committee of Directors in terms of the provisions of Companies Act, 2013. During the financial year 2018-19, the desired no. of meeting of the Committee(s) were held and attended by each member of the Committee as required under the Companies Act, 2013 and rules made thereunder.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

KEY MANAGERIAL PERSONNEL

Your Company has designated Mr. Prakash Kumar Mohta, the Managing Director, Mr. Rajat Sharma, CFO and Mr. Piyush Agarwal, Company Secretary as the Key Managerial Personnel.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY

There is no transaction with Related Party which requires disclosure under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY

There is no loan given, guarantee given or security provided by the Company to any entity during the year ended 31st March, 2019. Further, the investments made by the Company are within the limits and in conformity with the provisions as specified under Section 186 of the Companies Act, 2013.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public as well as employees during the financial year ended 31st March, 2019.

RISK MANAGEMENT

Your Directors periodically discuss and monitors the risk management plans as well as evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company. There is an adequate risk management infrastructure in place capable of addressing those risks.

A detailed report on significant risks and mitigation is forming part of Management's Discussion and Analysis.

CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE

Your Company has constituted a Centralized Internal Complaints Committee in terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company does not fall in the ambit of the provisions of Section 135 of Companies Act, 2013 relating to applicability of Corporate Social Responsibility.

ANALYSIS OF REMUNERATION

Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration) Rules, 2014, a disclosure on remuneration related information of employees, Key Managerial Personnel and Directors is annexed herewith and forming part of the report. (Annexure - II)

PARTICULARS OF EMPLOYEES

As per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the details of employees are enclosed as Annexure- III

STATUTORY AUDITORS

The auditors M/s VSD & Associates, Chartered Accountants (Firm Regn. No.008723N), was appointed earlier as the Statutory Auditors of the Company for a term of 5 (five) years to hold office upto the conclusion of 73rd Annual General Meeting (AGM) whose term of office will expire at the conclusion of ensuing AGM of the Company. M/s VSD & Associates, Chartered Accountants is eligible and offer themselves for re-appointment for further term of (5) five years as in terms of the provisions of Companies Act, 2013 and rules made thereunder.

Upon recommendations of Audit Committee, your Directors has recommended reappointing M/s VSD & Associates, Chartered Accountants for further term of 5 (five) to hold office from the conclusion of ensuing AGM upto the conclusion of 78th AGM of the Company in the calendar year of 2024.

COST AUDITORS

Your Company has appointed M/s. K.L. Jaisingh & Co., Cost Accountants as the Cost Auditors for conducting the audit of cost account records for the products Power Transformers and Elevators for the financial year ended 31st March, 2020.

SECRETARIAL AUDIT REPORT

A Secretarial Audit Report for the year ended 31st March, 2019 in prescribed form duly audited by the Practicing Company Secretary, M/s. PTM & Co. is annexed herewith and forming part of the report. (Annexure-IV)

INTERNAL AUDIT

The Company continued to engage reputed firms of Chartered Accountants as the internal auditors at its units. Their scope of work and plan for audit is discussed and reviewed by the Audit Committee. The report submitted by them is regularly reviewed and suitable corrective action taken on an ongoing basis to improve efficiency in operations.

INSURANCE

Adequate insurance cover has been taken for properties of the company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report. (Annexure - V)

ACKNOWLEDGEMENTS

Your Directors place on record their thanks for the dedicated services rendered by all the employees of the company in its factories and offices and also acknowledge the co-operation, assistance and support extended by the Company's bankers and stakeholders.

For and on Behalf of the Board of Directors

Place : Kolkata	**(Prakash Kumar Mohta)**	**(Mahendra Kumar Jajoo)**
Dated : 29th July, 2019	Managing Director	Director
	DIN: 00191299	DIN: 00006504

ANNEXURE TO DIRECTORS' REPORT

(Annexure - I)

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

A. Conservation of Energy

In Transformer manufacturing, by using Vapour Phase Drying method with latest technology process, the consumption of energy is being substantially brought down. Energy conservation has been further improved by refurbishing of existing vacuum pumps and crane motors. Power factor of electricity supply also has been kept high by suitably rearranging the load which helps energy conservation.

The Company is continuously engaged in the process of energy conservation in manufacturing process and promotion of energy efficient elevators. Gearless lifts which save considerable energy had been introduced in the market and show an increasing trend in sales, LED lights in our lifts is now standard and variable voltage variable frequency drives that reduce starting currents and save energy are a constant across all our offerings. Last year, the Company has upgraded the welding machines both Spot & MIG with the latest available technology. The factory lightning is now migrating to use energy efficient LED lights & fixtures for both internal & external usage.

B. Technology Absorption

Efforts made in technology absorption as per Form-B are furnished below:

Form-B

(Form for disclosure of Particulars with respect of Technology Absorption)

1. Research and Development (R&D)

In the case of High Voltage windings of Transformers, with a view to get ideal impulse distribution, fully interleaved windings has been introduced enhancing the surge withstand characteristics. Moreover, the windings are designed to mount the Fibre Optic sensors which indicate the Hot Spot temperature of the windings continuously, protecting the transformer from damage due to abnormal temperature rise. Further, the design of transformers has been made suitable for mounting the state of the art components like maintenance free breather, on line Dissolved Gas Analyser, On line Drying equipment etc.

In elevator manufacturing, the Company has developed usage of most energy efficient permanent magnet synchronous motor for all its gearless lifts. Development of all permutations of lifts upto 2.0mps speed is complete. Home lifts specially designed without pits have been deployed successfully and further enhancements on the same are ongoing. Value engineering on old designs is currently underway to look at optimization and standardization to enhance value. GI based pre-coated car panels were released to the market successfully which replace MS based powder coating.

2. Technology Absorption, Adaptation & Renovation

In transformer manufacturing, the Company is installing Vapour Phase Drying system which is the most advanced drying technology for Power Transformers. By this method, a clean and dust free transformer with a high degree of dryness enhancing the reliability and service life of the transformers is manufactured. The substantial reduction in drying time in this method helps to increase rate of production of transformers.

In elevators, Integrated Drive Technology is extended for Geared Segment, thereby having advantage in field for troubleshooting and ease of maintenance. Plug and Play harness for field introduced for parallel communication controllers that will give added advantages in terms of productivity for laying the wiring and commissioning of elevators, lower no of breakdowns, reducing chances of errors in field. Controller harness will benefit in factory for productivity. In house design for displays has been completed which will reduce dependency on imports, better control on inventory. Lean methodology is being implemented on the shop floor to improve our productivity and all ensure all wastes are reduced across processes. ERP has been successfully deployed across the sales and operations and is currently under development for MRP, production and finance that will enable complete integration across the division and bring in efficiency and real time data controls.

C. Foreign Exchange Earnings & Outgo

During the year under review, foreign exchange earnings was Nil and foreign exchange outgo was Rs.398.61 lakh.

ANNEXURE TO DIRECTORS' REPORT

(Annexure - II)

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2018-19 (Rs. in Lakh)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/KMP to median remuneration of employee
1	Mr. Prakash Kumar Mohta (Managing Director)	262.16	17.95	84.30:1
2	Mr. Mahendra Kumar Jajoo (Director)	0.55	-	0.18:1
3	Mr. Sakate Khaitan (Director)	0.05	-	0.02:1
4	Mrs. Moulishree Gani (Director)	0.10	100	0.03:1
5	Mr. Shiban Ganju (Director)	0.46	4.55	0.15:1
6	Mr. Yogesh D. Korani (Director)	0.20	100	0.06:1
7	Mr. Rajat Sharma (Chief Financial Officer)	44.84	10.47	14.42:1
8	Mr. Piyush Agarwal (Company Secretary)	10.57	9.76	3.40:1

(ii) The median remuneration of employees of the Company during the financial year was Rs.3.11 lacs.

(iii) In the financial year, there was an increase of 11.47% in the median remuneration of employees, calculated after induction of new appointments also.

(iv) There were 526 permanent employees on the rolls of Company as on March 31, 2019.

(v) Average percentage increase made in the salaries of employees other than the key managerial personnel in the financial year i.e. 2018-19 was 9.69% (calculated after induction of new appointments also) whereas the increase in the key managerial remuneration for the same financial year was 16.54%.

(vi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable; and

(vii) It is hereby affirmed that the remuneration to Directors, Key Managerial Personnel and other Employees is paid as per Remuneration Policy of the Company.

ANNEXURE TO DIRECTORS' REPORT

(Annexure - III)

STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) READ WITH RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Name, Designation, Remuneration Received (Rs. In lakh), Nature of Employment, Qualification, Experience (Years), Date of Commencement of Employment, Age (Years), Last Employment held, Equity Share held in the Company (Percentage).

(a) Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than Rs.1,02,00,000.

1. Mr. Manish Sikka, President (Elevator Division), Rs.132.91 lakh, Non-Contractual, B.E. (Electronics) & PGDBM, 26 years, 01/07/2015, 48 years, Matrix Management Consultants Pvt. Ltd., Nil.

(b) Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than Rs. 8,50,000/- per month.

NIL

(c) Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole-time Director / Managing Director and holds by himself or alongwith his spouse and dependent children, not less than 2% of the equity shares of the company.

NIL

NOTES:

1. Remuneration includes salaries, house rent allowance, personal allowance, ex-gratia, performance allowance, leave travel assistance, encashment of leave, medical expenses / allowances, accident insurance premium, Company's Contribution to Provident & Superannuation Funds and the monetary value of perquisites calculated in accordance with the provisions of the Income-tax Act,1961 and the Rules made there under and excludes provision for retiring gratuity for which separate figure is not available.
2. The above employee is not relative of any Director of the Company.

(Annexure - IV)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ECE Industries Limited,
ECE House, 28A, K.G. Marg,
New Delhi-110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ECE Industries Limited, (CIN No. L31500DL1945PLC008279) (hereinafter called the Company). I have not done audit of financial statements of 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 thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March 2019, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement and SEBI Listing Regulations (LODR) 2015 entered into by the Company with the National Stock Exchange Limited;

During the period under review 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 constituted with proper balance of Executive Directors, Non-Executive 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 as required under the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed note on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the year under report, the process of delisting of shares initiated earlier by the Company is still pending with SEBI / Stock Exchange for disposal which might have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For PTM & Co.
Company Secretaries
Sd/-
(Tumul Maheshwari)
Proprietor
ACS/FCS No.16464
C P No.:5554

Place: Delhi
Date: 10.06.2019

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

ANNEXURE - A

To,
The Members,
ECE Industries Limited,
ECE House, 28A, K.G. Marg,
New Delhi-110001

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

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

For PTM & Co.
Company Secretaries
Sd/-
(Tumul Maheshwari)
Proprietor
ACS/FCS No.16464
C P No.:5554

Place: Delhi
Date: 10.06.2019

(Annexure - V)

EXTRACT OF ANNUAL RETURN
Form No. MGT-9
As on the financial year ended on 31st March, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

i	CIN	L31500DL1945PLC008279
ii	Registration Date	13th June, 1945
iii	Name of the Company	ECE INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares / Indian Non-Government Company
v	Address of the Registered office & contact details	ECE House, 28-A, Kasturba Gandhi Marg, New Delhi - 110001, Ph : 011-23314237-39 Email : ecehodelhi@gmail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS Services Limited T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi, Ph : 011-26387281-83 Email : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products / services	NIC Code of the product / service	% to total turnover of the company
1	Power Transformers & Equipment	2610	71.89
2	Elevators	28161	28.11

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	2414315	-	2414315	33.12	2414315	-	2414315	33.12	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	4162585	-	4162585	57.11	4162585	-	4162585	57.11	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
SUB Total:(A)(1)	**6576900**	**-**	**6576900**	**90.23**	**6576900**	**-**	**6576900**	**90.23**	**-**
2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other.....	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter(A)=(A)(1)+(A)(2)	**6576900**	**-**	**6576900**	**90.23**	**6576900**	**-**	**6576900**	**90.23**	**-**
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	909	-	909	0.01	909	-	909	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	**909**	**-**	**909**	**0.01**	**909**	**-**	**909**	**0.01**	**-**
2) Non Institutions									
a) Bodies Corporates	135066	3933	138999	1.91	123364	2136	125500	1.72	(0.19)
b) Individuals :									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	358105	150142	505404	6.93	380257	87925	468182	6.43	(0.50)
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	46180	-	46180	0.63	46180	-	46180	0.63	-
c) Others :									
NRI/OCB	14486	1991	16477	0.23	13792	-	13792	0.18	(0.05)
Clearing Member	3776	-	3776	0.05	4608	-	4608	0.06	0.01
Trust	-	-	-	-	-	-	-	-	-
Unclaimed/Suspense Escrow Account	-	-	-	-	52.574	-	52.574	0.72	0.72
SUB TOTAL(B)(2)	**557613**	**153223**	**710836**	**9.76**	**620775**	**90061**	**710836**	**9.74**	
Total Public Shareholding (B)=(B)(1)+(B)(2)	**558522**	**153223**	**711745**	**9.77**	**621684**	**90061**	**711745**	**9.75**	
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**7135422**	**153223**	**7288645**	**100**	**7198584**	**90061**	**7288645**	**100**	**-**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019)			% 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	Kumar Mangalam Birla	6750	0.09	-	6750	0.09	-	-
2	Jayashree Mohta	11688	0.16	-	11688	0.16	-	-
3	Sakate Khaitan	200	-	-	200	-	-	-
4	Prakash Kumar Mohta	1524182	20.92	-	1524182	20.92	-	-
5	Essel Mining & Industries Limited	85730	1.18	-	85730	1.18	-	-
6	Bhiragacha Finance Company Private Limited	917734	12.59	-	917734	12.59	-	-
7	Jayashree Finvest Private Limited	449124	6.16	-	449124	6.16	-	-
8	Jayantika Investment & Finance Ltd. (Formerly Parvati Tea Company Private Limited)	2709997	37.18	-	2709997	37.18	-	-
9	Moulishree Gani	174379	2.39	-	174379	2.39	-	-
10	Prakash Kumar Mohta HUF	174279	2.39	-	174279	2.39	-	-
11	Maitreyi Kandoi	174279	2.39	-	174279	2.39	-	-
12	Pratibha Khaitan	174279	2.39	-	174279	2.39	-	-
13	Jayantika Jatia	174279	2.39	-	174279	2.39	-	-
	Total	**6576900**	**90.23**	**-**	**6576900**	**90.23**	**-**	**-**

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

Sl. No.		Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	-	-	-	-
2	Purchase/ Sale during the year	-	-	-	-
3	At the end of the year	-	-	-	-

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

Sl. No.	Name	Shareholding at the beginning of the year (as on 01.04.2018)		Increase / (Decrease) in shareholding during the year & (Date)	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)		Shareholding at the end of the year (As on 31.03.2019)	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Globe Capital market Limited	100384	1.38	3629 (31.03.2019)	104313	1.43	104313	1.43
2	Investor Education and Protection Fund Authority, Ministry of Corporate Affairs (IEPF Authority)	-	-	52125 (31.03.2019)	52125	0.72	52125	0.72
3	Veena K Jagwani	25380	0.35	-	25380	0.35	25380	0.35
4	Shew Bhagwan Saboo	20800	0.29	-	20800	0.29	20800	0.29
5	Naveen Bothra	-	-	10000 (31.03.2019)	10000	0.14	10000	0.14
6	Ravi Janwahar Kalro	9701	0.13	-	9701	0.13	9701	0.13
7	Jawahar Kishindas Kalro	9700	0.13	-	9700	0.13	9700	0.13
8	Ritu Maheshwari	-	-	7000 (31.03.2019)	7000	0.10	7000	0.10
9	Mahendra Girdharilal	6822	0.09	-	6822	0.09	6822	0.09
10	Merits Capital Market Services Pvt. Ltd.	15968	0.22	(9208) (31.03.2019)	6760	0.09	6760	0.09

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year (as on 01.04.2018)		Date wise Increase / (Decrease) in shareholding during the year	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)		Shareholding at the end of the year (As on 31.03.2019)	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Prakash Kumar Mohta	1524182	20.92	-	1524182	20.92	1524182	20.92
2	Sakate Khaitan	200	0.00	-	200	0.00	200	0.00
3	Mahendra Kumar Jajoo	200	0.00	-	200	0.00	200	0.00
4	Moulishree Gani	174379	2.39	-	174379	2.39	174379	2.39
5	Shiban Ganju	100	0.00	-	100	0.00	100	0.00
6	Rajat Sharma	50	0.00	200 (31.03.2019)	250	0.00	250	0.00
7	Piyush Agarwal	1	0.00	-	1	0.00	1	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment (Rs. in Lakh)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3633.13	375.43	-	4008.56
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	55.49	-	-	55.49
Total (i+ii+iii)	**3688.62**	**375.43**	**-**	**4064.05**
Change in Indebtedness during the financial year				
• Addition	994.49	-	-	994.49
• Reduction	-	(94.90)	-	(94.90)
Net Change	**994.49**	**(94.90)**	**-**	**899.59**
Indebtedness at the end of the financial year				
(i) Principal Amount	4644.01	280.53	-	4924.54
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	39.10	-	-	39.10
Total (i+ii+iii)	**4683.11**	**280.53**	**-**	**4963.64**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director Mr. Prakash Kumar Mohta (Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Total Amount
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961.	215.75
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	20.52
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- As % of profit	-
	- Others, specify...	-
5	Others, please specify	
	Provident Fund (Co's Contribution),	25.89
	Superannuation (Exempted Portion),	-
	Medical Reimbursement (Exempted)	-
	Total Remuneration	**262.16**
	Ceiling as per the Act (Central Govt. Approval)	262.16

B. Remuneration to other Directors (Amount in Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Sakate Khaitan	Mr. M.K. Jajoo	Mrs. Moulishree Gani	Mr. Shiban Ganju	Mr. Yogesh D. Korani	
1	**Non-executive Directors**						
	• Fee for attending Board/ Committee Meetings	5000	55000	10000	46000	20000	136000
	• Commission	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	
	Total	**5000**	**55000**	**10000**	**46000**	**20000**	**136000**

C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole-time Director

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Rajat Sharma, Chief Financial Officer	Mr. Piyush Agarwal, Company Secretary	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961.	40.49	9.98	50.47
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961.	-	-	-
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961.	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commision			
	- As % of profit	-	-	-
	- Others, specify...	-	-	-
5	Others, please specify :			
	Provident Fund (Co's Contribution),	2.85	0.59	3.44
	Superannuation (Exempted Portion),	1.50	-	1.50
	Total Remuneration	**44.84**	**10.57**	**55.41**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

INDEPENDENT AUDITORS' REPORT

To
The Members,
ECE Industries Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ECE Industries Limited, ('the Company'),** which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2019, its Statement of Profit & loss (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
A) Valuation of Investments Refer Note 2 to the Financial Statements The Company's investment portfolio represents a significant portion of the Company's total assets, which primarily consists of: i. Non-convertible debentures; ii. Equity Shares; iii. Preference Shares; iv. Venture Capital Funds; and v. Alternate Investments Funds The aforementioned instruments are valued at amortized cost or fair value through Other Compressive	**Our key procedures included, but not limited to, the following :** a) Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instrument by comparing with the applicable accounting standards; b) For instrument valued at fair value: i. Assessed the availability of quoted prices in liquid markets; ii. Assessed whether the valuation process is appropriately designed and captures relevant valuation inputs;

Key Audit Matter	How our audit addressed the Key Audit Matter
Income (FVOCI) or fair value through Profit and Loss (FVTPL) depending upon the nature as summarized below : 1. Instrument valued at amortized cost: a) Non-convertible debentures; and b) Preference Shares 2. Instrument valued at fair value through Other Comprehensive Income ('FVOCI'): a) Equity Shares 3. Instrument valued at fair value through Profit & Loss ('FVTPL') : a) Venture Capital Funds; and b) Alternate Investments Funds This is considered to be a significant area in view of the materiality of amounts involved, judgements involved in determining of impairment/ recoverability of instruments measured at amortized cost which includes assessment of market data/conditions and financial indicators of the investee and judgements in selecting the valuation basis and the complexities involved in the valuation of instruments carried at FVTPL and FVOCI which includes assessment of the available trading yield of relevant instruments.	iii. Performed testing of the inputs/assumptions used in the valuation; and iv. Assessed pricing model methodologies and assumptions against industry practice and valuation guidelines c) For instrument valued at amortized cost: Assessed the instrument for impairment by evaluating if there is any significant increase in credit risk, which mainly involves : i. Evaluating the regularity of the interest payment and principal repayment as per agreed plan/term of issuance of instrument, where applicable; and ii. Obtained the valuations of instruments, where required; d) Assessed the appropriateness of the Company's description of the accounting policy and disclosures related to investments and whether these are adequately presented in the financial statements.
B) Litigations and claims- Provisions and Contingent Liabilities Refer note 23.1 and 40.1 to the Financial Statements The Company has ongoing litigations with various authorities and third parties which could have a significant impact on the results, if the potential exposures were to materialise. The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. The level of management judgement associated with determining the need for, and the quantum of, provisions for any liabilities arising from these litigations is considered to be high. This judgement is dependent on a number of significant assumptions and assessments which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions. This matter is considered as a key audit matter, in view of the uncertainty regarding the outcome of these litigations, the significance of the amounts involved and the subjectivity involved in management's judgement as to whether the amount should be recognized as a provision or only disclosed as contingent liability in the financial statements.	**Our key procedures included, but not limited to, the following:** a) Assessed the appropriateness of the Company's accounting policies relating to provisions and contingent liability by comparing with the applicable accounting standards; b) Assessed the Company's process and the underlying controls for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; c) Assessed the Company's assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the financial statements. This involved assessing the probability of an unfavourable outcome of a given proceeding and the reliability of estimates of related amounts; d) Performed substantive procedures on the underlying calculations supporting the provisions recorded; e) Assessed the management's conclusions through understanding relevant judicial precedents in similar cases and the applicable rules and regulations; and f) Assessed the appropriateness of the Company's description of the accounting policy, disclosures related to litigations and whether these are adequately presented in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, the respective Board of Directors of the Company are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibility for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 paragraphs 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 it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss and Statement of Cash Flow and the statement in changes in equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act.

(e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 operation effectiveness of such controls, refer to our separate report in **"Annexure- B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The company has disclosed the impact of pending litigations on its financial statements as detailed in Note 23 and 40 to the Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For VSD & Associates
Chartered Accountants
Firm Registration No. : 008726N

(Vinod Sahni)
Partner
M.No.086666

Place : New Delhi
Dated: 10th June, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report of even date to the members of the Company on the financial statements for the year ended 31st March, 2019, we report that :

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant & Equipment.

b) The company has planned program to physically verify assets in alternative years, which in our opinion is reasonable having regards to the size of the company and the nature of the assets. In accordance with the said program, certain property plant & equipment were verified during the year and no material discrepancies were noticed on such verification.

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

ii) As per the explanations given to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on such verification.

iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) The Company has not accepted any deposits from public.

vi) According to the information and explanations given to us, the company is maintaining its cost records as per the form prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, for the activities of the company. We have broadly reviewed the cost records made and maintained by the company and are of the opinion that prima facie the prescribed records have been made and maintained. We however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable except as given below:

S. No.	Name of the Statue	Nature of Due	Period to which it Relates	Amount (Rs. in lakh)	Date of Payment
1.	Jharkhand Value Added Tax Act, 2005	VAT Liability	2013-14 & 2014-15	3.54	Not Paid

(b) According to the records of the company, there are no dues outstanding of Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, VAT and Cess on account of any dispute other than the following:-

Name of The Statute	Nature of Dues	Year	Amount (Rs. in Lakh)*	Forum where dispute is Pending
Delhi Works Contract Act, 1999	Demand Towards Work Contract Tax	2002-03	12.00	Deputy Commissioner (Appeals), Delhi
Andhra Pradesh General Sales Tax Act, 1957(Central)	Demand towards Works Contract Tax	2001-02, 2003-04	10.94	Commercial Tax Officer, Andhra Pradesh
Gujarat State Sales Tax Act, 1969	Demand towards work contract tax	1993-94	2.78	Deputy Commissioner (Appeals), Gujarat
Central Excise Act, 1944	Demand towards Excise Duty	1998-99	5.82	Andhra Pradesh High Court
U P Municipal Laws (Cess Act)	Demand towards Water Cess	1992-93	0.60	Tehsildar, Gaziabad, (U.P.)
Central Excise Act, 1944	Demand towards Excise Duty	2007-08	1.17	Additional Commissioner (Excise), Rohtak

* Net of payments

viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government. According to the information and explanations given to us, there are no dues outstanding in respect of any debenture during the current financial year or any previous year.

ix) During the year the Company has not raised any funds through Initial/Further Public offer (including debt instruments) and the term loans were applied for the purpose for which they were obtained.

x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid or 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) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For VSD & Associates
Chartered Accountants
Firm Registration No. : 008726N

(Vinod Sahni)
Partner
M.No.086666

Place : New Delhi
Dated : 10th June, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S 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 ***ECE Industries Limited*** as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, 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 issued by the Institute of Chartered Accountants of India.

For VSD & Associates
Chartered Accountants
Firm Registration No. : 008726N

(Vinod Sahni)
Partner
M.No.086666

Place : New Delhi
Dated: 10thJune, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	1A	**1,548.27**	1,624.75
(b) Other Intangible assets	1B	**10.18**	15.99
(c) Intangible Assets under development		**26.39**	18.80
(d) Financial Assets			
(i) Investments	2	**22,139.30**	22,552.83
(ii) Loans	3	**33.37**	35.18
(iii) Other Financial Assets	4	**4,713.46**	4,268.08
(e) Deferred Tax Assets (Net)	5	**501.40**	51.14
(f) Other Non-Current Assets	6	**57.10**	-
(2) Current assets			
(a) Inventories	7	**4,915.12**	2,871.00
(b) Financial Assets			
(i) Investments	2	**-**	183.90
(ii) Trade Receivables	8	**10,517.63**	10,619.52
(iii) Cash and Cash Equivalents	9A	**225.05**	503.37
(iv) Bank Balances other than (iii) above	9B	**5.07**	3.76
(v) Loans	10	**56.80**	48.88
(vi) Other Financial Assets	11	**339.14**	303.10
(c) Current Tax Assets	12	**859.61**	768.97
(d) Other Current Assets	13	**562.34**	354.91
Total Assets		**46,510.23**	44,224.18
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	**729.03**	729.03
(b) Other Equity	15	**25,883.61**	26,733.89
(2) Liabilities			
(A) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**36.81**	3.77
(ii) Others	17	**26.55**	28.18
(b) Provisions	18	**242.40**	225.13
(B) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**4,879.43**	4,002.49
(ii) Trade Payables	20	**7,659.89**	6,147.80
(iii) Other Financial Liabilities	21	**1,714.62**	2,086.33
(b) Other Current Liabilities	22	**4,996.29**	3,937.42
(c) Provisions	23	**341.60**	330.14
Total Liabilities		**46,510.23**	44,224.18

Other Notes on Accounts 34 to 40

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

As per our Report of even date attached.

For VSD & Associates
Chartered Accountants
Firm Reg. No. : 008726N
(Vinod Sahni)
Partner
Membership No. 086666
Place : New Delhi
Dated : 10th June, 2019

For and on behalf of the Board of Directors

(Prakash Kumar Mohta)	**(Shiban Ganju)**	**(Rajat Sharma)**	**(Piyush Agarwal)**
Managing Director	Director	President & CFO	Company Secretary
Din : 00191299	Din : 03434994		

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
INCOME			
Revenue from Operations	24	**25,271.39**	26,579.13
Other Income	25	**1,944.58**	8,520.71
Total Income		**27,215.97**	35,099.84
EXPENSES			
Cost of Materials Consumed		**19,716.27**	18,360.72
Purchases of Traded Goods		**38.26**	67.70
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	**(1,801.69)**	373.99
Excise duty	27	**-**	576.61
Employee Benefit Expense	28	**3,056.59**	2,760.93
Finance Costs	29	**528.81**	3,290.04
Depreciation and Amortization Expenses	30	**169.38**	177.29
Other Expenses	31	**5,165.72**	4,401.93
Total Expenses		**26,873.34**	30,009.21
Profit / (Loss) before Exceptional items and tax		**342.63**	5,090.63
(Less) / Add : Exceptional Items	32	**(880.95)**	1,169.44
Profit / (Loss) before tax		**(538.32)**	6,260.07
Tax Expense/(Income)			
(1) Current tax		**(1.45)**	365.08
(2) Current tax for earlier years		**-**	(20.17)
(3) MAT credit entitlement for earlier years		**-**	(53.75)
(4) Deferred tax Charge / (Credit)	5	**(450.27)**	340.77
Profit/(Loss) for the Year		**(86.60)**	5,628.14
Other Comprehensive Income(OCI)			
(i) Items that will not be reclassified to profit or Loss	33	**(542.55)**	629.40
(ii) Income -tax relating to items that will not be reclassifield to profit & Loss		**(1.45)**	4.66
Other Comprehensive Income for the year (net of tax)		**(544.00)**	634.06
Total Comprehensive Income for the year		**(630.60)**	6,262.20
Earning per Equity Share:			
Equity Shares of Rs. 10/- Each			
Basic & Diluted (Amt. in Rs.)	41.3	**(1.19)**	77.22

Other Notes on Accounts 34 to 40

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

As per our Report of even date attached.

For VSD & Associates
Chartered Accountants
Firm Reg. No. : 008726N
(Vinod Sahni)
Partner
Membership No. 086666
Place : New Delhi
Dated : 10th June, 2019

For and on behalf of the Board of Directors

(Prakash Kumar Mohta)
Managing Director
Din : 00191299

(Shiban Ganju)
Director
Din : 03434994

(Rajat Sharma)
President & CFO

(Piyush Agarwal)
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2019

(A) Equity Share Capital **(₹ in Lakh)**

Particulars	As at March 31, 2019			As at March 31, 2018		
	Balance at the beginning of the reporting period	Changes during the year	Balance at the end of the reporting period	Balance at the beginning of the reporting period	Changes during the year	Balance at the end of the reporting period
Equity Share Capital	728.86	-	728.86	728.86	-	728.86
Add: Forfeited Shares(Amount paid up)	0.17	-	0.17	0.17	-	0.17
Total	729.03	-	729.03	729.03	-	729.03

(B) Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income	Total
	Securities Premium Reserve	Share Buy Back Reserve	General Reserve	Retained Earnings	Equity Instruments	
As at April 01, 2017	**2,150.19**	**283.26**	**6,043.89**	**7,978.40**	**4,235.25**	**20,690.99**
Profit for the Year	-	-	-	5,628.14	-	5,628.14
Other comprehensive Income	-	-	-	(8.81)	642.88	634.07
Total Comprehensive Income	**2,150.19**	**283.26**	**6,043.89**	**13,597.73**	**4,878.13**	**26,953.20**
Transfer from Retained Earnings	-	-	100.00	(100.00)	-	-
Transfer to Retained Earnings	-	-	-	5.96	(5.96)	-
Dividend	-	-	-	(182.22)	-	(182.22)
Dividend Distribution Tax	-	-	-	(37.09)	-	(37.09)
As at March 31, 2018	**2,150.19**	**283.26**	**6,143.89**	**13,284.38**	**4,872.17**	**26,733.89**
Profit for the Year	-	-	-	(86.60)	-	(86.60)
Other comprehensive Income	-	-	-	2.74	(546.74)	(544.00)
Total Comprehensive Income	**2,150.19**	**283.26**	**6,143.89**	**13,200.52**	**4,325.43**	**26,103.29**
Transfer from Retained Earnings	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-
Dividend	-	-	-	(182.22)	-	(182.22)
Dividend Distribution Tax	-	-	-	(37.46)	-	(37.46)
As at March 31, 2019	**2,150.19**	**283.26**	**6,143.89**	**12,980.84**	**4,325.43**	**25,883.61**

As per our Report of even date attached.

For VSD & Associates
Chartered Accountants
Firm Reg. No. : 008726N
(Vinod Sahni)
Partner
Membership No. 086666
Place : New Delhi
Dated : 10th June, 2019

For and on behalf of the Board of Directors

(Prakash Kumar Mohta)
Managing Director
Din : 00191299

(Shiban Ganju)
Director
Din : 03434994

(Rajat Sharma)
President & CFO

(Piyush Agarwal)
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakh)

Particulars	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	**(538.32)**	6,260.07
Adjustments for :		
Depreciation and Amortization Expenses	**169.38**	177.29
Fair Value change in Financial Instruments	**749.17**	(132.26)
Acturial Loss transferred to OCI	**4.19**	(13.48)
(Profit)/ Loss on disposal of Property, Plant & Equipment (Net)	**-**	(7,497.12)
fair value through Amortised cost (Net)		
Dividend income on non-current Investments (other than Trade)	**(23.13)**	(6,034.73)
Finance Costs	**528.81**	3,290.04
Interest Income	**(727.44)**	(899.88)
Interest Expense/(Income) on Financial Assets carried at	**(430.43)**	2,731.71
Inter Corporate Deposits earlier written off, now recovered	**(28.85)**	-
Net Provision for doubtful debts, loans and advances/ (Adjusted)	**(10.02)**	(50.83)
Loss / (Profit) on sale of Investments	**(5.43)**	5,645.25
Operating Profit / (Loss) before working capital changes	**(312.07)**	3,476.05
Movement in Working Capital :		
(Increase) / Decrease in Trade Receivables	**111.91**	(1,899.08)
(Increase) / Decrease in Inventories	**(2,044.13)**	368.45
Decrease / (Increase) in Other Receivables	**(286.22)**	(111.65)
Increase /(Decrease) in Trade Payables. Other Liabilities & Provisions	**2,208.07**	890.06
Cash generated from/ (Used in) operations	**(322.44)**	2,723.82
Direct Tax Paid (Net)	**(92.09)**	(1,251.09)
Net cash from/ (used in) Operating Activities	**(414.53)**	1,472.73
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	**(151.90)**	(69.05)
Sale of Property, Plant & Equipment	**11.04**	665.18
Sale of Investments	**3,107.02**	26,969.63
Purchases of investments	**(3,798.55)**	(34,391.67)
Inter Corporate Deposits earlier written off, now recovered	**28.85**	-
Interest Received	**749.12**	893.16
Dividend Received	**23.13**	6,034.73
Net cash from/ (used in) Investing Activities	**(31.29)**	101.98
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	**915.98**	1,743.51
Finance Costs	**(528.81)**	(3,290.04)
Dividend Paid	**(219.67)**	(219.31)
Net cash from/ (used in) Financing Activities	**167.50**	(1,765.83)
Net Increase/(decrease) in Cash and Cash equivalents(A+B+C)	**(278.32)**	(191.12)
Cash and Cash equivalents at the beginning of the year	**503.37**	694.49
Cash and Cash equivalents at the end of the year	**225.05**	503.37
Cash on Hand	**9.40**	9.22
Balances with Banks :		
In Current Accounts	**215.40**	281.08
In Cash Credit Accounts	**0.25**	213.07
Earmarked Balance		
In Unclaimed Dividend Accounts	**5.07**	3.76
	230.11	507.13
Less :- Unclaimed Dividend lying with Bank	**5.07**	3.76
	225.05	503.37

As per our Report of even date attached.

For VSD & Associates
Chartered Accountants
Firm Reg. No. : 008726N
(Vinod Sahni)
Partner
Membership No. 086666
Place : New Delhi
Dated : 10th June, 2019

For and on behalf of the Board of Directors

(Prakash Kumar Mohta)	**(Shiban Ganju)**	**(Rajat Sharma)**	**(Piyush Agarwal)**
Managing Director	Director	President & CFO	Company Secretary
Din : 00191299	Din : 03434994		

NOTES FORMING PART OF THE BALANCE SHEET

Note 1A - Property, Plant & Equipment

The changes in the carrying value of property, plant and equipment are as follows :

(₹ in Lakh)

Particulars	Freehold Land	Leasehold Land	Building, Road & Culverts	Plant & Machinery	Electric and Gas Installation	Furniture & Fixtures	Office Equipments	Motor & Other Vehicles	Total
Gross carrying amount									
As at April 01, 2018	233.13	0.97	448.48	988.50	15.28	51.17	123.93	72.84	1,934.30
Additions	-	-	-	21.50	-	0.41	15.23	50.07	87.21
Disposal	-	-	-	-	-	-	-	0.83	0.83
As at March 31, 2019	**233.13**	**0.97**	**448.48**	**1,010.00**	**15.28**	**51.58**	**139.16**	**122.08**	**2,020.68**
Accumulated depreciation									
As at April 01, 2018	-	0.02	29.71	206.83	7.75	10.40	43.96	10.95	309.62
Depreciation for the year	-	0.02	19.84	94.41	3.84	6.21	25.35	13.91	163.58
Deductions	-	-	-	-	-	-	-	0.79	0.79
As at March 31, 2019	**-**	**0.04**	**49.55**	**301.24**	**11.59**	**16.61**	**69.31**	**24.07**	**472.41**
Net carrying amount									
As at March 31, 2018	233.13	0.95	418.77	781.68	7.53	40.77	79.97	61.88	1,624.75
As at March 31, 2019	**233.13**	**0.93**	**398.93**	**708.76**	**3.69**	**34.97**	**69.85**	**98.01**	**1,548.27**

Note 1B - Intangible Assets

The changes in the carrying value of Intangible Assets are as follows :

(₹ in Lakh)

Particulars	Drawings & Development	Design Software	Total
Gross Carrying Amount			
As at April 01, 2018	47.95	24.67	72.62
Additions	-	-	-
Disposal	16.23	-	16.23
As at March 31, 2019	**31.72**	**24.67**	**56.39**
Accumulated depreciation			
As at April 01, 2018	31.96	24.67	56.63
Depreciation for the year	5.81	-	5.81
Deductions	16.23	-	16.23
At at March 31, 2019	**21.54**	**24.67**	**46.21**
Net carrying amount			
As at March 31, 2018	15.99	-	15.99
As at March 31, 2019	**10.18**	**-**	**10.18**

2 INVESTMENTS

(₹ in Lakh)

Particulars	Face Value (in ₹)	As at March 31, 2019		As at March 31, 2018	
		Nos.	Amount	Nos.	Amount
(A) NON CURRENT INVESTMENT					
(I) Investment at Amortised Cost					
Equity Shares,Fully Paid (Unquoted)					
Kesoram Textile Mills Ltd.(Refer Note 2.1)	2	225,800	4.52	225,800	4.52
Kesoram Insurance Broking Service Ltd.	10	50,000	5.00	50,000	5.00
Total Investment at Cost (I)			**9.52**		9.52
(II) Investment at Amortised Cost					
Debenture/Bonds,Fully Paid(Unquoted)					
Shambhavi Realty Pvt. Ltd NCD(Refer Note 2.2)	75,000	480	160.92	480	362.05
Preference Share, Fully Paid (Unquoted)					
IL&FS Transportation Network Ltd.	10	2,500,000	500.00	2,500,000	500.00
Total Investment at Amortised Cost (II)			**660.92**		862.05
(III) Investment at Fair Value Through OCI					
Equity Share,Fully Paid (Quoted)					
Aditya Birla Capital Ltd.(Refer Note. 2.4)	10	471,931	460.84	471,931	688.31
Aditya Birla Fashion & Retail Ltd.(Refer Note 2.3)	10	619,647	1,369.11	619,647	932.88
Jayshree Tea & Industries Ltd.	5	445,600	288.75	445,600	383.88
Grasim Industries Ltd.(Refer Note 2.3 & 2.6)	2	337,094	2,892.94	337,094	3,553.31
Total Investment at Fair Value Through OCI (III)			**5,011.64**		5,558.38
(IV) Investment at Fair Value Through PL					
Investment in Venture Capital Fund/ Alternative Fund (Refer 2.8)					
ICICI Venture Capital Fund Real Estate Scheme I (Refer Note 2.7)	10	9,101,069	956.64	15,654,956	1,832.94
IIFL Special Opp. Fund Series IV	10	37,577,108	3,771.80	25,135,707	2,517.64
IIFL Special Oppor. Fund Class A5	10	4,741,523	467.25	4,741,523	473.05
ICICI Prudential Real Estate AIF-I	100	955,833	1,020.64	988,600	1,073.48
ICICI Prudential Real Estate AIF-II	100	369,059	370.20	-	-
IIFL Income Oppor.Fund Spl.Situation (Piramal) (Refer Note 2.2)	10	40,434,847	1,780.47	40,434,847	2,889.03
IIFL Income Oppor. Fund Series-II	10	3,834,089	388.09	-	-
IIFL Real Estate Fund (Domestic) Series-II(Refer Note 2.2)	10	23,630,358	1,892.37	23,630,358	1,864.81
IIFL Real Estate Fund (Domestic) Series-III(Refer Note 2.2)	10	6,130,000	280.88	6,130,000	324.56
IIFL Re Organize India Eq Fund CAT-III AIF(Kotak)TF	10	2,740,371	210.60	1,246,371	110.00
IIFL Special Opportunities Fund CAT-II AIF (Pre-Ipo)	10	9,298,231	1,081.09	7,124,527	818.29

(₹ in Lakh)

Particulars	Face Value (in ₹)	As at March 31, 2019		As at March 31, 2018	
		Nos.	Amount	Nos.	Amount
Indiareit Apartment Fund (Piramal)(Refer Note 2.2)	1,00,000	805	1,263.57	1,573	1,898.08
Sundaram Alt.Opport.Nano Cap CAT-III TF	1,00,000	230	215.13	230	259.95
India Realty Excelence Fund-III	100	865,913	953.54	518,711	531.74
India Housing Fund	10	14,966,475	1,559.04	14,966,475	1,501.87
India Reality Excellence Fund-IV	100	222,810	213.90	-	-
Investment In Non-Convertible Debentures					
Edelweiss Finvest Private Ltd NCDS	1,00,000	25	32.01	25	27.44
Total Investment at Fair Value Through PL(IV)			**16,457.22**		16,122.88
Total Non Current Investment (A)			**22,139.30**		22,552.83
(B) CURRENT INVESTMENT					
Investment at Fair Value Through PL					
Equity Share, Fully Paid (Quoted)					
Tata Motors DVR	2	-	-	100,000	183.90
Total Current Investment (B)			-		183.90
Total Investment (A+B)			**22,139.30**		22,736.73

	Non-Current	Current	Non-Current	Current
Aggregate Value of Quoted Investment	5,011.64	-	5,558.38	183.90
Aggregate Value of Unquoted Investment	17,127.66	-	16,994.44	-

2.1 Received on account of transfer of textile division by Kesoram Industries Ltd. to Kesoram Textile Mills Ltd. during the year 1999-2000.

2.2 Lien is created on the said investments towards allocation of demand loan upto maximum limit of Rs 5000 Lakh by IIFL wealth finance Ltd. Refer No. 19.3

2.3 "Pursuant to the Scheme of Arrangement in FY 2017-18 among Aditya Birla Nuvo Limited, Grasim Industries Limited and Aditya Birla Financial Services Limited :

i) 1,78,744 equity shares of Grasim Industries Limited were alloted against the 1,19,163 equity shares of Aditya Birla Nuvo Limited.

ii) 4,71,931 equity shares of Aditya Birla Capital Limited (formerly Aditya Birla Financial Services Limited) were alloted against the 3,37,094 equity shares of Grasim Industries Limited.

2.4 During the year 2015-16, under the scheme for the transfer/ vesting by way of demerger of the "Madura Undertaking" an undertaking of Aditya Birla Nuvo Limited (ABNL), on a going concern basis, to Aditya Birla Fashion and Retail Limited (ABFRL), 6,19,647 equity shares of ABFRL were allotted against 1,19,163 equity shares of Aditya Birla Nuvo Limited (ABNL). As such, cost of acquisition of equity shares to be issued by ABFRL for every one equity share held in ABNL is 0.87% of the total cost of acquisition of shares held in ABNL prior to the scheme.

2.5 Received pursuant to scheme of arrangement between Samruddhi Cements Ltd. and Ultratech Cements Ltd during the year 2010-2011.

2.6 Received pursuant to the scheme of arrangement between Grasim Industries Ltd. and Indian Rayon & Industries Ltd during the year 1999-2000.

2.7 Lien has been created on the said investments in accordance with the terms of Bill Discounting Facility sanctioned by Aditya Birla Finance Limited referred to in Note No. 19.2.

2.8 All the above funds have been valued on the basis of latest data available with the management.

(₹ in Lakh)

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
3	**NON-CURRENT LOANS**			
	Security Deposits		**33.37**	35.18
			33.37	35.18
4	**OTHER NON-CURRENT FINANCIAL ASSETS**			
	Earnest Money Deposits		**183.74**	168.79
	Receivable against sale of Property, Plant & Equipment		**4,529.72**	4,099.29
			4,713.46	4,268.08
5	**DEFERRED TAX ASSETS**			
	Deferred Tax Assets			
	Provision and Liabilities		**669.88**	625.88
	Mat Credit Entitlement		**156.29**	156.29
	Gross Deferred Tax Asset		**826.17**	782.17
	Less : Deferred Tax Liabilities			
	Timing Difference on Depreciable Assets		**249.38**	343.61
	Fair Value of Investment (net)		**75.39**	387.42
	Gross Deferred Tax Liability		**324.77**	731.03
	Net Deferred Tax Assets		**501.40**	51.14
6	**OTHER NON-CURRENT ASSETS**			
	Capital Advances		**57.10**	-
			57.10	-

(₹ in Lakh)

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
7	**INVENTORIES**			
	(Valued at Lower of Cost and Net Realisable Value)			
	Raw Materials		**1,609.96**	1,432.69
	Work in Progress		**3,029.63**	1,250.55
	Finished Goods		**65.06**	30.56
	Stock in Trade		**-**	11.71
	Stores and Spares		**210.39**	145.22
	Scrap at realizable value		**0.08**	0.27
			4,915.12	2,871.00
8	**TRADE RECEIVABLES**			
	Unsecured	8.1		
	Considered Good		**10,517.63**	10,619.52
	Considered Doubtful		**192.58**	202.60
	Less: Allowance for Credit Losses		**(192.58)**	(202.60)
			10,517.63	10,619.52

8.1 Balance with customers are subject to confirmations and reconciliations.

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
9A	**CASH AND CASH EQUIVALENTS**			
	Balances with banks :			
	In Current Accounts		**215.40**	281.08
	In Cash Credit Accounts		**0.25**	213.07
	Cash on Hand		**9.40**	9.22
			225.05	503.37
9B	**BANK BALANCES OTHER THAN ABOVE**			
	Earmarked Balances			
	In Unclaimed Dividend Accounts		**5.07**	3.76
			5.07	3.76
10	**CURRENT LOANS**			
	Loan to Staff		**56.80**	48.88
			56.80	48.88
11	**OTHER CURRENT FINANCIAL ASSETS**			
	Unbilled Revenue		**37.34**	42.67
	Deposit with Others		**72.17**	34.95
	Accrued Interest Receivable		**31.31**	52.99
	Other Receivables		**198.32**	172.49
			339.14	303.10

(₹ in Lakh)

Particulars	Ref.	As at March 31, 2019	As at April 01, 2018
12 CURRENT TAX ASSETS			
Income Tax Assets (Net)		859.61	768.97
		859.61	768.97
13 OTHER CURRENT ASSETS			
Advance to Suppliers		**212.86**	203.78
Balance with Revenue Authorities		**324.58**	131.19
Prepaid Expenses		**11.23**	9.82
Others		**13.67**	10.12
		562.34	354.91

14 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
(a) Authorised Share Capital				
Equity Shares of ₹ 10 Each	1,45,00,000	1,450.00	1,45,00,000	1,450.00
Redeemable Cumulative Preference Shares of ₹ 100/- each	50,000	50.00	50,000	50.00
	1,45,50,000	**1,500.00**	1,45,50,000	1,500.00
(b) Issued				
Equity Shares of ₹ 10/- each fully paid-up	73,33,875	733.39	73,33,875	733.39
	73,33,875	**733.39**	73,33,875	733.39
(c) Subscribed and Paid - up				
Equity Shares of ₹ 10/- each fully paid-up	72,88,645	**728.86**	72,88,645	728.86
Add: Forfeited Shares (Amount originally Paid-up)		**0.17**		0.17
	72,88,645	**729.03**	72,88,645	729.03

14.1 Reconciliation of the number of Equity shares outstanding

(₹ in Lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
Number of shares at the beginning	72,88,645	728.86	72,88,645	728.86
Add: Shares issued during the year	-	-	-	-
(Less) : Shares bought back during the year	-	-	-	-
Number of shares at the end	**72,88,645**	**728.86**	72,88,645	728.86

14.2 Total number of 4,37,280 Equity Shares were bought back in the last five years.

14.3 Details of the Shareholders holding more than 5% shares alongwith number of shares held

Shareholder's Name	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Equity Shares	No. of Shares held	% of Equity Shares
Jayantika Investment & Finance Ltd.	27,09,997	37.18	27,09,997	37.18
Prakash Kumar Mohta	15,24,182	20.91	15,24,182	20.91
Jayshree Finvest Pvt. Ltd.	4,49,124	6.16	4,49,124	6.16
Bhiragacha Finance Co. Pvt. Ltd.	9,17,734	12.59	9,17,734	12.59

14.4 Rights, preferences and restrictions attached with Shares

Equity Shares : The company has issued one class of Equity Share having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(₹ in Lakh)

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
15	**OTHER EQUITY**			
	Securities Premium Account			
	As per last Balance Sheet		2,150.19	2,150.19
		(A)	**2,150.19**	2,150.19
	Share Buy Back Reserve			
	As per last Balance Sheet		283.26	283.26
		(B)	**283.26**	283.26
	General Reserve			
	As per last Balance Sheet		6,143.89	6,043.89
	Add: Transfer from Statement of Retained Earnings		-	100.00
		(C)	**6,143.89**	6,143.89
	Retained Earnings			
	Balance Brought Forward from Previous Year		13,284.38	7,978.40
	Add: Profit/(Loss) for the period		(86.60)	5,628.14
	Add: Transfer from Other Comprehensive Income		-	5.96
			13,197.78	13,612.51
	Less :			
	Acturial Loss on defined benefits Obligations (Net of Tax)		(2.74)	8.81
	Proposed Dividend		182.22	182.22
	Tax on Dividend		37.46	37.09
	Transfer to General Reserve		-	100.00
	Balance Carried to Next Year	(D)	**12,980.84**	13,284.38
	Other Comprehensive Income (OCI)			
	Balance Brought Forward from Previous Year		4,872.17	4,235.25
	Add: Movement in OCI (Net) during the year		(546.74)	642.88
	Less: Transfer to Retained Earnings		-	(5.96)
		(E)	**4,325.43**	4,872.17
	Total Other Equity (A+B+C+D+E)		**25,883.61**	26,733.89

(A) The amount received in excess of the par value has been classified as securities premium and shall be utilized in accordance with Section 52 of Companies Act, 2013.

(B) The amount equal to the nominal value of the shares purchased by the Company has been classified as Share Buy Back Reserve and shall be utilized in accordance with Section 69 of the Companies Act, 2013.

(C) This amount represents retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

(D) This amount represents the accumulated earnings of the Company.

(₹ in Lakh)

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
16	**NON-CURRENT BORROWINGS**			
	Term Loans (Secured)			
	- From Banks			
	Yes Bank	16.1	33.84	-
	Bank of Baroda	16.2	2.97	3.77
			36.81	3.77

16.1 The loan is sanctioned for ₹ 43.72 lakh repayable in 60 equal monthly instalments and is secured by way of Hypothecation of the respective Vehicle.

16.2 The loan is sanctioned for ₹ 4.50 lakh repayable in 60 equal monthly instalments and is secured by way of Hypothecation of the respective Vehicle.

		Ref.	As at March 31, 2019	As at March 31, 2018
17	**OTHER NON-CURRENT FINANCIAL LIABILITIES**			
	Security Deposits		26.55	28.18
			26.55	28.18
18	**NON-CURRENT PROVISIONS**			
	Provision for Employee Benefits		112.73	112.84
	Provision for Warranty	23.1	129.67	112.29
			242.40	225.13
19	**CURRENT BORROWINGS**			
	Secured Loans			
	Repayable on Demand			
	Cash Credit Facility from Banks	19.1	921.46	804.24
	Bill Discounting Facility from NBFC	19.2	1,700.00	1,700.00
	Loan against Securities from NBFC	19.3	1,977.44	1,122.82
			4,598.90	3,627.06
	Unsecured Loans			
	Repayable on Demand			
	Bill Discounting Facility from NBFC	19.2	**280.53**	375.43
			4,879.43	4,002.49

19.1 First Pari-Passu charge by way of hypothecation on all Current Assets of the company both present & future. Second Pari-Passu charge on Fixed Assets of the company as under :-

- Land & Building of Sonepat unit admeasuring 16.86 acres.
- Plant & Machinery of all units except Ghaziabad unit.
- Pari-Passu charge on other Fixed Assets of all units except Ghaziabad unit

19.2 The Company has entered into Bill Discounting Arrangement with Aditya Birla Finance Ltd. amounting to ₹ 2200 lakh against securities of Bank Guarantees and lien on units of ICICI Venture Capital Funds. (refer Note No. 2.7)

19.3 The Company has taken corporte loan from IIFL Wealth Finance Ltd. amounting to ₹ 5000 lakh against securities & lien on units of Venture Capital Fund, Alternate Investment Funds and Debentures. (refer Note No. 2.2)

(₹ in Lakh)

	Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
20	**TRADE PAYABLES**			
	Payables for Goods and Services	20.1 & 20.2	7,659.89	6,147.80
			7,659.89	6,147.80

20.1 The principal amount of INR 382.48 lakh remaining unpaid on 31.03.2019 to suppliers as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to the extent such suppliers have been identified on the basis of information provided during the year to the Company. The Company generally makes payments to all its suppliers within the agreed credit period and thus the management is confident that the liability of interest under this Act, if any, would not be material.

20.2 Vendor's balances are subject to confirmations and reconciliations.

21	**OTHER CURRENT FINANCIAL LIABILITIES**			
	Current maturities of non-current borrowings		8.30	2.30
	Interest accrued and not due on borrowings		39.10	55.49
	Unpaid Dividend		5.07	3.76
	Security Deposits		7.37	10.52
	Contractual Deductions by Customers & Price Variation		920.69	1,171.60
	Dues to Others		477.37	610.09
	Employee's Emoluments		256.72	232.57
			1,714.62	2,086.33

22	**OTHER CURRENT LIABILITIES**			
	Advances to Staff & Workers against Expenses		-	1.43
	Statutory Dues		222.97	315.04
	Sub Judicial Matter	40.5 to 40.7	1,818.67	1,818.67
	Advance from and Credit Balance of Customers & Others		2,665.04	1,568.23
	Advance against sale of Property,Plant & Equipment		96.65	85.65
	Unearned Revenue		192.96	147.49
	Other liabilities		-	0.90
			4,996.29	3,937.42

(₹ in Lakh)

Particulars	Ref.	As at March 31, 2019	As at March 31, 2018
23 CURRENT PROVISIONS			
Provision for Employee Benefits		143.44	130.57
Provision for Warrantees	23.1	173.16	152.07
Provision for Expenses		-	22.50
Provision for Contingency	23.1	25.00	25.00
		341.60	330.14

(₹ in Lakh)

Particulars	Ref.	Balance as at 01.04.2018	During the year Additions	During the year Used & reversed	Balance as at 31.03.2019
23.1 Disclosures as per Ind AS-37					
Provision for Warranty	23.1.1	**264.36**	**95.75**	**(57.27)**	**302.84**
		(270.50)	(5.54)	(11.68)	(264.36)
Provision for Loss on Onerous Contracts		**-**	**-**	**-**	**-**
		(19.00)	-	(19.00)	-
Provision for Contingency against Sales Tax Demands	23.1.2	**25.00**	**-**	**-**	**25.00**
		(25.00)	-	-	(25.00)
Current Year		**289.36**	**95.75**	**(57.27)**	**327.84**
Previous Year		(314.50)	(5.54)	(30.68)	(289.36)

23.1.1 Warranty provision covers the estimated expenses to be incurred during warranty period of the products of the company determined on the basis of past experience. The company reviews the warranty provisions at periodical intervals and the same is adjusted to the estimated expenses to be incurred during the balance warranty period of the product. Expenses incurred during the year against warranty are being directly charged to Statement of Profit & Loss.

23.1.2 Refer Note 40.1(a)(ii).

NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS

(₹ in Lakh)

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
24 REVENUE FROM OPERATIONS			
Sale of Product and Services			
Sale of Finished Goods		18,277.52	20,553.45
Contract Jobs		5,918.05	4,893.96
Maintenance and Services Revenue		977.49	997.09
	(A)	**25,173.06**	26,444.50
Other Operating Income			
Sales of Production Scrap	**(B)**	98.33	134.63
	(A)+(B)	**25,271.39**	26,579.13

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
25 OTHER INCOME			
Interest Income		**727.44**	899.88
Rent & Licence Fees		**161.85**	157.58
Freight Received (Net)		-	84.71
Royalty Received		**30.00**	30.00
Dividend Income from Non-Current Investments (Other than Trade)		**23.13**	6,034.73
Sundry Balances Written Back		**147.35**	184.71
Profit on Sale of Property, Plant & Equipment		-	3.87
Reversal of Provisions		**74.13**	-
Net Gain/Loss arising on Financial Assets mandatorily measured at FVTPL		**207.43**	795.81
Profit/ Loss on Derivatives		**16.57**	159.91
Interest Income on Financial Assets carried at fair value through Amortised cost		**430.43**	90.93
Inter Corporate Deposits earlier written off, now recovered		**28.85**	-
Bad-debts Recovered		**97.07**	66.15
Misc. Income		**0.33**	12.43
		1,944.58	8,520.71

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE			
Closing Stock			
Finished Goods		65.06	30.56
Work-in-Progress		3,029.72	1,250.82
Stock-in-Trade		-	11.71
		3,094.78	1,293.09
Less:			
Opening Stock			
Finished Goods		30.56	30.74
Work-in-Progress		1,250.82	1,633.54
Stock-in-Trade		11.71	2.80
		1,293.09	1,667.08
Decrease / (Increase) in Stock		**(1,801.69)**	373.99

(₹ in Lakh)

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
27 EXCISE DUTY			
Excise Duty		-	576.61
		-	576.61
28 EMPLOYEE BENEFIT EXPENSES			
Salaries and Wages		2,778.40	2,454.88
Contribution to Provident and Others Funds		161.54	202.52
Workmen and Staff Welfare Expenses		116.65	103.54
		3,056.59	2,760.93
29 FINANCE COSTS			
Interest Expense	29.1	497.69	3,286.27
Other Borrowing Cost		31.12	3.77
		528.81	3,290.04

29.1 For the Financial Year 2017-18, this expense includes Interest expense on financial asset carried at fair value through amortized cost of ₹ 2,822.60 lakh.

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
30 DEPRECIATION & AMORTIZATION EXPENSE			
Depreciation & Amortization Expense		169.38	177.29
		169.38	177.29

(₹ in Lakh)

	Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
31	**OTHER EXPENSES**			
	Stores and Spare Parts Consumed		1,177.13	813.44
	Processing & Material Handling Expenses		1,269.99	1,027.94
	Freight outwards, Transport and Octroi Expenses		173.52	117.32
	Power & Fuel Expenses		281.53	262.91
	Rent		100.57	106.97
	Rates and Taxes		22.86	51.21
	Auditor's Remuneration	31.1	5.76	5.63
	Repair and Maintenance :			
	- Buildings		48.84	18.46
	- Plant and Machinery		15.51	42.84
	- Others		54.45	69.43
	Commission on Sales		323.56	268.41
	Insurance		33.03	31.63
	Legal & Professional Charges		304.72	266.80
	Travelling & Conveyance Expenses	31.2	414.71	365.93
	Bank Charges		181.72	131.72
	After Sales Services		116.17	34.68
	Impulse & Short Circuit Charges		138.04	84.98
	Debt, Advance & other debit balance Written off		10.02	38.31
	Contractual Deductions / Recoveries by Customers		-	245.69
	Directors Sitting Fees		1.36	1.38
	Miscellaneous Expenses		492.23	416.26
			5,165.72	4,401.93

31.1 Payment to Statutory Auditors

i)	Audit Fee	2.50	2.00
ii)	Quarterly review of accounts	2.25	2.25
iii)	Reimbursement of Expenses	0.79	1.17
iv)	Certification	0.23	0.21

31.2 Includes Directors' Travelling ₹ 64.28 Lakh (Previous Year ₹ 56.28 Lakh).

32 EXCEPTIONAL ITEMS

32.1	Profit/(Loss) on Sale of Immovable Property	-	7,478.25
32.2	Profit/(Loss) on Sale of Non Current Investments (other than Trade)	(880.95)	(6,308.80)
		(880.95)	1,169.44

(₹ in Lakh)

Particulars	Ref.	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
33 OTHER COMPREHENSIVE INCOME			
A. Items that will not be reclassified to Profit & Loss			
1. Actuarial gain/(loss) on Defined Benefit Obligations		4.19	(13.48)
Income Tax Effect		(1.45)	4.66
2. Net gain/(loss) on FVTOCI Equity securities		(546.74)	642.88
Income Tax Effect		-	-
B. Items that will be reclassified to Profit & Loss		-	-
		(544.00)	634.06

34 CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

PARTICULARS	NON- CURRENT		CURRENT	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Financial Assets :				
Measured at Cost				
Investments	9.52	9.52	-	-
Measured at Amortised Cost				
Investments	660.92	862.05	-	-
Trade Receivables	-	-	10,517.63	10,619.52
Cash & cash equivalents	-	-	225.05	503.37
Other Bank balances	-	-	5.07	3.76
Loans	33.37	35.18	56.80	48.88
Other Financial Assets	4,713.46	4,268.08	339.14	303.10
Measured at Fair Value through Profit or Loss				
Investments	16,457.22	16,122.88	-	183.90
Measured at Fair Value through Other Comprehensive Income				
Investments	5,011.64	5,558.38	-	-
Total Financial Assets	**26,886.14**	**26,856.09**	**11,143.69**	**11,662.53**
Financial Liabilities :				
Measured at Amortised Cost				
Borrowings	36.81	3.77	4,879.43	4,002.49
Trade Payables	-	-	7,659.89	6,147.80
Other Financial Liabilities	26.55	28.18	1,714.62	2,086.33
Total Financial Liabilities	**63.36**	**31.95**	**14,253.94**	**12,236.62**

35 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following table provides Fair Value mearsurement hierarchy of company's financial asset and financial liabilities

(₹ in Lakh)

Particulars	Fair Value Hierarchy (Level)	31st March, 2019	31st March, 2018
Financial Assets			
Measured at Cost			
Investments		9.52	9.52
Measured at Amortised Cost			
Investments	3	660.92	862.05
Other Financial Assets	3	4,529.72	4,099.29
Measured at Fair Value through Profit or Loss			
Investments	1	16,457.22	16,306.78
Measured at Fair Value through Other Comprehensive Income			
Investments	2	5,011.64	5,558.38
Total Financial Assets		**26,669.02**	26,836.02

36 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The company's principal financial liabilities comprise borrowings, trade payables, other financial liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include investments, trade receivables, cash and cash equivalents, other bank balances and loans. The Company is exposed to market risk and credit risk.

The Company has a Risk management policy. The Board of Directors provides assurance that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include FVTOCI investments and FVTPL investments.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a foreign currency exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities which is minimal. The Company monitors the foreign exchange fluctuations on continuous basis and advises the management of any material adverse effect on the Company and for taking risk mitigation measures. Since the Company's foreign currency risk exposure is limited, therefore detailed dislcosure of the same has not been provided.

Equity Price Risks

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments/mutual funds. Reports on the investment portfolio are submitted to the Company's management on a regular basis.

Equity Price Sensitivity

The following table shows the effect of price changes in quoted and unquoted equity shares , quoted and unquoted equity mutual funds/fixed maturity plan.

(₹ in Lakh)

Particulars	31st March, 2019		31st March, 2018	
Investment	5021.16		5751.80	
Price Change	+5%	-5.00%	+5%	-5.00%
Effect on Profit before Tax	251.06	(251.06)	287.59	(287.59)

Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on credit losses of historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Liquidity Risk

Liquidity risk is the risk that Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial asset and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analysis financial liabilities of the Company into relevant maturity Companyings based on the remaining period from the reporting date to the contractual maturity date. The amount disclosed in the table are the contractual undiscounted cash flow.

(₹ in Lakh)

	Less than 1 Year	Between 1 to 5 Years	Total	Carrying Value
As at 31st March, 2019				
Borrowings (Refer Note No.16,19,21)	4,887.73	36.81	4,924.54	4,924.54
Trade Payables (Refer Note No. 20)	7,659.89	-	7,659.89	7,659.89
Other Financial Liabilities (Refer Note No. 17,21)	1,706.32	26.55	1,732.87	1,732.87
As at 31st March, 2018				
Borrowings (Refer Note No.16,19,21)	4,004.78	3.77	4,008.56	4,008.56
Trade Payables (Refer Note No. 20)	6,147.80	-	6,147.80	6,147.80
Other Financial Liabilities (Refer Note No. 17,21)	2,084.03	28.18	2,112.21	2,112.21

37 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

(₹ in Lakh)

Particulars	31st March, 2019	31st March, 2018
Net Debts*	4,738.59	3,560.68
Total equity	26,612.64	27,462.92
Net debt to equity ratio	**0.18**	**0.13**

* Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents.

38 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Equity Investments measured at FVTOCI

The company has exercised the option to measure investment in equity instruments, not held for trading at FVTOCI in accordance with Ind AS 109. It has exercised this irrevocable option for its class of quoted equity shares. The option renders the equity instruments elected to be measured at FVTOCI non-recyclabe to Profit & Loss.

Business Model for Investment of Debt Instruments

For the purpose of measuring investments in debt instruments in accordance with Ind AS 109, the company has evaluated and determined that the business model for investments in quoted debentures and bonds is to collect the contractual cash flows and sell the financial asset . Such financial assets have been accordingly classified and measured at FVTOCI. For the purpose of measuring investments in debt instruments in accordance with Ind AS 109, the company has evaluated and determined that the business model for investments in unquoted debentures and bonds is only to collect the contractual cash flows . Such financial assets have been accordingly classified and measured at amortised cost.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuiy obligations are given in Note No. 40.4.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note No 35.

Depreciation / amortization and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Impairment of non-financial asset

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes is considered.

Taxes

The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

NOTES TO ACCOUNTS

39 1. BASIS OF PREPARATION

a. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standard) Rules, 2015 (as amended) notified under section 133 of the Companies Act, 2013(the Act) and other relevant provision of the Act. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted IND AS from 01st April, 2017.

b. Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest two decimals of lakh, unless otherwise indicated.

c. Historical Cost Convention

The financial statements have been prepared following accrual basis of accounting on a historical cost basis, except for the following which are measured at fair value :

(i) Certain financial assets and liabilities

(ii) Defined benefit plans

(ii) Property, Plant & Equipment

d. Fair Value Measurement

A number of Company's accounting policies and disclosures require fair value measurement for both financial and non-financial assets and liabilities.

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

(i) Level I - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level II - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level III - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation, based on the lowest level input that is significant to the fair value measurement, at the end of each reporting period.

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Current Versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset or liability is treated as current if it satisfies any of the following condition :

(i) the asset/liability is expected to be realised/settled in normal operating cycle;

(ii) the asset is intended for sale or consumption;

(iii) the asset/liability is held primarily for the purpose of trading;

(iv) the asset/liability is expected to be realised/settled within twelve months after the reporting period;

(v) the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

(vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period;

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f. Use of Estimates and Judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures and disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. The revisions in accounting estimates and assumptions are recognised prospectively. Detailed information about estimates and judgements is included in Note 41.

2. SIGNIFICANT ACCOUNTING POLICIES

g. Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency at the exchange rates on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange difference arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss on net basis.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively.

h. Property, Plant & Equipment

(i) Recognition & Measurement

All items of property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment, if any. Cost of an item of PPE includes its purchase cost, non refundable taxes and duties, directly attributable cost of bringing the item to its working condition for its intended use and borrowing cost if the recognition criteria is met.

Subsequent costs are included in an item of PPE's carrying value or recognised as a separate item, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost.

An item of PPE or any significant part thereof is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of an item of PPE is recognized in Statement of Profit and Loss.

(ii) Transition to Ind AS

On transition to Ind AS the Company has elected to measure all items of PPE at fair value and use that as the deemed cost of such PPE.

(iii) Depreciation methods, Estimated Useful Lives and Residual Value

Depreciation on all items of PPE is calculated using the straight line method to allocate their cost, net of their residual value, over their estimated useful lives as prescribed in Schedule II to the Act.

Depreciation on an item of PPE purchased/sold during the year is provided on pro-rata basis. Freehold land is not depreciated. The residual values are not more than 5% of the cost of an item of PPE. Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

i. Intangible Assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses, if any.

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

Intangible assets such as Softwares, Design & Devlopement, Patents etc. are amortized based upon their estimated useful lives of 5-6 years.

j. Lease Accounting

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless

(i) another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or

(ii) the payments to the lessor are structured to increase in the line with expected general infiation to compensate for the lessor's expected infiationary cost increases

Leasehold land with perpetual right has been included in property plant & equipment.

k. Inventories

Inventories are valued as follows :-

Raw materials, stores, spares, other materials and traded goods	Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on first in first out basis.
Finished goods and Work-in- progress (own manufactured)	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
Work in Progress (Long Term Contracts)	Work in Progress i.e. jobs under execution (including materials supplied to clients under the contract) to the extent of work done but not billed is valued at the lower of actual cost incurred upto the completion on reporting date and net realizable value. Cost includes direct materials, labour and proportionate overheads.
Scrap	Net Realizable Value

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision for obsolete/old inventories is made, wherever required, as per the consistently followed system.

l. Financial Instruments

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

(i) Financial Assets

Initial recognition and measurement :

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement :

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria :

a. The Company's business model for managing the financial asset and

b. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories :

a. Financial assets measured at amortized cost

b. Financial assets measured at fair value through other comprehensive income (FVTOCI)

c. Financial assets measured at fair value through profit or loss (FVTPL)

A. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met :

(i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash rows, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash fiows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments (Refer Note 37 for further details). Such financial assets are subsequently measured at amortized cost using the EIR method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

B. Financial assets measured at FVTOCI :

A financial asset is measured at FVTOCI if both of the following conditions are met :

(i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in equity instruments (Refer Note 37 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI (Refer Note 37 for further details). The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

C. Financial assets measured at FVTPL :

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company (Refer Note 37 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs :

(i) The contractual rights to cash flows from the financial asset expires;

(ii) The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

(iii) The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

(iv) The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of Financial Assets :

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following :

(i) Trade receivables

(ii) Financial assets measured at amortized cost (other than trade receivables)

(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

Financial Liabilities

Initial recognition and measurement :

The Company recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement :

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

m. Impairment

Assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognised in the Statement of Profit and Loss and included in depreciation and amortisation expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

n. Income Tax

Income Tax comprises current and deferred tax and is recognised in Statement of Profit and Loss except to the extent that it relates to an item recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity as the case may be.

(i) Current Tax

Current tax comprises the expected tax payable on the taxable income for the year and any adjustments to the tax payable in respect of previous years. It is measured using tax rates and tax laws enacted or substantively enacted by the reporting date.

(ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax asset is also recognised in respect of carried forward tax losses and unused tax credits.

Deferred Tax assets are recognised to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences, carried forward tax losses and unused tax credits.

Deferred Tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax laws that have been enacted or substantively enacted by the reporting date.

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

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

o. Revenue Recognition

The Company recognises revenue when it is probable that future economic benefits will flow to the Company and the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The following specific recognition criteria must also be met for main revenue streams of the company for its recognition :

(i) Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and includes excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

(ii) Sale of Contract Jobs

Revenue on long term contracts is recognized on the basis of percentage of completion method which is based on specified milestone or in proportionate to the work completed against each contract which are fixed price contract. Provisions are made for the entire loss on a contract irrespective of the amount of work done. Claims on account of price variation receivable / payable from / to the customers are accounted for on the basis of contractual terms. Final adjustments towards estimated claims for extra work are made in the year of settlement.

(iii) Income from Services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.

(iv) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

(vI) Royalties

Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

(vii) Income Distributed by Venture Capital Fund

Revenue received from Investments made in Venture Capital Funds is recognized on actual receipt basis and are shown in respective heads of Income in Statement of Profit and Loss.

p. Employee Benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g. towards bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plan

Provident Fund, a defined contribution plan, is a post employment benefit plan under which the Company pays contributions into a separate entity and has no legal or constructive obligation to pay further amounts. The Company recognises the contributions payable towards the provident fund as an expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

(iii) Defined benefit plan

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The Company has funded Gratuity liability towards this which is provided on the basis of actuarial valuation made by an external valuer at the end of each financial year using the projected unit credit method and is contributed to the Gratuity Fund formed by the company.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any, excluding interest) are immediately recognised in the balance sheet with corresponding debit or credit to Other Equity through OCI. Remeasurements are not classified to profit or loss in subsequent periods.

Net interest and changes in the present value of defined benefit obligation resulting from plan amendments or curtailments are recognised in profit or loss.

(iv) Other long term employee benefits

The liabilities for earned leave are measured and provided on the basis of actuarial valuation made by an external valuer at the end of each financial year using the projected unit credit method. Remeasurement gains or losses are recognised in Statement of Profit and Loss in the period in which they arise.

q. Borrowing Costs

Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they are incurred. Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

r. Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the post tax effect of finance costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the issue of all dilutive potential equity shares.

s. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with remaining maturity of 12 months or less, which are subject to an insignificant risk of change in value.

t. Cash Dividend to Equity Shareholders

The Company recognises a liability to make distribution of cash dividend to equity shareholders of the Company when the distribution is approved by the shareholders. A corresponding amount is recognised directly in equity.

u. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of time value of money is material, provisions are measured at present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to liability. The increase in the provision due to passage of time is recognised as interest expense.

v. Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM).

Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing strategic business unit/units that/those offer/offers different products and serve/serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter Segment Transfer :

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs :

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items :

Unallocated items includes general corporate income and expense items which are not allocated to any business segment.

w. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(₹ in Lakh)

	2018 – 2019	2017 – 2018

40 OTHER NOTES ON ACCOUNTS

40.1 COMMITMENTS & CONTINGENT LIABILITIES :

(a) Contingent liabilities not provided for in respect of :

Claims against the Company not acknowledged as debts, are as given below :

	2018 – 2019	2017 – 2018
(i) Excise Duty & Service Tax	**6.99**	6.99
(ii) Sales Tax / VAT / Work Contract Tax etc.	**25.72**	25.72
Provision of Rs. 25 lakh (Previous year Rs. 25 lakh) made in an earlier year is being carried forward under the head Provision for contingencies.		
(iii) Cess & Others	**0.60**	0.60

(b) Other Claims :

Other claims against the Company not acknowledged as debts, are as given below :**

	2018 – 2019	2017 – 2018
Labour Cases	**2.00*** **	2.00***
Demands raised by Provident Fund / Employee State Insurance department	**1.55*** **	1.55***
Other Claims	**26.40*** **	26.40***

**The Management feels that the Company has a good chance of success in above mentioned cases hence no provision there against is considered necessary.

***In view of large number of cases pending at various Forums / Courts, it is not practicable to give the details of each case. List also includes certain labour matters for which amount of liability is not ascertainable at this stage.

40.2 SEGMENT INFORMATION

(a) Business Segments :

As of 31st March, 2019, there are two business segments i.e. Electrical Equipments for Power Transmission and Distribution (comprising of Transformer and Switchgear) and Elevator. A description of the types of products and services provided by each reportable segment is as follows:

Electrical Equipments for Power Transmission and Distribution – the Company deals in manufactures and supplies power and distributes transformers and switchgear.

Elevator Division manufactures equipments/ components of elevators for execution of jobs for erection and installation and also for supplies to other parties in the market.

(b) Geographical Segments :

Since the Company does not exports and operates in the domestic market which is governed by the same risks and returns, no geographical information is provided.

(c) Primary segment information (by Business segments)

The following table presents revenue and profit information regarding business segments for the years ended March 31, 2019 and March 31, 2018 and certain assets and liability information regarding business segments at March 31, 2019 and March 31, 2018.

(d) Segment Information Disclosure :

(₹ in Lakh)

Particulars	Electrical Equipment for Power Transmission and Distribution		Elevator		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue						
Revenue form operation	18,167.88	20,039.06	7,103.50	6,540.08	25,271.38	26,579.13
Other Income	288.22	208.63	36.05	59.43	324.27	268.06
Total income	**18,456.10**	20,247.68	**7,139.55**	6,599.51	**25,595.66**	26,847.19
Results						
Segment results Profit/(Loss)	**775.28**	1,019.34	**(847.34)**	(312.66)	**(72.06)**	706.68
Finance Cost					(528.81)	(3,290.04)
Unallocated Corporate Income (Net)					943.50	7,673.99
Exceptional Income/(Expense)					(880.95)	1,169.44
Profit before Tax					(538.32)	6,260.07
Tax Expense					(451.72)	631.93
Net Profit					**(86.60)**	5,628.14
Other Information						
Segment Assets	12,234.60	11,261.08	5,637.06	4,752.40	17,871.66	16,013.48
Unallocated Corporate Assets					28,638.57	28,210.70
Total Assets					**46,510.23**	44,224.18
Segment Liabilities	9,614.43	9,925.13	5,231.84	3,788.37	14,846.27	13,713.50
Unallocated Corporate Liabilities					5,051.31	3,047.72
Total Liabilities					**19,897.58**	16,761.23
Capital Expenditure	26.43	34.23	10.38	27.19	36.81	61.42
Corporate Office Capital Expenditure					50.40	20.08
Total Capital Expenditure					**87.21**	81.50
Depreciation & Amortisation	108.44	114.76	49.16	53.06	157.60	167.82
Unallocated Depreciation	-	-	-	-	11.78	9.47
Total Depreciation					**169.38**	177.29
Other Non Cash Expenses						
Provision for Doubtful Debts	-	-	192.58	202.60	192.58	202.60
Provision for Impairment of Assets	-	-	-	-	-	-

40.3 BASIC AND DILUTED EARNING PER SHARE

		2018-19	2017-18
Profit/(Loss) for the year	₹ in lakh	**(86.60)**	5,628.14
Equity Shares Outstanding at the beginning of the year	Numbers	**72,88,645**	72,88,645
Equity Shares Outstanding at the year end	Numbers	**72,88,645**	72,88,645
Weighted Average Number of equity shares	Numbers	**72,88,645**	72,88,645
Earnings Per Share	**(₹)**	**(1.19)**	**77.22**

40.4 DISCLOSURE UNDER INDIAN ACCOUNTING STANDARD - 19 (EMPLOYEES' BENEFIT)

The Company has a defined benefit gratuity plan and leave encashment plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service and every employee who discontinues his services to the company gets leave encashment (last drawn salary).

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan (based on Actuarial Valuation) :-

(₹ in Lakh)

	Particulars	Gratuity		Leave	
		2018-19	2017-18	2018-19	2017-18
(a)	**Statement of Profit and Loss :**				
	Net employee benefit expense (recognised in Employee Cost)				
	Current service cost	**55.86**	51.93	**51.64**	53.39
	Interest cost on benefit obligation	**33.93**	28.30	**18.22**	15.23
	Expected return on Plan Assets	**(35.82)**	(32.11)	-	-
	Net actuarial(gain) / loss recognised in the year	-	-	**(46.71)**	(19.46)
	Net benefit expense	**53.97**	48.12	**23.15**	49.16
(b)	**Balance Sheet :**				
	Defined benefit obligation	**(517.47)**	(453.05)	**(256.17)**	(243.41)
	Fair value of plan assets	**501.79**	468.17	-	-
	Net Liability arising from defined benefit obligation	**(15.68)**	15.12	**(256.17)**	(243.41)
(c)	**Changes in the present value of the defined benefit obligation are as follows :**				
	Opening defined benefit obligation	**453.05**	398.14	**243.41**	212.54
	Interest cost	**33.93**	28.30	**18.22**	15.25
	Current service cost	**55.86**	51.93	**51.64**	53.39
	Acturial (gains)/losses arising from experience variance	**2.99**	(27.17)	-	-
	Acturial (gains)/losses arising from change in financial assumption	**(9.38)**	43.52	-	-
	Benefits paid	**(18.98)**	(41.67)	**(10.40)**	(18.30)
	Actuarial (gains) / losses on obligation	-	-	**(46.71)**	(19.46)
	Closing defined benefit obligation	**517.47**	453.05	**256.16**	243.41
(d)	**Changes in the fair value of plan assets are as follows :**				
	Opening fair value of plan assets	**468.17**	423.18	-	-
	Expected return on plan assets	**35.82**	32.11	-	-
	Contributions by employer	-	10.00	-	-
	Withdraw	-	-	-	-
	Remeasurement Gain/(Loss) on return plan assets	**(2.20)**	2.88	-	-
	Closing fair value of plan assets	**501.79**	468.17	-	-
(e)	**Other Comprehensive Income are as follows :**				
	Return on plan assets(excluding amounts included in net interest expense)	**(2.20)**	2.88	-	-
	Acturial (gains)/losses arising from experience adjustment	**2.99**	(27.17)	-	-
	Acturial (gains)/losses arising from change in financial assumption	**(9.38)**	43.52	-	-
		(4.19)	13.48	-	-

(f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	2018-19	2017-18
	%	%
Investments with insurer	**100**	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

(g) The Principal assumptions used in determining gratuity obligations for the Company's plans are shown below :

Attrition Rate	**10.00%**	5.00%
Imputed Rate of Interest(D)	**7.65%**	7.65%
Imputed Rate of Interest(IC)	**7.65%**	7.50%
Salary Rise	**8.00%**	8.00%
Return on Plan Assets	**7.65%**	7.50%
Remaining Working Life	**21.57**	20.86
Mortality Rate(Table)	**IAL 2012-14 Ultimate**	IAL 2006-08 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Principal assumptions used in determining leave obligations for the Company's plans are shown below :

Attrition Rate	**10.00%**	5.00%
Imputed Rate of Interest(D)	**7.65%**	7.65%
Imputed Rate of Interest(IC)	**7.65%**	7.50%
Salary Rise	**8.00%**	8.00%
Return on Plan Assets	**N.A**	N.A
Remaining Working Life	**21.57**	20.86
Mortality Rate(Table)	**IAL 2012-14 Ultimate**	IAL 2006-08 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(h) Disclosure

The amounts for the Non-Current and Current in respect of gratuity and Leave are as follows :

(₹ in Lakh)

	Gratuity		Leave	
	2018-19	**2017-18**	**2018-19**	**2017-18**
Current Portion of defined benefit obligation	**166.60**	120.02	**143.44**	130.57
Non-Current Portion of defined benefit obligation	**350.87**	333.03	**112.73**	112.84

(i) The Impact of sensitivity analysis on defined benefit plan is given below :-

(₹ in Lakh)

Particulars	2018-19	2017-18	2018-19	2017-18
Attrition rate increase by 1%	**(1.59)**	(1.85)	**(0.13)**	(0.26)
Attrition rate decrease by 1%	**1.66**	1.76	**0.15**	0.27
Salary growth rate increase by 1%	**22.71**	27.36	**7.00**	10.60
Salary growth rate decrease by 1%	**(20.93)**	(24.55)	**(6.40)**	(9.38)
Imputed rate of return rate increase by 1%	**(20.81)**	(24.41)	**(6.36)**	(9.32)
Imputed rate of return rate decrease by 1%	**23.01**	27.73	**7.09**	10.74

40.5 The Company had made claims against Uttar Haryana Bijli Vitran Nigam Limited (UHBVN) for refund of liquidated damages deducted by the Electricity Board as well as interest on delayed payment of bills/due instalments by the Electricity Board. The arbitrator, appointed by the chairman, UHBVN, had given award in favour of the Company which was subsequently confirmed by the Additional Distt. Judge, Panchkula (Haryana). The Electricity Board has, however, filed an appeal with the Hon'ble High Court, Punjab & Haryana. While admitting the appeal, the Hon'ble High Court passed an interim order dated 25.08.2009, directing the Electricity Board to pay to the company a sum of Rs. 608.08 lakh against bank guarantee of the same amount as security to the Electricity Board. The Electricity Board has made payment against bank guarantee given to them as security. As the matter is still sub-judice, the amount is lying in Other Current Liabilities.

40.6 During the F.Y 2016-17, a suit in the court of Civil Judge (Sr. Div.) Sealdah, West Bengal for recovery of possession of land and structure thereon which was taken on rent by the company was filed by the Lessor on expiration of lease by efflux of time. The court order was passed to hand over the possession of the suit property and the company to pay mesne profit and occupational charges till hand over of the possession to the lessor. In the year 2014, the property was handed over to the lessor by the company. The matter went upto High Court at Calcutta and is still pending in the Civil court. A sum of Rs. 881.33 lakh has been provided in books of account towards such charges.

40.7 During the F.Y 2016-17, the company on the order passed by Hon'ble High Court of Judicature at Hyderabad has provided Rs. 266.11 lakh. The amount was charged towards any unexpected outcome of the challenge testing ordered by the Court to be conducted at Central Power Research Institute to establish that the transformers which were supplied to The Southern Power Distribution Company of Telangana Limited were within technical parameters as mentioned in the purchase order.

40.8 During the F.Y 2016-17, in terms of SEBI (Delisting of Equity Shares) Regulations, 2009, an exit opportunity to the public shareholders was offered by the Promoters and also to delist the company from National Stock Exchange of India Ltd. (NSE). The shareholding of promoter group has been reached to 90.23% of the total paid-up equity share capital of the company. The final application filed with NSE for delisting has been approved and the company has been delisted w.e.f. 17th May, 2019.

40.9 Related Party Disclosure :

Related party Disclosure as identified by the management in accordance with the Indian Accounting Standard -24 issued under Section 133 of the Companies Act, 2013.

I. Names of Related Parties

A Key Management Personnel

Mr. Prakash Kumar Mohta — Managing Director

B Enterprises over which any person described in [A] above is able to exercise significant influence and with whom the company has transaction during the year - NIL

II. Transactions with Key Management Personnel are as under : **(₹ in Lakh)**

Nature of Transactions	2018-19	2017-18
Salary/Perquisites	**215.75***	200.10*
Provident/Superannuation Fund	**25.89**	21.78
Dividend Paid during the year	**38.10**	38.10

* Excluding Gratuity and Leave Encashment provision on actuarial basis.

41. Previous year figures has been reclassified/regrouped to confirm current year figures.

As per our Report of even date attached.

For VSD & Associates
Chartered Accountants
Firm Reg. No. : 008726N
(Vinod Sahni)
Partner
Membership No. 086666
Place : New Delhi
Dated : 10th June, 2019

For and on behalf of the Board of Directors

(Prakash Kumar Mohta)	**(Shiban Ganju)**	**(Rajat Sharma)**	**(Piyush Agarwal)**
Managing Director	Director	President & CFO	Company Secretary
Din : 00191299	Din : 03434994		

ECE INDUSTRIES LIMITED

Regd. Office : "ECE HOUSE", 28-A, Kasturba Gandhi Marg, New Delhi - 110001

CIN : L31500DL1945PLC008279

ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting

1. Full Name of Member ....
2. Registered Folio No. ....No. of Shares...
3. DP ID/Client ID...
4. Father's/Husband's Name...
5. Complete Address...
6. Full Name of Proxy, if any...

I / We hereby record my / our presence at the 73rd Annual General Meeting of the Company being held at "Indian Social Institute", 10, Institutional Area, Lodi Road, New Delhi-110003 on Monday, the 30th September, 2019 at 04.30 P.M.

(Signature of Member/Proxy)

NOTE : Please fill up this attendanced slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

PROXY FORM

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

CIN : L31500DL1945PLC008279

Name of the Company : ECE Industries Ltd.

Registered Office : ECE House, 28-A, Kasturba Gandhi Marg, New Delhi-110001

Name of the member(s)	
Registered Address	
E-mail ID	
Folio No. / Client ID	
DP ID	

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

1) Name ______________________ Address ______________________
E-mail ID ______________________ Signature ______________________ or failing him

2) Name ______________________ Address ______________________
E-mail ID ______________________ Signature ______________________ or failing him

3) Name ______________________ Address ______________________
E-mail ID ______________________ Signature ______________________ or failing him

as my/our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 73rd Annual General Meeting of the Company to be held on Monday, the 30th September, 2019 at 04.30 PM at at "Indian Social Institute, 10 Institutional Area, Lodi Road New Delhi - 110003 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

P.T.O

....

Resolution No.	RESOLUTIONS	Optional*	
		For	Against
1	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors		
2	Declaration of Dividend on Equity Shares for the year ended on 31st March, 2019		
3	Re-appointment of Mr. Sakate Khaitan, who retires by rotation.		
4	Appointment of Statutory Auditor & fix their remuneration		
5	Re-appointment of Mr. Mahendra Kumar Jajoo as an Independent Director		
6	Approval of Remuneration of the Cost Auditors		

Signed this ....day of 2019

Signature of Shareholder ....

Signature of Proxy holder(s) ....

Affix
Revenue
Stamp

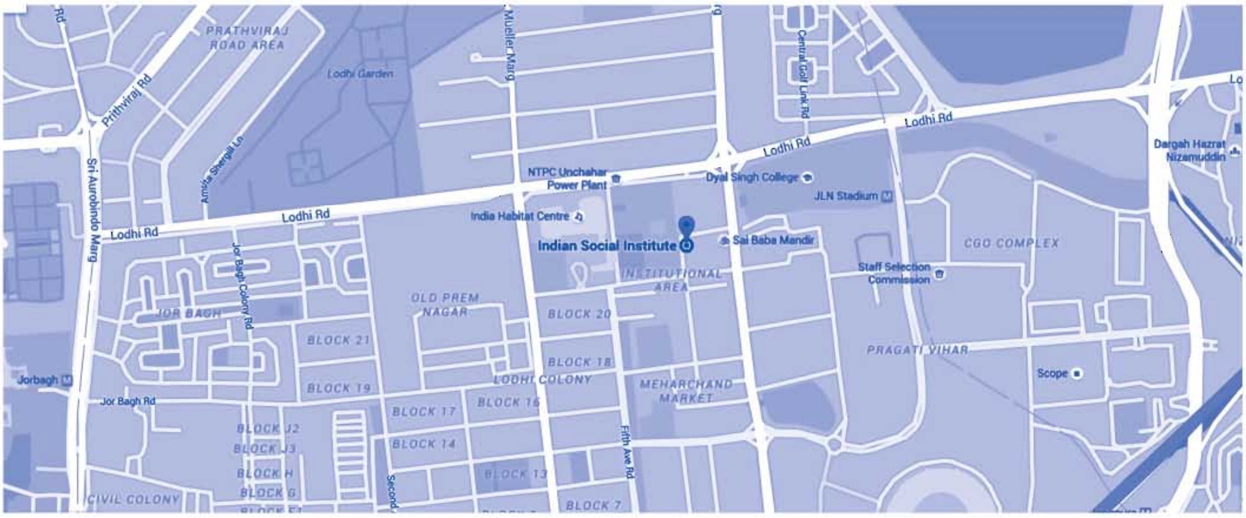
Notes: (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

(2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 73rd Annual General Meeting.

****(3) It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.***

(4) Please complete all details including details of member(s) in above box before submission.

ROUTE MAP of 73rd AGM



Indian Social Institute,
10, Institutional Area, Lodi Road
New Delhi-110 003

Registered Office :
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New Delhi - 110001
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