DAMODAR INDUSTRIES LIMITED

Date: August 16, 2018

To,
The Manager – CRD
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400001
Script Code: 521220

To,
National Stock Exchange of India Limited
The Corporate Relation Department,
Exchange Plaza, Plot no. C/1, G Block
Bandra - Kurla Complex
Bandra (E) Mumbai - 400 051
Script Symbol : DAMODARIND

Subject: Annual Report 2017-18.

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Annual Report for the Financial Year 2017-18 duly approved in the 30th Annual General Meeting of the Company held on Saturday, July 28, 2018 at 11.30 A.M. at the Maheshwari Bhawan,603,Chira Bazar (J. S. Road), Mumbai – 400 002.

Kindly take the same on record.

Thanking You,
For **Damodar Industries Limited**

Subodh Kumar Soni
Company Secretary

Encl: As above.

Regd. Office : 19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai - 400 013.
Tel.: 91-22-6661 0301/2, 91-22-2300 1199 | Fax : 91-22-6661 0308
Factory : Survey No. 265 / 10 / 1, 2 & 3, Demni Road, Dadra Village, D. & N. H. (U. T.) - 396 230
Tel.: 0260-3253390
E-mail : cs@damodargroup.com | **Website** : www.damodargroup.com | **CIN** : L17110MH1987PLC045575

DAMODAR
INDUSTRIES LIMITED

30th Annual Report 2017-18

TOMORROW'S CREATIVITY
BROUGHT TODAY



5 YEAR SNAP SHOT:

(₹ in Cr.)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Turnover	649.65	704.02	620.94	593.04	734.97
Total Income	651.89	704.74	621.37	593.34	735.27
Total Expenses	634.19	690.91	593.27	562.77	701.25
PBDIT	37.17	38.24	41.10	49.82	57.56
Interest	10.96	12.53	13.00	19.25	23.54
PBDT	26.21	25.71	28.10	30.57	34.02
Depreciation	8.51	11.88	12.78	12.50	11.11
PBT	17.70	13.83	15.32	18.07	22.91
Tax	5.99	4.78	4.92	6.18	8.13
PAT	11.71	9.05	10.40	11.89	14.78
Earning Per Share (EPS)	10.53	8.13	9.34	13.30	16.60
Equity Share Capital	11.12	11.12	11.12	8.9	8.9
Dividend (%)	30	28	27	25	24

Important Communication to Members

The Ministry of Corporate Affaires has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses to the Company or its Registrar and Share Transfer Agents (RTA).

You are requested to send an e-mail to cs@damodargroup.com for register your e-mail ID with Name of 1st registered shareholder, Folio/DP ID & Client ID.

On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.

CORPORATE INFORMATION

Board of Directors

Mr. Arunkumar Biyani
Chairman

Mr. Ajay D. Biyani
Managing Director

Mr. Anil D. Biyani
Executive Director

Mr. Girdharlal S. Daga
Independent Director

Mr. Ashok Kumar Damani
Independent Director

Mrs. Farida Bomi Jambusarwalla
Independent Director

Mr. Raghavan Srinivas
Independent Director

Chief Financial Officer
Mr. R. Kumar

Company Secretary & Compliance Officer
Mr. Subodh Kumar Soni

Auditors
M/s. Jitendra Mishra & Company
Chartered Accountants, Mumbai

Cost Auditors
M/s. Dilip M. Bathija
Cost Accountants

Bankers
State Bank of India
Bank of Baroda
Kotak Mahindra Bank Limited
Yes Bank Limited

Registered Office
Damodar Industries Limited
19/22 & 27/30, Madhu Estate,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 013
Maharashtra.
Ph.: 022-66610301-2, Fax: 022-66610308
E-mail: cs@damodargroup.com
Website: www.damodargroup.com
CIN No.: L17110MH1987PLC045575

Registrar & Share Transfer Agent
Link Intime India Pvt. Limited,
C-101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai – 400083
Tel. No.: 022- 49186000
Fax No.: 022- 49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

Plant Location

1. Survey No. 265/10/1, 2 & 3
   Demni Road, Dadra Village,
   D. & N.H. (U.T.) – 396230
   Ph.: 0260-3264788, Fax: 0260-2668929

2. Plot No. 165/67/68,
   Dabhel Ind. Co.-Op. Soc.
   Dabhel, Nani Daman (U.T.) - 396210

3. T-26, Add. Textile Park (MIDC Amravati)
   Amravati, Maharashtra - 444605

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NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of Damodar Industries Limited will be held on Saturday, 28th July, 2018 at 11.30 A.M. at the Maheshwari Bhawan, 603, Chira Bazar (J. S. Road), Mumbai – 400 002, Maharashtra, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the reports of the Boards of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31,2018.
3. To appoint a Director in place of Mr. Anil D. Biyani (DIN: 00016554), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of Members at the 27th Annual General Meeting, the appointment of M/s. Jitendra Mishra & Company Chartered Accountants, (Firm Registration No. 125334W), as Statutory Auditors of the Company, be and is hereby ratified to hold office as such from the conclusion of 30th Annual General Meeting until the conclusion of next Annual General Meeting of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors."

Special Business:

5. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2019 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with the provisions of Companies (Cost Records and Audit) Rules, 2014 including any statutory amendment(s), modification(s) and re-enactment thereof for the time being in force, the appointment of M/s. Dilip M. Bathija (FRN - 100106) as Cost Auditor to conduct the Cost Audit pertaining to Cost Accounts and Records of the Company for the financial year ending 31st March, 2019, on a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) subject to applicable taxes and levies be and is hereby approved and ratified by the Shareholders at ensuing Annual General Meeting.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and deeds and take all steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."
6. To Approve the material related party transactions and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, governing the Related Party Transactions and such other rules as may be applicable and amended from time to time, consent of the shareholders be and is hereby accorded for the following arrangements/transactions (including transfer of resource, service or obligation) to be entered into by the Company with effect from date of passing this resolution at ensuing Annual General Meeting and every year thereafter, up to the maximum per annum amounts as appended in table below:

Sl. No.	Name of Parties	Nature of Transactions	Estimated Amount (₹ In Crores)
1.	Suam Overseas Pvt. Ltd.	Sale/Purchase/Job Work	150.00
2.	Shri Damodar Yarn Manufacturing Pvt. Ltd.	Sale/Purchase/Job Work	75.00
3.	Arunkumar Biyani, Ajay D. Biyani and Anil D. Biyani	Remuneration to Director	2.50
4.	Arunkumar Biyani, Ajay D. Biyani and Anil D. Biyani	Interest on Loan	0.75
5.	Aditya Biyani, Payal Biyani, Abhishek Biyani, Radhika Biyani Aman Biyani, Bhawna Biyani, Manju Biyani, Sanju Biyani, Kanta Biyani, Akshay Biyani, Reiya Biyani, Risha Biyani, Savitridevi Damodarlal Biyani, Arunkumar Biyani-HUF, Ajay Biyani-HUF, Damodarlal Biyani-HUF, Kiara Biyani	Interest on Fixed Deposits	0.50
6.	Aditya Biyani, Payal Biyani, Radhika Biyani, Aman Biyani	Remuneration to Employee	0.75
7.	Arunkumar Biyani-HUF, Ajay Biyani-HUF, Aditya Biyani, Shri Damodar Foundation, Arunkumar Biyani, Ajay D. Biyani	Leasing/sublease/rent for office/Residential flat	0.75

AND to do all such acts, deeds, matters and things, etc. as may be necessary or desirable including any negotiation/ re-negotiation/ modification/ amendments to or termination thereof, of the subsisting arrangements/ transactions or any future arrangements/ transactions and to make or receive/ pay monies in terms of such arrangements/ transactions.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or a Committee thereof, to severally do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related parties and severally execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving full effect to this resolution, in the best interest of the Company."

7. To Approve the Acceptance of Fixed Deposits and in this regard to consider and if thought fit to pass with or without modification(s), the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 73 and 76 and read with Companies (Acceptance of Deposit) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for acceptance of deposits from its members and public on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever and appointment of trustee for depositors and obtain the credit rating from credit rating agencies and extent of deposit insurance from insurance company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

Registered Office:
19/22 & 27/30, Madhu Estate,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 013

By Order of the Board of Directors
For **Damodar Industries Limited**
Sd/-
Subodh Kumar Soni
Company Secretary

Place : Mumbai
Dated: May 26, 2018

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. Pursuant to Section 105 of Companies Act, 2013 and rules made thereunder, a person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution /authority, as applicable.

3. Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the items of special business is annexed herewith..

4. The Share Transfer Books and Register of members of the Company will remain closed from **Monday, July 02,2018 to Thursday, July 05, 2018 (both days inclusive).**

5. Pursuant to Regulation 36 of the SEBI (LODR) Regulations,2015, the brief resume/details of the Director being re-appointed, annexed hereto.

6. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the board or governing body resolution authorising the representatives to attend and vote at the Annual General Meeting.

7. Section 72 and rule 19(1) Share Capital and Debentures Rules 2014 of the Companies Act, 2013, provides for Nomination by the Shareholders of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by M/s. Link Intime India Pvt. Ltd. on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

8. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

9. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notice, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2018, will be sent in electronic form to those Members who have registered their e-mail address with their DPs and made available to the Company by the Depositories. However, in case a Member wishes to receive a physical copy of the said documents, the Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to cs@damdoargroup.comaccordingly, the Company shall update its database by incorporating / updating the designated e-mail address in its records. Please note that the said documents will also be uploaded on the website of the company at damodargroup.com and made available for inspection at the registered office of the Company during business hours of the Company with prior notice.

10. Members may also note that the Notice of the 30th Annual General Meeting and the Annual Report of 2018 will be available on the Company's website www.damodargroup.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.

11. Route Map showing directions to reach to the venue of the 30th AGM is given at the end of this Notice as per the requirement of Secretarial Standards-2 on "General Meeting".

12. Members holding shares in physical form are requested to inform M/s Link Intime India Pvt. Ltd. (Company's Registrar & Transfer Agent), immediately of any change in their address and bank details. Members holding

shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, and mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the members.

13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents, M/s. Link Intime India Pvt. Ltd. Accordingly, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to M/s. Link Intime India Pvt. Ltd.

14. Members attending the Annual General Meeting are requested to bring with them the followings (as applicable):

    a) Members holding shares in dematerialized form, their DP & Client ID Numbers. b) Members holding shares in physical form their folio numbers.

    c) Copy of the Annual Report & Notice.

    d) The Attendance slip duly completed as per the specimen signature lodged with the Company.

    e) Member Companies/Institutions are requested to send a copy of the resolution of their Board/Governing Body, authorizing their representative to attend and vote at the Annual General Meeting

15. The Company is pleased to offer e-Voting facility for its Members to enable them to cast their votes electronically. The business as set out in the Notice may be transacted and that:

    (A) The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules,2014 and the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

    (B) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.

    (C) The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.

The procedure and instructions for members for voting electronically are as under:

I. The voting period begins at 9.00 A. M. on July 25, 2018 and ends at 5.00 P.M. on July 27, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 20, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

III. The shareholders should log on to the e-voting website www.evotingindia.com.

IV. Now click on "Shareholders" to cast your votes.

V. Now, select the "Damodar Industries Limited" from the drop down menu and click on "Submit". VI.Now Enter your User ID.

    (a) For CDSL: 16 digits beneficiary ID,

    (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

VII. Next enter the Image Verification as displayed and Click on Login.

VIII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

IX. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details Or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

X. After entering these details appropriately, click on "SUBMIT" tab.

XI. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

XII. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

XIII. Click on the EVSN for Damodar Industries Limited.

XIV. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XVI. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XVII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XVIII. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

XIX. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XX. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles.

The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

XXI. Non-Individual shareholders and Custodian:

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

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

(A) The voting right of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut off date of July 20,2017.

(B) Mr. Vishal Manseta (Membership No. ACS 25183), Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

(C) The Scrutinizer shall within a period of three (3) working days from the conclusion of the Shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, votes cast in favour or against, if any, to the chairman of the Company.

(D) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.damodargroup.com and on the website of CDSL within 3 (three) days of passing of the resolution at the AGM of the Company and communicated to the exchanges i.e. BSE Limited and National Stock Exchange of India Limted.

(E) Members who are not casting their vote electronically may cast their vote at the Annual General Meeting.

EXPLANATORY STATEMENT

(Pursuant To Section 102 (1) of the Companies Act, 2013)

Item No. 5:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Dilip M. Bathija, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only), subject to payment of applicable taxes thereon and re-imbursement of out of pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the members is sought to ratify the remuneration payable to the Cost Auditors.

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

None of the Directors or Key Managerial Personnel and their relatives, is concerned or interested (financially or otherwise) in the resolution as set out at Item No. 5 of the Notice.

Item No. 6:

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The Listing Regulation which has come into operation with effect from December 1, 2015 has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to Section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length basis. Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following contracts / arrangements / transactions is material in nature and require the approval of the unrelated shareholders of the Company by a Ordinary Resolution:

Sl. No.	Name of Parties	Nature of Transactions	Estimated Amount (₹ In Crores)	Material Terms/Particulars of the contract or arrangement
1.	Suam Overseas Pvt. Ltd.	Sale/Purchase/Job Work	150.00	Purchase of material by the Company from and the sale of Company's product(s) to these companies are dependent on the requirement of the Company for its products from time to time and ability of supply of specified material by these companies. However, such transactions would at all times be on arm's lengths basis and in the ordinary course of the Company's business.
2.	Shri Damodar Yarn Manufacturing Pvt. Ltd.	Sale/Purchase/Job Work	75.00	

Sl. No.	Name of Parties	Nature of Transactions	Estimated Amount (₹ In Crores)	Material Terms/Particulars of the contract or arrangement
3.	Arunkumar Biyani, Ajay D. Biyani and Anil D. Biyani	Remuneration to Director	2.50	As per Agreement with Directors and approved by shareholders
4.	Arunkumar Biyani, Ajay D. Biyani and Anil D. Biyani	Interest on Loan	0.75	Interest at rates not more than the rates prevailing in the market for similar loans.
5.	Aditya Biyani, Payal Biyani, Abhishek Biyani, Radhika Biyani, Aman Biyani, Bhawna Biyani, Manju Biyani, Sanju Biyani, Kanta Biyani, Akshay Biyani, Reiya Biyani, Risha Biyani, Savitridevi Damodarlal Biyani, Arunkumar Biyani-HUF, Ajay Biyani-HUF, Damodarlal Biyani-HUF, Kiara Biyani.	Interest on Fixed Deposits	0.50	As per Unsecured Fixed Deposit Scheme of the Company.
6.	Aditya Biyani, Payal Biyani, Radhika Biyani, Aman Biyani	Remuneration to Employee	0.75	The Board of Director has appointed.
7.	Arunkumar Biyani-HUF, Ajay Biyani-HUF, Aditya Biyani, Shri Damodar Foundation, Arunkumar Biyani, Ajay D. Biyani	Leasing/sublease/ rent for office/ Residential flat	0.75	The Company has entered into agreements with respective related parties for leasing / subleasing / office sharing of the property / flat situated at Mumbai and Silvasa.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto are furnished hereunder:

Name of the Related Party	As per table above
Name of the Director or Key Managerial Personnel who is related, if any	Arunkumar Biyani, Ajay D. Biyani & Anil D. Biyani
	Arunkumar Biyani, Ajay D. Biyani & Anil D. Biyani, Directors of the Company holds 6.67%, 20% & 15% shares respectively of Suam Overseas Pvt. Ltd. Arvind Damodarlal Biyani, Director of Shri Damodar Yarn Manufacturing Pvt. Ltd. is brother of Arunkumar Biyani, Ajay D. Biyani & Anil D. Biyani, directors of Damodar Industries Limited. Aditya Biyani - Payal Biyani, Aman Biyani- Bhawana Biyani are sons and daughters in law of Arunkumar Biyani. Abhishek Biyani-Radhika Biyani are son and daughter in law of Shri Ajay D. Biyani. Smt. Manju Biyani, Smt. Kanta Biyani and Smt. Sanju Biyani are respective wives of Arunkumar Biyani, Ajay D. Biyani and Anil D. Biyani. Akshay Biyani is Son of Anil D. Biyani. Savitridevi Biyani is mother of Aurnkumar Biyani, Anil D Biyani, Ajay D. Biyani, Directors of the Company. Reiya and Risha Biyani are Daughters of Aman Biyani. Kaira Biyani is daughter of Aditya Biyani.
Any other information relevant or important for the members to take a decision on the proposed resolution	None

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on May 26, 2018 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders.

The Board recommends the Ordinary Resolution as set out at item No. 6 of the Notice for approval of the members.

Save and except Mr. Arunkumar Biyani, Mr. Ajay D. Biyani and Mr. Anil D. Biyani Executive Directors the Company and their relatives, to the extent of their of their shareholding interest, if any, none of the other directors/key managerial personnel of the Company and their relatives is in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the Notice.

Item No. 7:

The Board of Directors at their meeting held on 26th May, 2018 approved and recommended the invitation and acceptance of fixed deposits from the members pursuant to Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 as one of the modes to meet the ongoing fund requirements of the Company.

In compliance with the above provisions of the Act and the Rules, the Company is required to obtain approval of its shareholders for a fresh scheme of acceptance of Unsecured Fixed Deposits from the members of the Company and as such, approval of the members by way of Special Resolution is being sought.
Therefore, the special resolution at Item No. 7 to the annexed notice is recommended for your approval.

The draft of the Circular for inviting / accepting Deposits from the Members is given hereunder :

1. GENERAL INFORMATION

(a) Name of the Company : DAMODAR INDUSTRIES LIMITED
19/22 & 27/30,Madhu Estate,Pandurang Budhkar Marg,
Worli, Mumbai – 400 013
Phone No. 022-66610301/2
Fax No. 022- 66610308
Email ID – cs@damodargroup.com
www.damodargroup.com

(b) Date of incorporation of the company : 11th December, 1987

(c) The business carried on by the Company & its Subsidiaries with details of branches or units, if any:

The Company is engaged in the business of manufacturing and processing of Cotton yarn and Fancy yarn.

The Company has its Head office at Mumbai and factory at Silvassa.

OFFICE	:	The Company has office at:-
Mumbai	:	19/22 & 27/30,Madhu Estate, Pandurang Budhkar Marg,Worli, Mumbai - 400 013
	:	5/145-B, Dr. Viegas street, Ground floor, Kalbadevi, Mumbai – 400 002
WORKS	:	The Company's manufacturing units are situated at:-
Dadra (U.T.)	:	Survey No. 265/10/1, 2, 3, Demni Road, Dadra Village, Silvassa – 396 230
Daman (U.T.)	:	Plot No. 165/67/68, Dabhel Ind. Co.-Op. Soc., Dabhel, Nani Daman – 396210

The Company has no subsidiaries.

(d) Brief particulars of the managements of the company.

The company is managed by the Managing Director and Whole-Time Director's, subject to the supervision, direction and control of the Board of Directors.

(e) Name, Occupation and Addresses of the Directors:

Name of Director	Address	DIN	Occupation
(i) Shri Arun Kumar Biyani (Executive Chairman)	1702, Sumer Trinity Tower No.1, New Prabhadevi Road Mumbai – 400 025	00016519	Business
(ii) Shri Ajay D. Biyani (Managing Director)	1704, B-2, 17th Floor, Sumer Trinity, New Prabhadevi Road, Prabhadevi , Mumbai – 400 025	00014896	Business.
(iii) Shri Anil D. Biyani (Whole-Time Director)	1804, B-2, 17th Floor, Sumer Trinity, New Prabhadevi Road, Prabhadevi , Mumbai – 400 025	00016554	Business
(iv) Shri Girdharlal S. Daga (Director)	31-7th Floor, Gita Smruti Building PT Ramabhai Road, Gamdevi, Mumbai – 400 007	00115772	Practicing Chartered Accountant
(v) Shri Raghavan Srinivas (Director)	E 203, Vatika Township Near Model Town Dumbhal, Surat - 395010	07090385	Service
(vi) Shri Ashok Kumar Damani (Director)	83, Mistry Park Co- op Society 77, Bhulabhai Desai Road Breach Candy, Mumbai – 400026, Maharashtra	00069143	Business
(vii)Smt. Farida Bomi Jambusarwalla (Director)	495, Homiyar Villa, Daulat Nagar, VapiDaman Road, Chala,Vapi - 396191 Gujarat.	07139945	Consultant

(f) Management's perception of risk factors:

The deposit accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

(g) The Company has not made any default in -

i) repayment of Deposits or interest thereon
ii) statutory dues;
iii) debentures and interest thereon - N.A.
iv) loan from any bank or financial institution and interest thereon.

2. PARTICULARS OF THE DEPOSIT SCHEME :

a.	Date of passing of board resolution	May 26,2018
b.	Date of passing of resolution in the general meeting	Resolution has been proposed for the Approval of members in the notice convening 30th Annual General Meeting to be held July 28, 2018.
c.	Type of deposits	UNSECURED DEPOSITS

d. Amount which the company can raise and the aggregate deposits actually held as on 31st March, 2018.

(Rs.in Lacs)

SI No.	Particulars	Limit up to which deposit can be accepted	Deposit outstanding as on March 31, 2018
1.	From Public (35% of the aggregate paid up capital and free reserves)	3,693.27	2,920.67
2.	From Share Holders or any guarantee by any Director (10% of the aggregate paid up capital and free reserves)	1,055.22	722.53
	Total	**4,748.49**	**3,643.20**

- The Aggregate ofDeposit actually held on the last day of the immediately preceding financial year, i.e. March 31,2018:Rs.36,43,20,000/-.

- The aggregate of Depositsrepayable within the next Twelve months as on the last day of the immediately preceding financial year i.e. March 31, 2018 :Rs.4,11,47,000/-.

e. Terms of rising of deposits: Duration, Rate of interest, mode of payment and repayment:

SCHEME - Quarterly Interest Payable

Period (Months)	Minimum deposit	Rate of Interest (p.a.)	Rate of Interest (p.a.) Senior Citizen / Members/ Employee of the Company
12	25,000	10.00%	10.50%
24	25,000	10.50%	11.00%
36	25,000	11.00%	11.50%

f. TERMS & CONDITION GOVERNING FIXED DEPOSIT SCHEME:

APPLICATION AND AMOUNT OF DEPOSIT:

1. **APPLICATION FOR UNSECURED DEPOSITS** will be accepted in the prescribed form, duly completed, should be lodged at the Fixed deposit Department of the company at the Company's Registered Office at Mumbai or Factory at Silvassa or at the offices of the authorised brokers.

2. Deposit should be made by an "A/c Payee: cheque /bank draft payable at Mumbai and drawn in favour of DAMODAR IDUSTRIES LIMITED and payable at Mumbai. OUTSTATION CHEQUE WILL NOT ACCEPTED.

3. Deposited will not be accepted in cash and Fixed cannot be placed out of/utilizing any kind of borrowed funds & depositors will have to give a declaration that the deposit is not made out of the borrowed funds from any sources.

4. Minimum amount of Unsecured deposit accepted in Rs.25000/- and in Multiples of Rs.1000/- thereafter.

5. Unsecured Deposits will be accepted from Resident Individuals (either in single name or in joint names not exceeding three). Deposits from minors will be accepted only through guardians. Deposit will not be accepted from Non- Residents, Foreign Nationals, Unregistered Trust and Partnership Firm. Signature by thumb impression must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under his official Seal.

PERIOD OF DEPOSIT AND INTEREST

6. Unsecured Deposit shall be for a fixed period of 1, 2 or 3 years. Interest will be due and payable quarterly on 31st March, 30th June, 30th September and 31st December every year and last payment of interest will be on the date of maturity of deposit. Interest will be calculated on the basis of 365 days a year from the date if realization of the cheque/demand draft by the company.
7. Interest will cease on the date of maturity of the deposit.

8. Payment of interest will be made by ECS/"account payee" cheques drawn on the Company's Bankers and payable at par at specified branches in India. Interest warrants will be dispatched by ordinary post and shall not be responsible for any loss and delay in transit. Where the due date falls on a Sunday/ Bank Holiday, the payment will be made on the next working day.

9. Notification to the company regarding change in address etc. must be lodged at least 45 days before the date on which interest payment falls due.

10. Excess Interest paid, if any, under any circumstances, will be recovered from the subsequent payment of interest or the principal amount.

INCOME TAX ON INTEREST

11. If the interest paid at any time exceeds the limits prescribed by the Income Tax Act, 1961, Tax at appropriate rate will be deducted at source from Interest. Under the regulation currently in force, no tax will be deducted if the amount of interest paid and/or credited in a year does not exceed Rs. 5000/-. In case of a depositor with total income less than the minimum liable to tax during the financial year (i.e. 1st April to 31st March), no tax will be deducted on producing a declaration to the effect in the prescribed Form (in duplicate) duly signed by the depositor at the beginning of each financial year.

12. Tax to be deducted will be determined after clubbing all deposits a person have in his/her capacity as the first named depositor.

UNSECURED FIXED DEPOSIT RECEIPTS:

13. Unsecured Deposits will be accepted in joint name not exceeding THREE. The First depositor will be regarded as the benefit owner of the Deposit and will be treated as the payee for the purpose of deducting tax U/s 194A of the Income Tax Act, 1961.

14. All Correspondence in such deposits will be address to the person whose name appears first on the unsecured deposit receipt. All cheque/warrants for the payment of principal amount will be drawn in favour of the person(s) opted in the application from. Any discharge given by such persons for payment of interest and the principal amount shall be valid and binding on all the joint depositor. No subsequent change in the order of names of depositor/s or replacement of the joint depositors/ will be accepted.

15. In case of instruction on any matters (except re-payment as opted in the application for overleaf), relating to this fixed deposit are to be given, application in that behalf should be signed by all the joint holders and not by any one of them. The Company shall not act upon instruction of any one of them and they shall not be binding to the company.

16. Deposit Receipt will be forwarded by Registered Post/Courier at the address of the first applicant given in the Applicant Form.

17. In case deposits made in joint names, all correspondence/payment of interest and refund will be in favour of the first named depositor only.

18. In the event of loss, destruction or mutilation of the Fixed Deposit Receipt, the Company may, at its sole discretion, issue a duplicate receipt, subject to compliance with such terms and conditions, including indemnity from the depositor(s) as the Company may require. All expenses in this connection will be borne by the depositor(s).

19. Deposit receipts are neither negotiable nor transferable. However, the Company may, at its sole discretion permit the addition of one name of the Deposit Receipt under certain circumstances and subject to such terms and conditions as it may deem fit.

20. The Company will take approximately Twenty one days to issue Deposit Receipts.

RENEWAL / REPAYMENT OF DEPOSITS

21. The deposit receipt duly discharged on a revenue stamp should be sent to the Company at its Registered Office at Bombay at 30 days before the date of maturity, to enable the Company to renew/refund the deposit on the due date. No renewals will be done after expiry of a period of 3 months from the date of maturity. Deposits may be renewed on the basis of fresh application but solely at the discretion of the Company.

22. NO PART RENEWAL/REFUND will be permitted. No change in the order of depositors will be allowed.

23. Fixed deposits will be repaid only on maturity. However, the Company may, at its sole discretion, permit premature refund. In such cases, the rate of interest payable on such deposits will be reduced by such percentage as prescribed under the Companies (Acceptance of Deposits) Rules, 2014. Excess interest paid, if any, will be recovered from the principal amount at the time of repayment. It is clarified that no interest will be paid on premature withdrawal of deposits before a period of six months.

24. Repayment of fixed deposits will be made by account payee cheques drawn on Company's bankers and payable at per at all its branches in India. Refund cheques will be dispatched by ordinary post//Courier. However, cheques of ₹ 10,000/- and above will be sent by Registered Post. Where the due date for the payment falls on Sunday / Holiday, the payment will be made on the next working day.

25. In event of death of the first depositor, the repayment of deposit and payment of interest will be made to the person first in order of the heirs and/or legal representatives of the deceased.

26. In the event of death of sole depositor, the fixed deposit amount together with interest due thereon, will be paid to the nominee, if any, stated in the application, on proof of identity or to the legal representative(s) of the deceased on production of proper legal representation such as Probate of the Will, Succession Certificate or Letters of Administration granted by a Court of Competent Jurisdiction.

NOMINATION

27. Nomination facility may be availed only by individuals applying singly Minors may also be nominated.

However the applicant should appoint a guardian other than himself. In the event of death of the deposit holder, the Company will deal with the guardian, till the minor attains majority. The nominee must be a Resident Indian Only. An NRI cannot be nominated. If the nominee pre-deceases the deposit holder, he applicant can, on production of death certificate, substitute the name of the nominee and guardian.

28. The company will not recognize any lien on or assignment of Unsecured Fixed Deposit and/or interest thereon.

29. The Company reserves the right, subject to the provision of the companies (Acceptance of Fixed Deposits) Rules, 2014 as amended from time to time.

(a) To accept deposited only for such period as it may decided from time to time.

(b) To reject any application for a fresh deposit or for renewal without assigning any reason.

(c) To repay deposits prematurely before the due date.

30. Deposit will be subject to the Companies (Acceptance of Deposit) Rules, 2014 as amended from time to time and any other regulation prescribed by the Central Government, the Reserve Bank of India, or any other statutory authority.

31. In case Deposit is made under Power of Attorney, the relevant Power of Attorney must be lodged with the company at the time of Application.

In case of loss refund/interest cheque, duplicate will be issued only after 4 months on production of an indemnity bond duly signed by all depositors. All expenses in this connection will be borne by the depositor(s).

32. The Company reserves the right to commence/discontinue at any time acceptance of deposits and to alter or amend any of the terms and conditions mentioned hereinabove without assigning any reasons.

33. All complaints/ grievances may be sent to Stakeholder Relation Committee.

34. Unsecured Fixed Deposits accepted are subjected to Mumbai Jurisdiction.

g. Proposed Schedule

This Scheme is applicable on the date on which the members of the company will approve the same. The circular issued under this scheme is valid until expiry of the six months from the date of closure of Financial Year in which it is issued or utile the date on which the financial statement is laid before the company in Annual General Meeting or, where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provision of the Act, whichever is earlier.

h. Object of raising the deposit

To meet financial requirement for the running the business of the company.

i. Credit rating obtained:

Name of the Credit Rating Agencies Rating obtained: CRISIL Limited

Rating: FA-/Stable

Meaning of the rating obtained: This rating indicates that the degree of safety regarding timely payment of interest and principal is satisfactory.

Date on which rating was obtained: 29/09/2017

j. Extent of deposit insurance:

The Company will obtain cover for the unsecured deposit and interest due thereon. The deposit insurance contract shall provide in case the company defaults repayment of Principal amount and interest thereon, the depositor shall be entitled to the repayment Principal amount and interest thereon, in case of any deposit and interest not exceeding rupees Twenty Thousand, the deposit insurance contract provides for payment of the full amount of deposit and interest and in the case of any deposit and interest thereon in excess of rupees Twenty Thousand, the deposit insurance covers for payment of upto Rupees Twenty Thousand for each depositor.

The same terms and conditions including rate of interest are also applicable to Promoter Directors and key Managerial personnel.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested, financially or otherwise, in the aforesaid resolution.

By Order of the Board of Directors
For **Damodar Industries Limited**

Sd/-
Subodh Kumar Soni
Company Secretary

Place : Mumbai
Dated: May 26, 2018

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE - APPOINTMENT AT THE 30th ANNUAL GENERAL MEETING

(Pursuant to Regulations 17 of the SEBI (LODR)Regulations, 2015)

Name of the Director	Mr. Anil D. Biyani
Date of Birth	09.06.1964
Nationality	Indian
Date of appointment on Board	28.03.1992
Qualification	Bachelor of Business Administration
Expertise in specific functional areas	Wide and rich experience in the field of Marketing, Trading and Corporate Management and production process aspects of yarn.
Directorships held other companies	N.A.
Member of Committees of the Board	CSR Committee
Member of committees in other Companies	Nil
Shares held in the Company	14,75,000

Route map for the venue of the 30th Annual General Meeting



BOARD'S REPORT

Dear Shareholders,

Your Directors have the pleasure of presenting their Thirtieth Annual Report on the business and operations of the Company on standalone basis and the accounts for the financial year ended March 31, 2018.

FINANCIAL RESULTS:

(₹ In Lakhs)

Particulars	**2017-18**	**2016-17**
Net Turnover & Other Income	65188.96	70474.05
Profit before Depreciation & Tax	2620.66	2571.68
Less:Depreciation	850.53	1188.53
Profit before Tax	1770.13	1383.15
Less: Provision for Taxation		
Current Tax	445.00	574.89
Deferred Tax	153.96	(96.76)
Earlier Year Adjustment	-	0.08
Profit after Tax	1171.17	904.94
Add/(Less): Other Comprehensive Income (net of taxes)	(33.86)	80.97
Total Comprehensive Income/(Expenses) for the year	1137.31	985.91
Earnings per share (EPS)		
Basic/Diluted (in Rs.)	10.53	8.13

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2017.

REVIEW OF PERFORMANCE

During the Financial year 2017-18, your company's performance has been fairly good, amidst a volatile and competitive market environment caused due to De-monetisation and GST implementation. On the standalone basis, your company recorded total sales of Rs. 64965.32 Lakhs in the FY 2017-18, as compared to Rs. 70402.39 Lakhs in the previous year, reflecting a decline of 7.72%. The decline in the sales is due to change in the accounting of Indirect Taxes. In previous year sales includes indirect Taxes, whereas from 1st July 2017 GST is not part of sales turnover. Total export turnover of the company stood at Rs.40999.17 Lakhs in the FY 2017-18. The profit after tax for the financial year 2017-18 is Rs. 1171.17 Lakhs as compared to Rs. 904.94 Lakhs during the previous year, recording a growth of 29.42%,which is really commendable.{Kindly note that the figures have been regrouped in accordance with the Indian Accounting Standards (hereinafer referred to as the "Ind AS").This financial statement for FY 2017-18 are the first financials with comparatives, prepared under Ind AS.}

EXPANSION:

During the year under review, your Company has incurred capital expenditure of Rs.4542.50 Lakhs towards increasing productivity in weaving and processing activities, which was financed by way of internal accruals of the Company.

DIVIDEND

The Board of Directors is pleased to recommend a Dividend of 30% (i.e. @ Rs. 3/- per Equity Share) for the Financial Year (FY) 2017-18, subject to the approval of the Members.Dividend for the previous FY 2016-17 was declared @ 28% (i.e. @ Rs. 2.80/- per Equity Share). The Dividend for FY 2017-18 shall be paid to those Shareholders and Beneficial Owners whose names appear in the Register of Members as on the date of the Book Closure for dividend payment.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 200.00 Lakhs to the General Reserve out of the amount available for appropriations and an amount of Rs. 5848.68 Lakhs is proposed to be retained in the Profit and Loss Account.

RESERVE AND SURPLUS

Reserves and Surplus stood at to Rs. 9439.61 Lakhs as at March 31, 2018 compared to Rs. 8727.68 Lakhs as at March 31, 2017. The increase was due to retained earnings.

BOARD MEETINGS

The Board of Directors duly met 6 times during the financial year from April 1, 2017 to March 31, 2018. The dates on which the meetings were held are as follows:

May 29, 2017, August 11, 2017, November 11, 2017, January 23, 2018, February 14, 2018 and March 29,2018.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive and independent directors. On March 31, 2018 the Board consists of seven members, three of whom are executive directors or whole Time Director and four are independent directors.

The policy of the Company on directors' appointment and remuneration including criteria for determining qualification, positive attributes independence of director and other matters as required under sub- section (3) of Section 178 of the Companies Act,2013 is available on our website www.damodargroup.com. There has been no change in the policy since the last fiscal year. We affirm that remuneration paid to directors is as per the terms laid out in the nomination and remuneration policy of the company.

DECLARATION BY INDEPENDENT DIRECTOR(S)

The Board of Directors hereby certify that the Independent Directors appointed on the Board, meet the criteria pursuant to Section 149(6) of the Companies Act, 2013.

Further, The Company has received necessary declaration from each independent director under section 149 (7) of the Companies Act, 2013, that he/she meet the criteria of independence laid down in Section 149 (6) of the Companies Act,2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new independent directors inducted into the Board attend an orientation programme. The Details of training and familiarisation programme are provided in the Corporate Governance Report and also available on our website www.damodargroup.com.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for prevention of insider trading is available on our website www.damodargroup.com.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENT

Mr. Anil D. Biyani - Retiring Director:

As per the provisions of Companies Act,2013 Mr. Anil D. Biyani shall retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board is pleased to recommend his re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act, 2013, the Directors would like to state:

(a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

(f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COMMITTEE OF THE BOARD

The Board has five committees, the Audit Committee, the Nomination and Remuneration Committee, the Stake holders Relationship Committee, the Corporate Social Responsibility Committee, the Risk Management Committee. The detailed note on the composition of the Board and its committees is provided in the Corporate Governance report section of this Annual Report.

STATUTORY AUDITORS AND AUDITOR'S REPORT

In accordance with Section 139 of the Companies Act, 2013, M/s. Jitendra Mishra & Company, Chartered Accountants (FRN No. 125334W), were appointed by the shareholders of the Company at the 27th Annual General Meeting held on August 7, 2015, as Statutory Auditors for a period of 5 years to hold office until the conclusion of the 32nd Annual General Meeting of the Company in calendar year 2020.

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the appointment of the Statutory Auditor is required to be ratified by the shareholders at every Annual General Meeting during their tenure.

M/s. Jitendra Mishra & Company, Chartered Accountants (FRN No. 125334W) , have confirmed that they are eligible for having their appointment as Statutory Auditors ratified at this Annual General Meeting (AGM). Accordingly, approval of shareholders is being sought at this AGM for ratification of their appointment.

The Auditors Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2018.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s. Pramod Jain & Co., Practicing Company Secretaries, as its Secretarial Auditor to undertake the Secretarial Audit for the financial year 2018-19.

The Secretarial Audit Report of M/s. Pramod Jain & Co., Practicing Company Secretaries for the financial year ended March 31,2018 is annexed as **Annexure-A**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDIT

M/s. Dilip M. Bathija, Cost Accountants (FRN No.100106) have been duly appointed as Cost Auditors for conducting Cost Audit in respect of products manufactured by the Company which are covered under the Cost Audit Rules for current financial year ending March 31, 2019. They were also the Cost Auditors for the previous year ended March 31, 2018. As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the Notice convening the Annual General Meeting, seeking ratification by the Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2019.

INTERNAL AUDITOR

As per requirements of Section 138(1) of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, the Board of Directors of the Company had appointed M/s. Pokharna Somani & Associates, Chartered Accountants as Internal Auditor of the Company to conduct Internal Audit of business processes, financial reporting controls, compliance with applicable laws, regulations etc for the year 2017-18.

FIXED DEPOSITS

Details relating to Fixed Deposits, covered under Chapter V of the Companies Act,2013, as under:

a.	Accepted during the year	: Rs. 31,33,68,000/-/-
b.	Remained unpaid or unclaimed as at the end of the year	: 0.00
c.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year	: Nil

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from to time to time on due dates, to the Investor Education and Protection Fund.

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 amounts lying with the Company as on August 11, 2017 (date of last Annual General Meeting) on the Company's website (www.damodargroup.com), as also on the Ministry of Corporate Affairs' website.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

CORPORATE GOVERNANCE

The Company has adopted the best possible Corporate Governance norms and it has been our endeavour to comply and upgrade to the changing norms.

A separate section on corporate governance and a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per Regulations 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, a Certificate of the Managing Director inter alia, confirming the correctness of the financial statements, adequacy of the internal control measures and reporting to matters to the Audit Committee in terms of the said Clause, is also enclosed as a part of this Report.

RISK MANAGEMENT

At present there is no identifiable risk which, in the opinion, of the board may threaten the existence of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34(2) (e) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 the Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism for directors and employees to report genuine concerns. The vigil mechanism provides for adequate safeguards against victimization of person who use vigil mechanism and also provide direct access to Chairman of the Audit Committee and Managing Director of the Company in appropriate and exceptional cases.

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.damodargroup.com

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

Your Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero- tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action.

The Company has established a policy as per under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 against Sexual Harassment for its employees. The policy allows any employee to freely report any such act and prompt action will be taken thereon. The Policy lays down severe punishment for any such act. Further, your Directors state that during the year under review, there were no cases of sexual harassment reported to the Company.

MATERIAL CHANGES FROM END OF FINANCIAL YEAR TILL DATE OF REPORT

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than those disclosed in the financial statements.

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

The information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules,2014, is given in the **Annexure-B** to this report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-C**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility is the Company's intent to make a positive difference to the society. As per Companies Act, 2013 which requires Companies contribute some part of its profits towards the CSR activities. We have adopted Corporate Social Responsibility as a strategic tool for sustainable growth. With the CSR Vision, Build a powerful partnership Society for Sustainable Development and to improve the quality of life of the communities we serve through long tern stakeholders' value creation. We are committed to operate our business with emphasis on CSR in all areas of our operation. The Corporate Social Responsibility Policy enumerating the CSR activities to be undertaken by the Company, in accordance with Schedule VII to the Companies Act,2013 was recommended to the Board and the Board adopted the same.

The Company's spend on the CSR activities has been less than the limits prescribed under the Companies Act 2013. This is because the company did not find any further suitable projects or programs during the year to spend, for achieving the prescribed limit as per the Companies Act,2013. However the CSR activities are scalable which coupled with new initiatives that may be considered in future , moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

The said policy is also available on the website www.damodargroup.com. The Annual Report under CSR activities is annexed to the report as **Annexure D**.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The prescribed particulars of Employee required under section 197 read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-E** as form the part of Boards Report.

PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The Company has formulated a policy on dealing with Related Party Transaction. The said policy is available on the Company's website www.damodargroup.com

Pursuant to the provisions of Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior approval of Audit Committee was sought for entering into related party transactions. During the year the Company had entered into related party transaction with family members of executive directors of the company as per Listing Regulations. The Company had taken the approval from the shareholders at Annual General Meeting held on August 11, 2017 for entering into related party transaction as per listing regulations and the particulars contracts entered during the year as per form AOC-2 is enclosed as **Annexure-F.**

DISCLOSURE OF POLICIES

The SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 mandated the formulation of certain policies for all listed Companies. All our Corporate Governance policies are available on our website www.damodargroup.com. All our corporate policies are reviewed periodically by the Board and undated based on need and new compliance requirement.

In addition to its Code of Conduct and Ethics, key policies that have adopted by the Company are as follows:

- **NOMINATION, REMUNERATION AND EVALUATION POLICY:** The policy formulates the criteria for determining qualification competencies, positive attributes and independence of a director and also criteria for determining the remuneration of the directors' key managerial personnel and other employees. The said policies is attached as Annexure-G as form the part of Boards Report.
- **RELATED PARTY TRANSACTION POLICY:** The Policy regulated all transaction between the Company and its related party in terms of Section 188 of the Companies Act, 2013
- **CORPORATE SOCIAL RESPONSIBILITY:** The Policy outlines the Company strategy to bring about a positive impact on society through programme relating to hunger, education healthcare and environment.

- **POLICY ON MATERIAL SUBSIDIARIES:** The policy used to determine the material subsidiaries and material non listed Indian subsidiaries of the Company.
- **WHISTLE BLOWER POLICY:** The Company adopted the whistle blower mechanism for director and employee to report concerns about unethical behavior, actual or suspended fraud, violation of Company rules of other matters or activity on account of which the interest of the company affected.
- **INSIDER TRADING POLICY:** The policy provides the framework in dealing with securities of the Company.

INTERNAL CONTROL SYSTEM AND AUDIT

In terms of Section 134 of the Companies Act 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee on a regular basis.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

(A) ISSUE OF SHARE WITH DIFFERENTIAL RIGHTS

The Company has not issued any shares with differential rights and hence no disclosure is required as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

(B) ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any sweat equity shares during the year under review and hence no disclosure is required as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

(C) ISSUE OF EQUITY SHARES UNDER EMPLOYEE STOCK OPTION SCHEME

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no disclosure is required as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

APPRECIATION

Your Directors take this opportunity to place on record their warm appreciation for the invaluable contribution and spirit of dedication shown by the employees at all levels during FY 2017-18. The Directors also express their deep For and on behalf of the Board gratitude for the business assistance, co-operation and support extended to your Company by its Customers, Distributors, Dealers, Suppliers, Service Providers, Bankers, various Government Organisations / Agencies & Shareholders and look forward to their continued support and co-operation in future also.

For and on behalf of the Board

Sd/-
Arunkumar Biyani
Executive Chairman
(DIN:00016519)

Place: Mumbai
Date : May 26,2018

Annexure – A

Form -MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
M/s. Damodar Industries Limited

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from April 1, 2017 and ended March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Damodar Industries Limited** ("The Company") for the financial year ended on 31st March, 2018 and made available to me, 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 (FDI) and 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 (Prohibition of Insider Trading) Regulations, 2015;
      b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
      d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
   vi. Other laws applicable specifically to the Company.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
   i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   ii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
   iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
   iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

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

   i. Secretarial Standards issued by The Institute of Company Secretaries of India, and

   ii. The Listing Agreements entered into by the Company with the Stock Exchanges i.e., National Stock Exchange of India and BSE Limited;

4. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.

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

6. We further report that:

   (a) The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.

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

   (c) Company has unspend on CSR activities 19.02 Lakhs during the financial year 2017-18 and The Company has not transferred of Equity shares in respect of which dividends had not been claimed for 7 consecutive years to Investor Education and protection Fund Authority as on 31st March 2018.

   (d) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

For Pramod Jain & Co.
Company Secretaries

Sd/-
Pramod Kumar Jain
Proprietor
FCS-6711, CP No: 11043

Place : Indore
Date : May 26, 2018

Annexure – B

Conservation of energy, research and Development, Technology absorption, foreign exchange earnings and outgo (Particulars pursuant to Section 134 (8) (3) of the Companies Act, 2013).

Conservation Of Energy:

The nature of the Company's Operation entails a very High Level of Energy Consumption. However, adequate measures have been taken to conserve energy. Total energy consumption and energy consumption per unit of production:

Particulars	2017-18	2016-17
[A] Power and fuel consumption		
1. Electricity		
A) Purchased unit	306433108	33177891
Amount (₹ 000)	120227	137851
Rate/Unit (₹)	3.92	4.15
B) Own Generation		
i) Through Diesel Generator Unit	38384	29134
ii) Unit/Liter of Diesel Oil	4	4
iii) Fuel cost / unit (₹)	15.50	13.61
[B] Electricity units Consumption in		
Production of Yarn per KG. (Unit/Kg)	1.92	2.01

RESEARCH AND DEVELOPMENT

a. Specific areas in which R & D was carried out by the Company:
The Company is actively engaged in product up gradation design development.

b. Benefits derived as a result of the above R & D:
Improved product designs resulted in higher value added products and better realisations.

c. Future plan of action:
Emphasis on the above activities is the ongoing exercise.

d. Expenditure on R & D:
Since the expenditure incurred on research and development activities were not substantial, no separate account for the same were being maintained.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

Since the Company's products are being developed by an in-house R & D team, no further information under this head is required to be given.

FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Initiatives taken to increase exports and exports plans:
Your Company has been constantly promoting new products and developing new customers around the world. It is also taking part in various trade fairs to develop export business.

b. Development of new export markets for cotton yarn:
Your Company is consistently exploring possibilities of exporting its products to new markets. This is an ongoing process.

c. Total Foreign Exchange Earnings and outgo:

(₹ In Lakhs)

Particulars	2017-18	2016-17
Foreign Exchange outgo (used)	350.60	302.81
Earned (FOB Value of Export goods)	38574.49	40963.90

Annexure-C

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L17110MH1987PLC045575
ii)	Registration Date	11.12.1987
iii)	Name of the Company	Damodar Industries Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the registered office	19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai – 400 013 Phone No.: 022-66610301/2 Fax No.: 022-66610308 Email ID: cs@damodargroup.com Website: www.damodargroup.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Pvt. Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400083 Tel. No.: 022-49186000 Fax No.: 022-49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.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 and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	YARN – Manufacturing of Cotton & Fancy Yarn	131	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : Nil

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding :

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	7090000.00	0.00	7090000.00	63.73	7090000.00	0.00	7090000.00	63.73	0.00
(b)	Central Government / State Government(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Financial Institutions / Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	610000.00	0.00	610000.00	5.48	608500.00	0.00	608500.00	5.46	0.02
	Sub Total (A)(1)	7700000.00	0.00	7700000.00	69.21	7698500.00	0.00	7698500.00	69.19	0.02
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Total Shareholding of Promoter and									
	Promoter Group(A)=(A)(1)+(A)(2)	**7700000.00**	**0.00**	**7700000.00**	**69.21**	**7698500.00**	**0.00**	**7698500.00**	**69.19**	**-0.02**
(B)	**Public Shareholding**									
[1]	Institutions									
(a)	Mutual Funds / UTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Alternate Investment Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Foreign Venture Capital Investors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	3975.00	0.00	3975.00	0.04	0.04
(f)	Financial Institutions / Banks	0.00	875.00	875.00	0.01	345.00	875.00	1220.00	0.01	0.00
(g)	Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h)	Provident Funds/ Pension Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**0.00**	**875.00**	**875.00**	**0.01**	**4320.00**	**875.00**	**5195.00**	**0.05**	**0.04**
[2]	Central Government/ State									
	Government(s)/ President of India									
	Sub Total (B)(2)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
[3]	Non-Institutions									
(a)	Individuals									
(I)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1201415.00	367527.00	1568942.00	14.10	1279203.00	349545.00	1628748.00	14.64	0.54
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1182574.00	0.00	1182574.00	10.63	1049460.00	0.00	1049460.00	9.43	-1.20
(b)	NBFCs registered with RBI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Employee Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Overseas Depositories(holding Drs) (balancing figure)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	303252.00	0.00	303252.00	2.73	334115.00	0.00	334115.00	3.00	-0.27
	Non Resident Indians (Non Repat)	4687.00	0.00	4687.00	0.04	8324.00	0.00	8324.00	0.07	0.03
	Non Resident Indians (Repat)	18967.00	0.00	18967.00	0.17	32978.00	0.00	32978.00	0.30	0.13
	Clearing Member	28167.00	0.00	28167.00	0.25	93063.00	0.00	93063.00	0.84	0.58
	Bodies Corporate	311598.00	6750.00	318348.00	2.86	268679.00	6750.00	275429.00	2.48	0.38
	Sub Total (B)(3)	**3050660.00**	**374277.00**	**3424937.00**	**30.78**	**3065822.00**	**356295.00**	**3422117.00**	**30.76**	**0.02**
	Total Public Shareholding(B)=									
	(B)(1)+(B)(2)+(B)(3)	**3050660.00**	**375152.00**	**3425812.00**	**30.79**	**3070142.00**	**357170.00**	**3427312.00**	**30.81**	**-0.02**
	Total (A)+(B)	**10750660.00**	**375152.00**	**11125812.00**	**100.00**	**10768642.00**	**357170.00**	**11125812.00**	**100.00**	**0.00**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
[2]	Employee Benefit Trust (under SEBI									
	(Share based Employee Benefit)									
	Regulations, 2014)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)+(B)+(C)	**10750660.00**	**375152.00**	**11125812.00**	**100.00**	**10768642.00**	**357170.00**	**11125812.00**	**100.00**	

ii. Shareholding of Promoters and Promoter Group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2017			Shareholding at the end of the year-2018			% change in shareholding during the year
		No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AJAY D. BIYANI	1700000	15.28	0.00	1700000	15.28	0.00	0.00
2	ANIL D. BIYANI	1475000	13.26	0.00	1475000	13.26	0.00	0.00
3	ARUN KUMAR BIYANI	1325000	11.91	0.00	1325000	11.91	0.00	0.00
4	MANJU BIYANI	670000	6.02	0.00	670000	6.02	0.00	0.00
5	KANTA BIYANI	370000	3.33	0.00	370000	3.33	0.00	0.00
6	ARUN KUMAR BIYANI (HUF)	355000	3.19	0.00	355000	3.19	0.00	0.00
7	SANJU A. BIYANI	325000	2.92	0.00	325000	2.92	0.00	0.00
8	CSS MERCANTILE PVT LTD	250000	2.25	0.00	250000	2.25	0.00	0.00
9	SUAM OVERSEAS PVT. LTD.	235000	2.11	0.00	235000	2.11	0.00	0.00
10	ADITYA BIYANI	160000	1.44	0.00	160000	1.44	0.00	0.00
11	AMAN BIYANI	135000	1.21	0.00	135000	1.21	0.00	0.00
12	DAMOSUAM CARRIERS PRIVATE LIMITED (FORMERLY KNOWN AS PANNA YARN PVT. LTD.)	125000	1.12	0.00	123500	1.10	0.00	0.02
13	AKSHAY ANIL BIYANI	125000	1.12	0.00	125000	1.12	0.00	0.00
14	BHAWNA A. BIYANI	95000	0.85	0.00	95000	0.85	0.00	0.00
15	AJAY D. BIYANI (HUF)	90000	0.81	0.00	90000	0.81	0.00	0.00
16	ABHISHEK A. BIYANI	85000	0.76	0.00	85000	0.76	0.00	0.00
17	DAMODARLAL BIYANI (HUF)	70000	0.63	0.00	70000	0.63	0.00	0.00
18	SAVITRIDEVI DAMODAR LAL BIYANI	55000	0.49	0.00	55000	0.49	0.00	0.00
19	PAYAL A BIYANI	30000	0.27	0.00	30000	0.27	0.00	0.00
20	RADHIKA A BIYANI	25000	0.22	0.00	25000	0.22	0.00	0.00
	Total	**7700000**	**69.21**	**0.00**	**7698500**	**69.19**	**0.00**	**0.02**

(iii) Change in Promoters Shareholding:

SR. No.	Name & Type of Transaction	Shareholding at the beginning of the year -2017		Transactions during the year		Cumulative Shareholding at the end of the year -2018	
		No. of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares
1	AJAY D BIYANI	1700000	15.28			1700000	15.28
	AT THE END OF THE YEAR					1700000	15.28
2	ANIL D. BIYANI	1475000	13.26			1475000	13.26
	AT THE END OF THE YEAR					1475000	13.26
3	ARUN KUMAR BIYANI	1325000	11.91			1325000	11.91
	AT THE END OF THE YEAR					1325000	11.91
4	MANJU BIYANI	670000	6.02			670000	6.02
	AT THE END OF THE YEAR					670000	6.02
5	KANTA BIYANI	370000	3.33			370000	3.33
	AT THE END OF THE YEAR					370000	3.33
6	ARUN KUMAR BIYANI (HUF)	355000	3.19			355000	3.19
	AT THE END OF THE YEAR					355000	3.19
7	SANJU A. BIYANI	325000	2.92			325000	2.92
	AT THE END OF THE YEAR					325000	2.92
8	CSS MERCANTILE PVT LTD	250000	2.25			250000	2.25
	AT THE END OF THE YEAR					250000	2.25
9	SUAM OVERSEAS PVT. LTD.	235000	2.11			235000	2.11
	AT THE END OF THE YEAR					235000	2.11
10	ADITYA BIYANI	160000	1.44			160000	1.44
	AT THE END OF THE YEAR					160000	1.44
11	AMAN BIYANI	135000	1.21			135000	1.21
	AT THE END OF THE YEAR					135000	1.21
12	AKSHAY ANIL BIYANI	125000	1.12			125000	1.12
	AT THE END OF THE YEAR					125000	1.12
13	DAMOSUAM CARRIERS PRIVATE LIMITED (FORMERLY KNOWN AS PANNA YARN PVT. LTD.)	125000	1.12			125000	1.12
	TRANSFER			22 SEP 2017	-1500	123500	1.10
	AT THE END OF THE YEAR					123500	1.10
14	BHAWNA A. BIYANI	95000	0.85			95000	0.85
	AT THE END OF THE YEAR					95000	0.85
15	AJAY D. BIYANI (HUF)	90000	0.81			90000	0.81
	AT THE END OF THE YEAR					90000	0.81
16	ABHISHEK A. BIYANI	85000	0.76			85000	0.76
	AT THE END OF THE YEAR					85000	0.76
17	DAMODARLAL BIYANI (HUF)	70000	0.63			70000	0.63
	AT THE END OF THE YEAR					70000	0.63
18	SAVITRIDEVI DAMODAR LAL BIYANI	55000	0.49			55000	0.49
	AT THE END OF THE YEAR					55000	0.49
19	PAYAL A BIYANI	30000	0.27			30000	0.27
	AT THE END OF THE YEAR					30000	0.27
20	RADHIKA A BIYANI	25000	0.22			25000	0.22
	AT THE END OF THE YEAR					25000	0.22

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

SR. No.	Name & Type of Transaction	Shareholding at the beginning of the year -2017		Transactions during the year		Cumulative Shareholding at the end of the year -2018	
		No. of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares
1	DINDAYAL BIYANI EQUITIES PRIVATE LIMITED	125000	1.12			125000	1.12
	AT THE END OF THE YEAR					125000	1.12
2	OMKARNATH DAMODAR MALPANI HUF	120000	1.08			120000	1.08
	AT THE END OF THE YEAR					120000	1.08
3	F L DADABHOY	96000	0.86			96000	0.86
	Transfer			16 Feb 2018	-3000	93000	0.84
	Transfer			23 Feb 2018	-18000	75000	0.67
	AT THE END OF THE YEAR					75000	0.67
4	PUSHPADEVI SITARAM BIYANI	73702	0.66			73702	0.66
	AT THE END OF THE YEAR					73702	0.66
5	DILIPKUMAR H PARMAR	168243	1.51			168243	1.51
	Transfer			07 Apr 2017	357	168600	1.52
	Transfer			16 Jun 2017	12400	181000	1.63
	Transfer			04 Aug 2017	-4700	176300	1.58
	Transfer			11 Aug 2017	-2082	174218	1.57
	Transfer			18 Aug 2017	5000	179218	1.61
	Transfer			01 Sep 2017	-12577	166641	1.50
	Transfer			08 Sep 2017	-3141	163500	1.47
	Transfer			15 Sep 2017	-2000	161500	1.45
	Transfer			22 Sep 2017	-2000	159500	1.43
	Transfer			29 Sep 2017	-42056	117444	1.06
	Transfer			06 Oct 2017	-4259	113185	1.02
	Transfer			13 Oct 2017	-2551	110634	0.99
	Transfer			27 Oct 2017	-2000	108634	0.98
	Transfer			03 Nov 2017	-16383	92251	0.83
	Transfer			10 Nov 2017	1295	93546	0.84
	Transfer			17 Nov 2017	11695	105241	0.95
	Transfer			24 Nov 2017	-2000	103241	0.93
	Transfer			01 Dec 2017	-26000	77241	0.69
	Transfer			08 Dec 2017	2000	79241	0.71
	Transfer			15 Dec 2017	-3000	76241	0.69
	Transfer			22 Dec 2017	-7186	69055	0.62
	Transfer			29 Dec 2017	-1135	67920	0.61
	Transfer			26 Jan 2018	-2700	65220	0.59
	Transfer			16 Feb 2018	-600	64620	0.58
	AT THE END OF THE YEAR					64620	0.58
6	THYAGARAJAN GURUMURTHY	60914	0.55			60914	0.55
	AT THE END OF THE YEAR					60914	0.55

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

SR. No.	Name & Type of Transaction	Shareholding at the beginning of the year -2017		Transactions during the year		Cumulative Shareholding at the end of the year -2018	
		No. of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares
7	BINA GIRDHARLAL DAGA .	58000	0.52			58000	0.52
	AT THE END OF THE YEAR					58000	0.52
8	SITADEVI BIYANI	63028	0.57			63028	0.57
	Transfer			22 Sep 2017	-5098	57930	0.52
	Transfer			13 Oct 2017	-2000	55930	0.50
	AT THE END OF THE YEAR					55930	0.50
9	N F DADABHOY	45000	0.40			45000	0.40
	AT THE END OF THE YEAR					45000	0.40
10	SUMAN RAJKUMAR DAMANI	62500	0.56			62500	0.56
	Transfer			16 Feb 2018	-9000	53500	0.48
	Transfer			23 Feb 2018	1000	54500	0.49
	Transfer			09 Mar 2018	-10000	44500	0.40
	AT THE END OF THE YEAR					44500	0.40

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding at the end of the year (31.03.2018)	
		No. of Shares held	% of total shares of the Company				No. of Shares held	% of total shares of the Company
1	Ajay D. Biyani	1700000	15.28	No change during the year			1700000	15.28
2	Anil D. Biyani	1475000	13.26	No change during the year			1475000	13.26
3	Arunkumar Biyani	1325000	11.91	No change during the year			1325000	11.91
4	Farida Bomi Jambusarwalla	89878	0.81	No change during the year			89878	0.81

The following Directors / Key Managerial Personnel (KMP) did not hold any shares during financial year 2017-18.

• Girdharlal S. Daga • Ashok Kumar Damani • Raghavan Srinivas • R. Kumar • Subodh Kumar Soni

V. INDEBTENDNESS

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

(Amt. in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	88,38,25,625	2,68,00,000	7,44,57,000	98,50,82,625
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**88,38,25,625**	**2,68,00,000**	**7,44,57,000**	**98,50,82,625**
Change in Indebtedness during the financial year				
• Addition	25,13,47,490	14,08,00,000	24,93,16,000	64,14,63,490
• Reduction	-	-	-	-
Net Change	**25,13,47,490**	**14,08,00,000**	**24,93,16,000**	**64,14,63,490**
Indebtedness at the end of the financial year				
i) Principal Amount	1,13,51,73,115	16,76,00,000	32,37,73,000	1,62,65,46,115
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due				
Total (i+ii+iii)	**1,13,51,73,115**	**16,76,00,000**	**32,37,73,000**	**1,62,65,46,115**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amt. in ₹)

Sl No.	Particulars of Remuneration	Name of Managing Director/Whole Time Director			Total
		Ajay D. Biyani	Arunkumar Biyani	Anil D. Biyani	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	57,60,000	57,60,000	57,60,000	1,72,80,000
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	Nil	7,92,300	Nil	7,92,300
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
5	Other, Please specify	Nil	Nil	Nil	Nil
	Total (A)	**57,60,000**	**65,62,000**	**57,60,000**	**1,80,72,000**
	Ceiling as per the Act	In compliance of Section 197 read with Schedule V of the Companies Act, 2013			

B. Remuneration to other directors:

(Amt. in ₹)

Sl No.	Particulars of Remuneration	Name of Directors				Total
		Mr. Girdharlal Daga	Mr. Ashok Kumar Damani	Mr. Raghavan Srinivas	Mrs. Farida Bomi Jambusarwalla	
1	Independent Directors					
	· Fee for attending board committee meetings	36,000	36,000	26,000	26,000	
	· Commission	Nil	Nil	Nil	Nil	
	· Others, please specify	Nil	Nil	Nil	Nil	
	Total (1)	**36,000**	**36,000**	**26,000**	**26,000**	**124,000**
2	Other Non-Executive Directors	N.A.	N.A.	N.A.	N.A.	
	· Fee for attending board committee meetings					
	· Commission					
	· Others, please specify					
	Total (2)	**N.A.**	**N.A.**	**N.A.**	**N.A.**	
	Total (B)=(1+2)	**36,000**	**36,000**	**26,000**	**26,000**	**124,000**
	Total Managerial Remuneration (A+B)					**1,81,96,000**
	Ceiling as per the Act	In compliance of Section 197 read with Schedule V of the Companies Act, 2013				

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD:

(₹ in Lakhs)

Sl No.	Particulars of Remuneration	Name of KMP			Total
		CEO	Company Secretary (Subodh Kumar Soni)	CFO (R. Kumar)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	8.70	14.25	22.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify				
5	Others, please specify	Nil	Nil	Nil	Nil
	Total		**8.70**	**14.25**	**22.95**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding	Authority (RD/NCLT/ COURT)	Appeal made, if any (give Details)
COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
DIRECTOR					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
OFFICER IN					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure - D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   The CSR Policy was approved by the Board of Directors of the Company and has been uploaded on the Company's Website i.e. www.damodargroup.com. A gist of the programs/activities that the Company has undertaken under the CSR Policy are mentioned below (Please refer Pont No. 5(c).

2. The Composition of the CSR Committee:

   The Company has a Corporate Social Responsibility Committee of Directors comprising of Mr. Arunkumar Biyani, Chairman, Mr. Girdharlal S. Daga and Mr. Anil D. Biyani, Members.

3. Average net profit of the Company for last three financial years:

   The average net profit of the Company was Rs. 1675.92 Lakhs.

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): Rs.33.52 Lakhs.

5. Details of CSR spent during the financial year:

   (a) Total amount to be spent for the financial year: **Rs.14.50 Lakhs.**
   (b) Amount unspent, if any: **19.02 Lakhs.**
   (c) Manner in which the amount spent during the financial year is detailed below:

Sl No.	CSR project or activity	Sector in which the project is covered	Location	Amount Outlay (Budget) Project or Program wise (₹ in lacs)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (₹in lacs)	Cumulative Expenditure upto the reporting period i.e. FY 2017-2018 (₹in lacs)	Amount Spent Direct or through Implementing Agency
2	To promote Environment	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil.	Gujarat	14.50	14.50	Nil	Implementing Agency – Damodar Foundation

6. Reasons for not spending the two percent of the average net profits of the last three financial years: The Company's spend on the CSR activities has been less than the limits prescribed under the Companies Act 2013.

   This is because the company did not find any further suitable projects or programs during the year to spend , for achieving the prescribed limit as per the Companies Act,2013. However the CSR activities are scalable which coupled with new initiatives that may be considered in future, moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors of the Company, is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Sd/-
Arunkumar Biyani
Chairman, CSR Committee

Sd/-
Anil D. Biyani
Executive Director

Place: Mumbai
Date: May 26, 2018

Annexure - E

Particulars of Employees pursuant to section 197 of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

(I) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18, The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2017-18:

Name of Directors	Ratio of remuneration of each director to median remuneration of the employees	% increase in Remuneration in the Financial Year 2017-18
Mr. Arunkumar Biyani	47.63	9.09%
Mr. Ajay D. Biyani	47.63	9.09%
Mr. Anil D. Biyani	47.63	9.09%
Mr. Girdharlal S. Daga	N.A.	N.A.
Mr. Ashok Kumar Damani	N.A.	N.A.
Mr. Raghavan Srinivas	N.A.	N.A.
Mrs. Farida Bomi Jambusarwalla	N.A.	N.A.
Mr. R.Kumar (Chief Financial Officer)	N.A.	6.82%
Mr. Subodh Kumar Soni (Company Secretary)	N.A.	6%

(ii) The MRE of the Company during the financial year under review was Rs.1,20,936/- as compared to Rs.1,12,800/- in previous year.

(iii) The increase in MRE in the financial year 2017-18 as compared to the financial year 2016- 17 was 10%.

(iv) Number of permanent employees on the rolls of company: 423 as on 31.03.2018

(v) The explanation on the relationship between average increase in remuneration and company Performance:

The Company, being a manufacturing company, invest in quality human capital and the remuneration paid/increment given by it to the employee is governed by its objective to attract & retain best talents and to related to the financial performance of the company.

(vi) Comparison of the remuneration of the KMP against the performance of the Company:

(₹ in Lakhs)

Aggregate remuneration of KMP in Financial Year 2017-18	80.46
Revenue	64965.32
Remuneration of KMPs (as % of revenue)	0.12
Profit before Tax (PBT)	1770.13
Remuneration of KMPs (as % of PBT)	4.55

(vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:

The Market Capitalisation of the company has increased from Rs. 87.39 Crores as of March 31,2017 to Rs. 142.52 Crores as of March 31,2018. Over the same period, the price earning ration moved from 9.66 to 12.25.

The Stock price of the Company as at March 31, 2018 has increased by 268.57 % to Rs.129 (BSE) over last public issue i.e., Right Issue in January 2008 at the price of Rs.35 per shares.

(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 6% to 10%, whereas the increase in the managerial remuneration for the same financial year was 6% to 10%..

(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

Average increase in remuneration of Key Managerial Personnel was 6% to 10% for the year 2017-18, which is based partly on the result of the company for the year ended 2017 and partly on the individuals employee's performance.

(x) Component of Remuneration of directors is not variable during the particular year.

(xi) 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;

The Managing Director and whole Time Directors is the highest paid directors. No employee received remuneration higher than the Managing Director and Whole Time Director.

(xii) It is hereby affirmation that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employee of the company.

Particulars of Employees pursuant to section 197 of the Companies Act, 2013 reaped with Rules 5 (2) and (3)of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 : NIL

Annexure - F

FORM AOC - 2

(Pursuant to clause (h) of Sub-section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Account) Rules,2014.

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis: N.A.

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2018, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis: -

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2018 is as follows:

Name of the party	Nature of Transaction	Amount in ₹ (2017-2018)
Arunkumar Biyani	Interest on Unsecured Loan	672,585
	Directors Remuneration	5,760,000
	Unsecured Loan Balance	24,500,000
Ajay D. Biyani	Interest on Unsecured Loan	663,307
	Directors Remuneration	5,760,000
	Unsecured Loan Balance	11,700,000
Anil D. Biyani	Interest on Unsecured Loan	2,462,241
	Directors Remuneration	5,760,000
	Unsecured Loan Balance	38,300,000
	Perquisites	792,000
Shri Damodar Yarn Mfg Pvt. Ltd.	Sales of Goods/materials	18,318,700
	Purchases Goods/materials	226,811
	Job Work	3,698,544
Suam Overseas Pvt. Ltd.	Sales of Goods/materials	127,230,882
	Purchases Goods/materials	156,803,009
	Job Work Sales	4,552,265
	Job Work Purchases	384,486
	Trade Receivable	404,917
Shri Damodar Foundation	Rent	960,000
	Trade Payables	270,000
Arunkumar Biyani (HUF)	Rent	60,000
Ajay D. Biyani (HUF)	Rent	60,000
Abhishek Biyani	Interest on FD	16,654
	Fixed Deposit Balance	200,000
Akshay Biyani	Interest on FD	53,099
	Fixed Deposit Balance	407,000
Manju Biyani	Interest on FD	148,870
	Fixed Deposit Balance	17,500,000

Name of the party	Nature of Transaction	Amount in ₹ (2017-2018)
Reiya Biyani	Interest on FD	17,926
Risha Biyani	Interest on FD	743
Savitridevi Biyani	Interest on FD	323,899
	Fixed Deposit Balance	2,819,000
Aman Biyani	Interest on FD	183,795
	Fixed Deposit Balance	17,500,000
	Employee Remuneration	2,400,000
Aditya Biyani	Interest on FD	148,870
	Fixed Deposit Balance	17,500,000
	Employee Remuneration	2,400,000
	Rent	60,000
Payal Biyani	Interest on FD	1,966
	Employee Remuneration	1,020,000
	Fixed Deposit Balance	220,000
Kiara Biyani	Interest on FD	21,419
	Fixed Deposit Balance	182,000
Radhika Biyani	Interest on FD	9,670
	Fixed Deposit Balance	180,000
	Employee Remuneration	900,000
Jia Biyani	Interest on FD	9,240
	Fixed Deposit Balance	195,000

a) Duration of the contracts / arrangements/transactions: FY 2017-18

b) Salient terms of the contracts or arrangements or transactions including the value, if any:
All proposed transactions are proposed to be carried out based on business requirements of the Company and shall be in ordinary course of business and at arms' length.

c) Date of approval by the Board: 26/05/ 2018

d) Amount paid as advances, if any: Nil

Annexure - G

Nomination, Remuneration and Evaluation Policy

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of Damodar Industries Limited (the "Company").

"Key Managerial Personnel (KMP) means –

(i) Managing Director;

(ii) Company Secretary,

(iii) Whole-time Director;

(iv) Chief Financial Officer; and

(v) Such other Officer as may be prescribed.

The term "Senior Management Personnel" means to include all members other than the Directors and KMPs of the Company, who are the functional heads of the different functions of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and under the Listing Regulations.

1. Purpose

The primary objective of the Policy is to provide a framework and set standards for the selection, nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

2. Accountabilities

- The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations and nominations to the Board.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) is responsible for:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- recommending to the Board on the selection of individuals nominated for directorship;
- making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed;
- assessing the independence of independent directors;
- such other key issues/matters as may be referred by the Board or as may be necessary in view of the Listing regulations and provisions of the Companies Act 2013 and Rules thereunder.
- to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- to devise a policy on Board diversity;

- to develop a succession plan for the Board and to regularly review the plan;

The composition and term of Nomination and Remuneration Committee shall be subject to the following:

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

- Chairman of the Committee shall be an Independent Director.
- Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

COMMITTEE MEMBERS' INTERESTS

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VOTING

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have the casting vote.

4. Appointment of Directors/KMPs/Senior Officials

4.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment as KMP or a level below KMP and to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- assessing the appointee against a range of criteria which includes but will not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

4.2 Personal specifications:

- Degree holder in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;

- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

5. Letters of Appointment

Each of Directors/KMP/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

6. Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other senior officials. The Directors, Key Managerial Personnel and other senior official's remuneration shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed under the Companies Act, 2013 and the Rules made thereunder, if any.

The Nominations & Remuneration Committee shall determine and recommend individual remuneration packages for Directors, KMPs and Senior Officials of the Company to the Board of Directors after taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government / other guidelines.

(i) Remuneration:

a) Base Compensation (fixed salaries)

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/ non-statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The Nominations & Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, for fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable shall be determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

(ii) Statutory Requirements:

- Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V to the Companies Act, 2013.
- The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.

- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

6.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

6.2 The remuneration payable to the Directors shall be as per the Company's policy and subject to the provisions of the Companies Act, 2013 and shall be valued as per the applicable Income Tax Act / Rules.

6.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board and subject to the provisions of the Companies Act, 2013 having regard to their experience, leadership abilities, initiative taking abilities and knowledge base. The composition and term of Nomination and Remuneration Committee shall be subject to the following:

7. Evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis to comply with the requirements of the Listing Regulations and Companies Act, 2013. The following criteria may assist in determining how effective the performance of the Directors/KMPs/Senior officials have been:

- leadership & stewardship abilities;
- contributing to clearly defined corporate objectives & plans;
- communication of expectations & concerns clearly with subordinates;
- obtain adequate, relevant & timely information from external sources;
- review & approve achievement of strategic and operational plans, objectives, budgets;
- regular monitoring of corporate results against projections;
- identify, monitor & mitigate significant corporate risks;
- assess policies, structures & procedures;
- direct, monitor & evaluate KMPs, senior officials;
- review management's succession plan;
- effective meetings and assuring appropriate board size, composition, independence, structure;
- clearly defining roles & monitoring activities of committees and
- review of Company's ethical conduct.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Wholetime/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. The Independent Director being evaluated will not participate in the said evaluation discussion.

The Nomination and Remuneration Committee shall also carry out evaluation of the performance of Directors of the Company at regular intervals.

8. Review and Amendment

- The Nomination and Remuneration Committee or the Board may review the policy as and when it deems necessary.
- The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- This policy may be amended or substituted by the Board of Directors on the of the recommendation Nomination and Remuneration Committee.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-2018

Pursuant to Regulation 34 (3) read with Schedule V of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Corporate Governance Report, for Financial Year 2017-18, which forms a part of Boards Report, is prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). This report is for compliance with the Listing Regulations.

COMPANY PHILOSOPHY:

Our Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financials and performance, as well as disclosure related to leadership and governance of Damodar Industries Limited. We believe that an active, well informed and Independent Board is necessary to ensure the highest standard of Corporate Governance.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. .

The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Good Corporate Governance is an integral part of the Company's value system and the Company Management places considerable emphasis on compliance therewith aimed at providing good governance.

Accordingly, this Company's philosophy extends beyond what is being reported under this Report and it has been the Company's constant endeavour to attain the highest levels of Corporate Governance.

The detailed report on implementation by the Company, of the Corporate Governance Code is set out below:

1. BOARD OF DIRECTORS

The Board of Directors ensures that the Company runs its business on fair and ethical principles and plays an important role in creation of value for its stakeholders, in terms of the Company's Corporate Governance and Ethics Policy. All statutory and other significant and material information including information mentioned in Regulation 17(7) read with Part A of Schedule II the Listing Regulations, is placed before the Board of Directors to enable it to discharge its responsibilities of strategic supervision of the Company with due compliance of laws and as trustees of stakeholders. The Managing Director and Executive Director are responsible for the day-to-day management of the Company, subject to the supervision, direction and control of the Board of Directors. The Executive Directors are ably assisted by the Management Committee and Operating Committee, which implement the decisions and the strategic policies of the Board of Directors.

Composition

Your company endeavors to have a judicious mix of executive, non executive and independent directors, so as to have independence on the Board and separate its function of governance from that of management. Your Company also has a woman director which brings diversity on the Board.

The composition of the Board of Directors of the Company ('the Board') is in conformity with the requirement of Regulation 17 of the Listing Regulations. As on March 31, 2018, the Board comprises of seven directors including one woman director. The Chairman of the Board is an Executive Director and the number of Independent Directors is more than 50% of the total number of Directors.

None of the Directors on the Board is serving as an Independent Director in more than seven / three Listed entities, as specified in Regulation 25 of the Listing Regulations.

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees (as specified in Regulation 26 of Listing Regulations), across all the public companies in which he/she is a Director.

Further, the maximum tenures of Independent Directors are in line with provisions of section 149(10) and (11) of the Act and Rules made thereunder.

The information on composition of the Board, category and their Directorships, Committee Membership / Chairmanship across all the companies in which they are Directors, as on March 31, 2018 is as under:

Name of Director	Nature of Directorship	Relationship with other Directors	*No. of Directorship	**No. of Chairmanship/ Membership of Committees in public companies	
			Public Limited Companies	Membership	Chairmanship
Mr. Arun Kumar Biyani DIN – 00016519	Executive Chairman	Brother of Mr. Ajay D. Biyani & Mr. Anil D. Biyani	Nil	Nil	Nil
Mr. Ajay D. Biyani DIN – 00014896	Managing Director	Brother of Mr. Arunkumar Biyani & Mr. Anil D. Biyani	Nil	Nil	Nil
Mr. Anil D. Biyani DIN – 00016554	Executive Director	Brother of Mr. Arunkumar Biyani & Mr. Ajay D. Biyani	Nil	Nil	Nil
Mr. Girdharlal S. Daga DIN – 00115772	Non-Executive Independent Director	None	Nil	Nil	Nil
Mr. Ashok Kumar Damani DIN – 00069143	Non-Executive Independent Director	None	Nil	Nil	Nil
Mr. Raghavan Srinivas DIN – 07090385	Non-Executive Independent Director	None	Nil	Nil	Nil
Mrs. Farida Bomi Jambusarwalla DIN - 07139945	Non-Executive Independent Director	None	Nil	Nil	Nil

*Excludes alternate Directorship, Directorship of Private Limited Companies, Section 8 Companies and Companies incorporated outside India.

**In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies have been considered.

None of the Directors are disqualified for appointment under section 164 (2) of Companies Act, 2013.

Board Meetings & Attendance:

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents, so that each Board member can actively participate on agenda items during the meeting.

During the Financial Year 2017-18, The Board met Six (6) times on May 29, 2017, August 11, 2017, November 11, 2017, January 23, 2018, February 14, 2018 and March 29,2018. The intervening gap between the above said Meetings was within the timelines as stipulated under the Companies Act, 2013.

Name of Director	No. of Board Meeting held	No. of Meeting attended	Last AGM attended
Mr. Arunkumar Biyani	6	6	Yes
Mr. Ajay D. Biyani	6	6	Yes
Mr. Anil D. Biyani	6	6	Yes
Mr. Girdharlal S. Daga	6	5	Yes
Mr. Ashok kumar Damani	6	5	Yes
Mr. Raghavan Srinivas	6	4	Yes
Mrs. Farida Bomi Jambusarwalla	6	4	Yes

Shareholding of Non-Executive Directors

The Individual shareholding of Non Executive Independent Directors of the Company as on March 31, 2018 is given below:

Name of Non – Executive Directors	No. of Shares
Mr. Girdharlal S. Daga	Nil
Mr. Ashok Kumar Damani	Nil
Mr. Raghavan Srinivas	Nil
Mrs. Farida Bomi Jambusarwalla	89,878

Details of Director seeking re-appointment at the forthcoming Annual General Meeting

Mr. Anil D. Biyani is a BBA from USA, having 36 years of experience in the textile industry. Mr. Anil D. Biyani is the key person in setting up Company's unit. He is associated with the Company since incorporation of the Company and is well versed with marketing, Trading, Corporate Management and production process aspects of yarn.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 14, 2018, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. All the Independent Directors i.e. Mr. Girdharlal S. Daga, Mr. Ashok Kumar Damani, Mr. Raghavan Srinivas and Mrs. Farida Bomi Jambusharwalla attended the Meeting of Independent Directors. Mr. Ghirdhar S. Daga Chaired the meeting.

Code of Conduct

The Company has adopted Code of Conduct for its Executive Directors, Senior Management Personnel and other employees of the Company. The Company has confirmations from Executive Directors and Senior Management Personnel regarding compliance of the aforesaid Code for the financial year ended March 31, 2018. The Company has received confirmations from the Directors regarding compliance of the Code for the financial year ended March 31, 2018.

Board, Director and Committee Evaluation and Criteria for Evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria for performance evaluation of individual Directors and the Board / Committees.

The criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Executive Directors.

The criteria for Board Evaluation include degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The criteria for committee evaluation includes degree of fulfillment of key responsibilities, adequacy of Board committee composition, effectiveness of meetings, committee dynamics, quality of relationship of the committee with Board and the management.

Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The details of familiarization programmes imparted to the Independent Directors is disclosed on the Company's Website at www.damodargroup.com

2. STATUTORY BOARD COMMITTEES

A. Audit Committee

The Audit Committee of the Company is constituted in line with Regulation 18 of the Listing Regulation and Section 177 of Companies Act, 2013. As on March 31, 2018 the Audit Committee of the Company comprises of four Directors, out of whom three are Non-Executive Independent Directors. Mr. Girdharlal S. Daga, Chairman of the Committee is an Independent Director. All the Members of the Committee possess accounting and financial management expertise. The Company Secretary functions as Secretary to the Committee.

During the year under review, four meetings of the Committee were held on May 29, 2017, August 11, 2017, November 11, 2017 and February14, 2018. The gap between two Meetings did not exceed one hundred and twenty days as prescribed in the Listing Regulations.

The composition of the Committee and the attendance of the Members at the above meetings are as under:

Name of the Member	Designation	No. of Meetings	
		held	attended
Mr. Girdharlal S. Daga	Chairman	4	4
Mr. Ashok Kumar Damani	Member	4	4
Mr. Arunkumar Biyani	Member	4	4
Mr. Raghavan Srinivas	Member	4	4

Members of the Audit Committee have requisite financial, legal and management expertise.

The Chairman of the Audit Committee briefs the Board members about the significant discussions held at the Audit Committee meetings. The erstwhile Chairman of the Audit Committee, Mr. Girdharlal S. Daga was present at the Annual General Meeting held on August 11,2017.

Terms of Reference

The Committee has been mandated to comply with the requirements as specified in Part C of Schedule II of the Listing Regulations and the provisions of section 177 of the Act. The terms of reference are reviewed from time to time by the Board.

The functions of the Committee include:

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

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Qualifications in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;

a. Evaluation of internal financial controls and risk management systems;

b. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit; Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (I): The term "related party transactions" shall have the same meaning as provided in Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;

- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) of the Company is constituted in line with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013. As on March 31, 2018, the NRC comprises of three Non-Executive Independent Directors. The composition of the NRC and the details of Meetings attended by the Members are given below:

Name of the Member	Designation	Category
Mr. Girdharlal S. Daga	Chairman	Non-Executive Independent Director
Mr. Ashok Kumar Damani	Member	Non-Executive Independent Director
Mr. Raghavan Srinivas	Member	Non-Executive Independent Director

Meeting and attendance during the year:

During the financial year 2017-18, the Nomination and Remuneration Committee met on May 29,2017 and February 14,2018. Mr. Girdharlal S. Daga, Mr. Ashok Kumar Damani and Mr. Raghavan Srinivas members of the committee have attended the meeting.

The terms of reference of the Nomination and Remuneration Committee are as under:

The Committee has been mandated to comply with the requirements as specified in Part C of Schedule II of the Listing Regulations and the provisions of section 178 of the Act. The terms of reference are reviewed from time to time by the Board.

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; Formulation of criteria for evaluation of Independent Directors and the Board;

(ii) Devising a policy on Board diversity;

(iii) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

(iv) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The Chairman of the nomination and remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries.

The Board of Directors decides on remuneration, if any, payable to non-executive Directors. The company is not paying any commission to its Non-Executive Directors.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR), Regulations 2015, the performance of all the Directors have been evaluated by the Board periodically at its various meetings as to their contribution for the betterment and progress of the Company. The board also, carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

REMUNERATION TO DIRECTORS

a. Managing Director / Executive Director

The remuneration paid to the Managing Director / Executive Director for the year ended March 31,2018 is as under:

(Amt. in ₹)

Name of Directors	Remuneration	Total
Mr. Arunkumar Biyani	5,760,000	5,760,000
Mr. Ajay D. Biyani	5,760,000	5,760,000
Mr. Anil D. Biyani	5,760,000	5,760,000

Perquisites of Rs, 7,92,000/- paid to Mr. Anil D. Biyani, Executive Director of the Company for the financial Year 2017-18.

b. Non-Executive Directors

The Non-Executive Independent Directors of the Company are paid sitting fees for attending the meeting of the Board of Directors for the financial year 2017-18 as under:

(Amt. in ₹)

Name of Director	Sitting Fee	Total
Mr. Girdharlal S. Daga	36,000	36,000
Mr. Ashok Kumar Damani	36,000	36,000
Mr. Raghavan Srinivas	26,000	26,000
Mrs. Farida Bomi Jambusarwalla	26,000	26,000

No sitting fee is being paid to the Directors for attending the Meeting of the Committees of the Board.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee presently comprises of Mr. Girdharlal S. Daga, Chairman of the Committee, Mr. Arunkumar Biyani and Mr. Ashok Kumar Damani, Directors of the Company, as the other members of the Committee.

During the year under review, four meetings of Stakeholders' Relationship Committee were held on May 29, 2017, August 11,2017, November 11,2017, February14,2018. The attendance of the Members at the above meetings is as under:

Name of the Member	Designation	No. of Meetings	
		held	attended
Mr. Girdharlal S. Daga	Chairman	4	4
Mr. Arunkumar Biyani	Member	4	4
Mr. Ashok Kumar Damani	Member	4	4

The Committee's composition is in line with the provisions of section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Terms of reference of the Committee

- Review statutory compliance relating to all security holders;
- Consider and resolve the grievances of security holders of the company including complaints related to transfer of securities, non-receipt of annual
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund;
- Oversee and review all matters related to the transfer of securities of the Company;
- Approve issue of duplicate certificates of the Company;
- Review movements in shareholding and ownership structures of the Company;
- Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent;

- Recommend measures for overall improvement of the quality of investor services.

Investors' Grievance Redressal:

Details of investor complaints received and resolved during the year under review are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	6	6	Nil

Compliance Officer:

Mr. Subodh Kumar Soni, Company Secretary of the Company is the Compliance officer of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted in line with the provisions of section 135 of the Act. Presently, the Committee comprises of Mr. Arunkumar Biyani as Chairman, Mr. Girdharilal Daga and Mr. Anil D. Biyani as Members of the Committee. During the year under review, three meeting of the Committee were held. The Committee functions in accordance with the terms of reference as specified under the Act, and as may be specified by the Board from time to time, which inter-alia includes:

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
2. To recommend the amount of expenditure to be incurred on the CSR activities and To monitor the implementation of the framework of the CSR Policy.
3. To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities.
4. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the CSR Committee in its meeting held on May 29, 2017 and February 14,2018.

Mr. Subodh Kumar Soni, Company Secretary and Compliance Officer, acts as Secretary to the CSR Committee.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the year 2017-18 forms a part of the Board's Report.

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of Mr. Arunkumar Biyani, Executive Director of the Company, Mr. Ajay D. Biyani, Managing Director of the Company and Mr. Aditya Biyani, Head-Finance & Marketing of the Company.

The Committee functions in accordance with the terms of reference as specified by the Board from time to time, which inter-alia includes implementing and monitoring of risk management plan and policy of the Company. One meeting of the Committee was held on February14, 2018.

RISK MANAGEMENT

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company.

The Audit Committee/Board of Directors periodically reviews the risk assessment and minimization procedures and ensures that executive management controls risk through means of a properly defined framework.

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company.

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy and monitoring and implementation of Risk Management Plan and Policy. The identified the risk and keep the risk at zero level or minimum level.
- Procedure for Risk Minimisation and periodically reviewing and evaluating the Risk Management Policy.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function.
- The Company is committed to managing risk in a manner appropriate to achieve its strategic objectives.

3. DISCLOSURES

Related Party Transactions:

All transactions entered into with Related Parties as defined under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arms length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

All related party transaction are periodically placed before Audit committee and Board the review and approval. The details of the related party transaction are discussed in page no.88 in this Annual Report.

The Company has formulated a policy on materiality of related party transaction and dealing with related party transactions and it is available on the Company's website www.damodargroup.com

Prevention of Insider Trading:

The Company has adopted an Insider Trading Policy to regulate monitor and trading by Insiders under the SEBI (Prohibition of Insider Trading) Regulations,2015. The Policy also includes practices and procedures for fair disclosure of unpublished price- sensitive information, initial and continues disclosures and regulate trading in securities by the Directors and designated employees of the Company.

Compliances by the Company:

There are no instances of non - compliance by your Company of penalties, strictures imposed by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

Compliance with Accounting Standards:

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circulars issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

Vigil Mechanism/Whistle Blower Policy:

The provisions of Section 177 of the Companies Act, 2013, the Board of Directors has adopted a 'Whistle Blower Policy' to take cognizance of complaints made and suggestions given by the employees and others.

Mr. Ajay D. Biyani, Managing Director of the company is appointed as the Vigilance and Ethics Officer of the Company and the Company has formulated a policy of Vigil Mechanism and it is on the Company Website www.damodargroup.com.

4. MEANS OF COMMUNICATION

- **Website:** The Company's website www.damodargroup.com contains separate section as "Investor Relation" where shareholder information is available. Full Annual Report is also available on the website in the user friendly and downloadable form. Apart from this, official news releases etc. are also displays in the website.
- **Financial Results:** The Annual, half yearly and quarterly results are regularly uploaded by the company on the website. These are also submitted to the Stock Exchanges in accordance with Listing Regulations and publish in an English Newspaper (Free Press Journal) and in a Marathi (Nav Shakti) Newspaper.
- **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Director's Report, Auditor's Report and other important information is circulated to the members and others details thereto.
- **Corporate Filing:** Announcements, quarterly results, shareholding pattern etc. of the Company are regularly filed by the Company, also available on the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com
- **Designated Exclusive Email ID:** The Company has designated the Email ID cs@damodargroup.com exclusively for investor servicing. This Email ID has been displayed on the Company's website www.damodargroup.com.
- **SEBI Complaints Redress System (SCORES):** SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.
- NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre): NEAPS and BSE Listing Centre are web based application systems for enabling corporate to undertake electronic filing of various periodic compliance related filings like shareholding pattern, results, press releases, etc.

5. GENERAL BODY MEETINGS

(i) ANNUAL GENERAL MEETINGS:

Details of the location of the last three Annual General Meetings / Extra Ordinary General Meetings and the details of the resolutions passed or to be passed by Postal Ballot.

a. Particulars of previous three Annual General Meetings:

Meeting	Year	Venue	Date	Time
AGM	2017	Maheshwari Bhawan, 603, Chira Bazar (J S Road), Mumbai – 400 002	August,11, 2017	11.30 A.M.
AGM	2016	Maheshwari Bhawan, 603, Chira Bazar (J S Road), Mumbai – 400 002	August,20, 2016	11.30 A.M.
AGM	2015	Maheshwari Bhawan, 603, Chira Bazar (J S Road), Mumbai – 400 002	August,07, 2015	11.30 A.M.

b. Special Resolutions during previous three Annual General Meetings

Financial Year	Particulars of Special Resolutions Passed
August 11,2017	Acceptance of Fixed Deposits
August 20, 2016	Approval of Related Party Transactions
	Acceptance of Fixed Deposits
August 7, 2015	Adoption of Articles of Association
	Approval of Issue of Bonus Shares

c. No resolution requiring Postal Ballot has been placed for shareholders' approval at the above meetings.

(ii) EXTRA ORDINARY GENERAL MEETINGS: N. A.

6. GENERAL SHAREHOLDER INFORMATION

- **Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110MH1987PLC045575.

- **Annual General Meeting**

Day & Date	Saturday, July 28, 2018
Time	11.30 A.M.
Venue	Maheshwari Bhawan, 603, Chira Bazar, (J. S. Road), Mumbai – 400 002
Book closure	Monday July 02, 2018 to Thursday July 05, 2018 (Both day inclusive)

- **Financial Calendar**

Financial Calendar (tentative and subject to change):

Financial year : April 1,2018 to March 31,2019 for the Financial Year 2018-19, quarterly un-audited/annual audited results will be announced by:

First quarter : Second week of August 2018

Second quarter : Last week of October 2018

Third quarter : Last week of January 2019

Fourth quarter : Mid of May 2019

Annual Audited : May 2019

- **Listing on Stock Exchanges:**

The Equity Shares of the Company are listed with the BSE Limited and National Stock Exchange of India Limited.

Exchange	Code/Symbol	ISIN
BSE	**521220**	**INE497D01014**
NSE	**DAMODARIND**	

- **Payment of Listing Fees:**

Listing fees for the financial Year 2018-19 has been paid, within the stipulated time to Stock Exchanges where the Company's Equity Shares are listed.

- **CEO/CFO Certification:**

As required under Regulation 17 (8) of the Listing Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have certified to the Board regarding financial statements for the year ended March 31, 2018.

- **Certificate of Corporate Governance:**

As required by Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Certificate on corporate Governance of the Practicing Company Secretaries is annexed to the Board's report.

- **Code of Conduct:**

In compliance with Regulation 26 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and pursuant to the provision of the Companies Act, 2013, the Company has framed and adopted a Code of Conduct and ethics. The code of conduct is applicable to the members of the

Board, and senior management personnel and all employee of the Company. These codes have posted on the company's Website www.damodargroup.com

- **Share Transfer System:**

  The Board of Directors has delegated the power of share transfer to the M/s Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent (RTA) of the Company. Share Transfer Agent attends to share transfer formalities once in a fortnight.

- **Investor Services and Investor Grievance Handling Mechanism:**

  All share related transactions viz. transfer, transmission, transposition, nomination, dividend, change of name/address/signature, registration of mandate/power of attorney, replacement/split/ consolidation of share certificates/demat/remat of shares, issue of duplicate share certificates etc. are being handled by the RTA which discharges its functions effectively, efficiently and expeditiously.

  Investors are requested to correspond directly on all share related matters with RTA i.e. Link Intime India Pvt. Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400083. Tel. No.:022-49186000, Fax No. 022-49186060, E-mail: rnt.helpdesk@linkintime.co.in, and for any other query to the Company Secretary & Compliance Officer at the Registered office address or Investor can also send the inquiries on cs@damoargroup.com.

- **Relocation of our Registered Office:**

  We have relocated/shifted our Registered Office from the A1/202, Centre Point, 243-A, N.M.Joshi Marg, Lower Parel (East), Mumbai - 400013 to 19/22 & 27/30 Madhu Estate, Pandurang Budhkar Marg, Worli , Mumbai - 400 013 with effect from 01.04.2018.

- **Investor Relations:**

  All the complaints have been resolved and as on March 31, 2018 no complaints from shareholder is pending. At the end of the year, no request for shares transfer was pending for registration.

- **Change of Address:**

  1) Shareholders are required to inform the Company in writing of any change in their address, quoting their folio number for shares in physical form, if any
  2) Change of address is effected only when the signature of the first registered holder on the request letter matches with the specimen signature recorded with the Company.
  3) Change of address for shares held in demat form should be notified only to the concerned Depository Participant (DP).
  4) Requests for change of address should be accompanied by any address proof like electricity bill, telephone bill, bank statement, driving license, voter ID card etc.
  5) There can be only one Registered Address for one folio.

- **Dematerialization of shares**

  As on March 31, 2018, 1,07,68,642 equity shares (96.79% of the total number of shares) are in dematerialized form as compared to 1,07,50,660 equity shares (96.63% of the total number of shares) as on March 31, 2017.

TRANSFER OF EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

Pursuant to Section 124 of the Companies Act,2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting , Audit, Transfer and Refund) Rules, 2016 as amended from time to time , Shares in respect of which dividend has not been claimed for 7 consecutive years are required to be transmitted to Investor Education and Protection Fund Authority (IEPF). Effective transfer of shares , in respect of which dividend has not been claimed for seven consecutive years , has not been complied with , by the Company as on 31st March 2018 , but however the Company has already initiated the transfer

formalities and all the necessary process with regards to complying with the above mentioned section, as on 31st March , 2018 and expects it to be completed at the earliest.

The Company's shares are compulsorily traded in dematerialized form and are admitted in both the Depositories in India - National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited. (CDSL).

Particulars of Shares	Equity Shares of ₹ 10/- each	
	Number	% of total
Dematerialized		
CDSL	7844195	70.50
NSDL	2924447	26.29
Sub – Total	**10768642**	**96.79**
Physical Form	357170	3.21
TOTAL	**11125812**	**100.00**

Distribution of Shareholding of Equity Shares as on March 31, 2018

Slab of shares	Number of Shareholders	Percentage of shareholders	Number of shares	Percentage of shareholding
1 -500	5021	86.69	680607	6.12
501 -1000	342	5.90	264729	2.38
1001 -2000	186	3.21	274446	2.47
2001 -3000	77	1.33	193275	1.74
3001 -4000	38	0.66	136257	1.22
4001 -5000	28	0.48	131741	1.18
5001 -10000	38	0.66	279455	2.51
Above 10000	62	1.07	9165302	82.38

Statement showing Shareholding Pattern as on March 31, 2018*

Category & Name of the shareholders	Nos. of shareholders	Total No. of shares	% to total no of shares
Shareholding of Promoter & Promoter Group	**20**	**7698500**	**69.19**
Public Shareholding			
Institutions	1	3975	0.04
Financial Institutions / Banks	2	1220	0.01
Non-Institutions			
Individuals			
i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	5299	1794122	16.13
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	18	884086	7.94
Others			
I. Hindu Undivided Family	148	334115	3.00
ii. Non Resident Indians (Non Repatriable)	13	8324	0.07
iii.Non Resident Indians (Repatriable)	17	32978	0.30
iv.Clearing Member	64	93063	0.84
v. Bodies Corporate	97	275429	2.48
Total Public Shareholding	**5659**	**3427312**	**30.81**
TOTAL	**5679**	**11125812**	**100.00**

*Shareholding Pattern as on 31st March 2018 as per Regulation 31 of the SEBI(LODR), 2015.

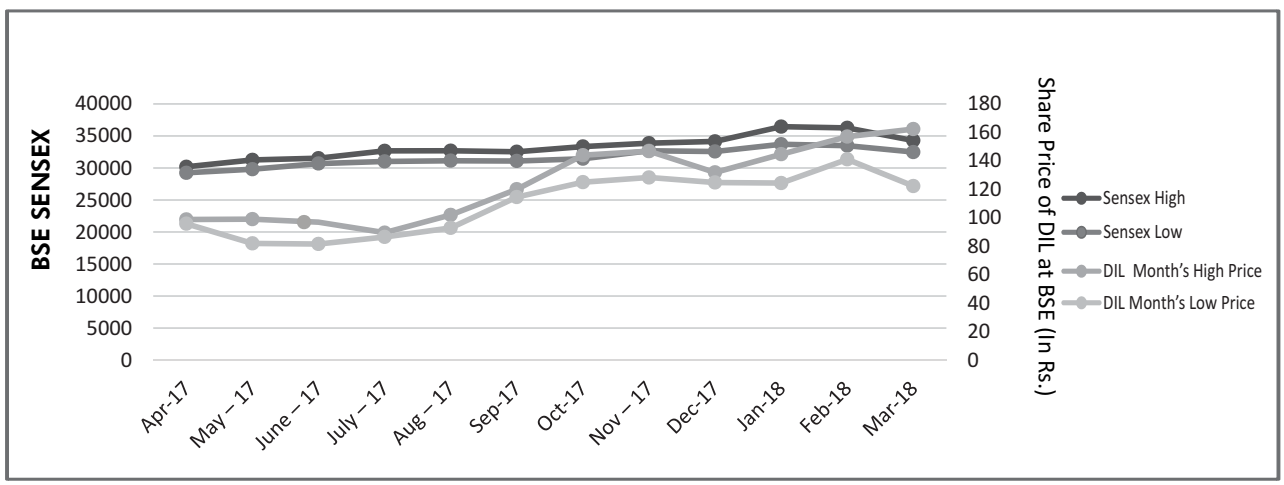
- **Market Price Data**

The details of Monthly high and low quotation of shares traded on BSE Limited and National Stock Exchange of India during the financial year as 2017-18 were under:

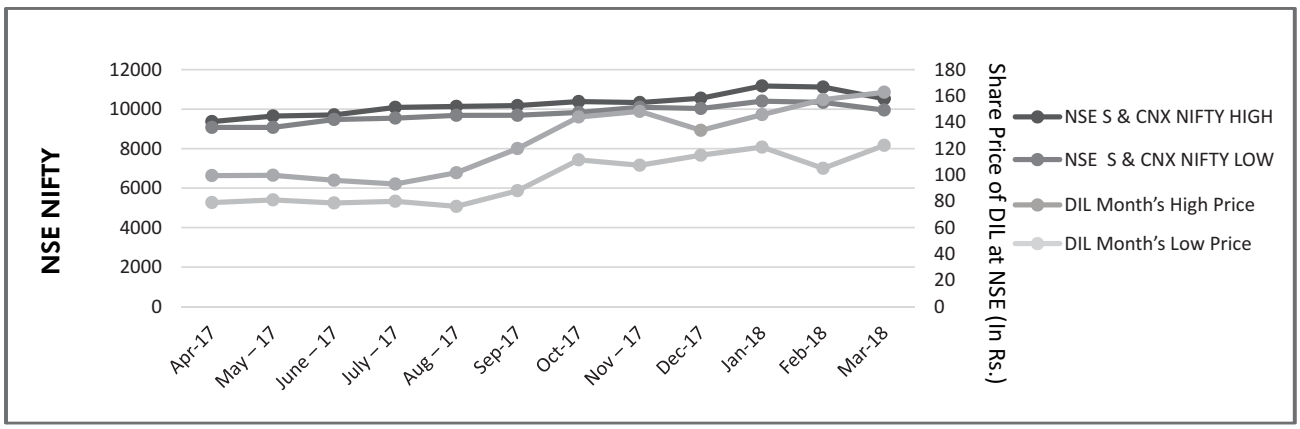
Month	BSE Limited			National Stock Exchange of India Ltd. ("NSE")		
	Share Price		Volume (nos)	Share Price		Volume (nos)
	High (in ₹)	Low (in ₹)		High (in ₹)	Low (in ₹)	
Apr -17	98.80	95.80	247945	99.50	79.00	6,44,487
May – 17	99.00	81.95	154127	99.70	81.00	221095
June – 17	96.90	81.55	84750	95.90	78.70	172805
July – 17	89.50	86.50	34441	93.10	79.95	66945
Aug – 17	102.00	92.85	172459	101.70	76.10	326219
Sep- 17	120.00	114.55	281714	120.00	88.00	7,07,367
Oct -17	143.95	125.00	180419	144.00	111.45	670431
Nov – 17	146.80	128.30	149173	148.30	107.35	5,19,287
Dec- 17	131.85	124.75	56756	133.90	115.00	2,33,633
Jan -18	144.65	124.40	164872	145.80	121.15	409595
Feb -18	157.00	141.05	258371	157.20	105.00	1284750
March -18	162.35	122.30	305789	162.80	122.45	1774100

Share Price performance in comparison to BSE SENSEX & NSE S&P CNX NIFTY

Our Share Price vis-a-vis BSE SENSEX



Our Share Price vis-a-vis NSE S&P CNX NIFTY



- **Liquidity:**

  Shares of the Company are actively traded on the BSE Limited and National Stock Exchange of India Limited as is evident from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity of the investors.

- Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity:

  The Company has not issued any GDRs/ADRs/Partly Paid or any Convertible Instruments. No amounts were outstanding on account of the same as at the date of the Balance Sheet.

- **Plant Location:**

  1. Survey No. 265/10/1,2,3
     Demni Road, Village Dadra, Silvassa
     Dadra & Nagar Haveli (U.T.) 396 230
     Ph. 0260-3264788 Fax: 0260-2668929

  2. Plot No. 165/67/68, Dabhel Ind. Co.-Op. Soc.
     Dabhel, Nani Daman (U.T.) - 396210
     Ph.: 0260-3253356

  3. T-26, Add. Textile Park (MIDC Amravati)
     Amravati, Maharashtra - 444605

- **Company Secretary & Compliance Officer:**

  Mr. Subodh Kumar Soni
  Ph: 022- 66610301-2 Fax: 022-66610308
  E-mail: cs@damodargroup.com

- **Registrars & Share Transfer Agents:**

  For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares contact:

  Link Intime India Pvt. Limited,
  C-101, 247 Park, L.B.S. Marg,
  Vikhroli (W), Mumbai – 400083.
  Tel. No.: 022-49186000,
  Fax No. 022-49186060
  E-mail: rnt.helpdesk@linkintime.co.in
  Website: www.linkintime.com

Managing Director/ Chief Financial Officer (CFO) Certification

The Board of Directors
Damodar Industries Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Damodar Industries Limited ("The Company") to best of our knowledge and belief certify that:

(a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 and that:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

Ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They have indicated to the auditor any

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Damodar Industries Limited

Sd/- Sd/-

Place: Mumbai
Date: May 26, 2018

Ajay D. Biyani
Managing Director

R.Kumar
Chief Financial Officer

Declaration on Compliance of Code of Conduct

To,
The Members ,
DAMODAR INDUSTRIES LIMITED

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliances with the Company's Code of Conduct, during the year ended March 31, 2018.

For Damodar Industries Limited

Sd/-

Place: Mumbai
Date: May 26, 2018

Ajay D. Biyani
Managing Director

PRACTISING COMPANY SECRETARY'S CERTIFICATE

To,
The Members,
DAMODAR INDUSTRIES LIMITED

We have examined the compliance of the conditions of Corporate Governance procedures implemented by Damodar Industries Limited, for the year ended 31st March, 2018, as per the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (Listing Regulations).

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

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable.

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

For Pramod Jain & Co.
Company Secretaries

Sd/-
Pramod Kumar Jain
Proprietor

Place : Indore
Date : May 26, 2018

FCS-6711, CP No: 11043

MANAGEMENT DISCUSSION & ANALYSIS

The Indian textile Industry is one of the largest in the world with a large raw material base and manufacturing strength across the value chain. The Uniqueness of the Industry lies in its strength both in the hand – woven sector as well as in the capital intensive mill sector. Traditional sector like handloom, handi craft and small scale power loom units are the biggest source of employment for millions of people in rural and semi urban area. The Indian textile Industries has inherent linkage with agriculture and tradition of the country making its versatile spread of products appropriate for both domestic and the export markets. The development of the textile segment in India is not only socially significant in terms of creating more employment opportunities, women empowerment and eradication of poverty and destitution, but also a harbinger of growth in terms of enhancing national income, exports, and entrepreneurship, given that some segments in the textile chain are capital-light and have less gestation period for commissioning the project.

Textile sector contributes 14% of industrial production, 4% of India's Gross Domestic Product (GDP) and constitutes 15% of the country's export earnings. Textile sector is the second largest employment provider in the country employing nearly 51 million people directly and 68 million people indirectly.

The domestic textile and apparel industry in India is estimated to reach US$141 billion by 2021. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles.India is the world's second largest exporter of textiles and clothing. Textile and apparel exports from India are expected to increase to US$82 billion by 2021. Readymade garments remain the largest contributor to total textile and apparel exports from India.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past.

OPPORTUNITIES

The dynamics of the market economy have thrown up both opportunities and challenges to our domestic industry. The Indian textile industry should gear up to attain its desired position in the global market. The Government is willing to provide all possible support by creating enabling frameworks.

The Indian textile industry has various opportunities like technical textiles, product development and diversification, FDI and brand recognition. Technical textiles offer the opportunity to the Indian textile industry to maintain the present current growth and flourish in near future. It will also help in advancement of the industry. India is not using technical textiles much. Both nonwoven and woven technical textiles will thrive in India in coming years. The Indian companies need to focus on product development and diversification in order to capture new markets globally. They need to invest in design centres and investment labs. Specialized and smart fabrics should be introduced.

In the recently concluded Textile Conference held in India, Textile Industry agreed to the fact that there will be upsurge in the activities as opportunities which are perceived are a lot in India's favour. India has own strengths in terms of technical manpower availability, wide fiber base and supporting government policies for modernization and also raw material cost controls. The growing population of Indian young purchasing class is making domestic market quite lucrative.

THREATS

Presently, the Indian textile industry is facing a problem to compete in the world textile market. This is because of weaknesses like higher cost of doing business fragmented infrastructure, technology obsolescence, uncompetitive in international market and many others. Due to fragmented infrastructure, India is unable to diversify. In fabric production large part of the industry is engaged in unorganized sectors like powerlooms and handlooms. Many interviewees considered inflexible labour laws of India to be the major reason for the low labour productivity. Another drawback of the Indian textile industry is use of outdated technology which resulted in low production capacities as compared to China.

Indian industry has the longest supply chain in the world. The average time taken by all the nations from the procurement of raw material to production of finished goods and finally exporting it is 45 days, whereas India takes around 80 days. Another area where India lacks is cost competitiveness. The Indian industry does not have efficient

economies of scale therefore unable it is incapable of competing with China. Also the expenses like indirect taxes, power and interests are comparatively high in India.

COTTON SCENARIO – INDIA

India's cotton production, during the crop year 2017-18, is estimated to be 375.00lakh bales, as per the Cotton Association of India (CAI). In this current year land under cotton cultivation is said to be increased.

REVIEW AND FUTURE OUTLOOK OF THE COMPANY

Your company is committed towards improvement in infrastructure, capital asset upgradation and modernization. Company is continuously focusing towards reduction in operating cost and wastage; and improvement in efficiency of both human and mechanical assets.

Your company competes with organized as well as unorganized fabric manufacturers in domestic market space where revenue and cash generation is directly related to seasonality. In global market space although your company has limited exposure but it continuously faces a challenging environment.

As we had highlighted in our earlier announcement about our company's proposed expansion plans, we wish to give a gist of the update on the project status. Damodar Industries Limited, with an objective of strengthening the existing manufacturing base and to increase the capacity of yarn production has come up with the expansion plan of setting up another spinning mill unit at Amravati. This would benefit the company in servicing its existing customers better as well as to tap new customers arising due to growth of younger population and also to cater to the increasing demand of its fancy yarns due to shift in market dynamics from formal wear to casual wear , thereby continue to retaining its market position . This project is to install a blended fancy yarn spinning unit at Amravati at a cost of Rs.196 Crores .

As per the plan, the project will be implemented bay wise. The Company plans to have four bays. Commercial production from the first bay production line has rightly started from April 2018 and the plant for all the production bays will be fully operational by April 2019. The company has already commenced the land and site development work, building & civil work, etc. The company has already initiated procurement of plant and Machinery and looking forward to its delivery, erection and commissioning of the same. On the basis of the progress made so far, the implementation of the project is going as per schedule and barring unforeseen circumstances the project would be completed as per schedule.

FINANCIAL HIGHLIGHT:

The revenue from operations decreased from Rs. 704.02 Crores in 2016-17 to Rs. 649.65 Crores in 2017-18.

Profit before Tax Increased from Rs.13.83 Crores in 2016-17 to Rs.17.70 Crores in 2017-18.

Profit after Tax Increased from Rs.9.04 Crores in 2016-17 to Rs.11.70 Crores in 2017-18.

Basic Earnings Per share (EPS) increased from Rs. 8.13 in 2016-17 to Rs. 10.53 in 2017-18.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company has always valued its human resources and believes in unlimited potential of each of its staff and believes that dedicated and efficient employees are great assets of the Company and most important ingredient for achieving excellence in performance. During the financial year, the overall industrial relations remained cordial in the Company.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company.

The Company has proper and adequate system of internal control, commensurate with the size and nature of its business. Regular Internal Audits and Checks carried out and also management reviews the internal control system and procedures to ensure orderly and efficient conduct of business and to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

CAUTIONARY STATEMENT:

This Management Discussion and Analysis statement of the Annual Report has been included in adherence to the spirit enunciated in the code of corporate governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing Company 's objectives, projections, estimates, expectation may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied, important factors that could make a difference to the Company's operation include economic conditions affecting demand/supply and price conditions in the Government regulations, tax laws and other status and other incidental factors.

Further, the discussion following herein reflects the perceptions on major issues as on date and the opinion expressed here are subject to change without notice.

The Company undertakes no obligations to publicly update or revise any of the opinions of forward looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

INDEPENDENT AUDITOR'S REPORT

To
The Members of DAMODAR INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **DAMODAR INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2018 ,the Statement of Profit and Loss (including Other Comprehensive Income),the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management' 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 financial position, financial performance (including other comprehensive income),cash flows of the Company and the Statement of Changes in Equity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of Companies Act, 2013, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. 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 accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India,of the state of affairs of the company as at March 31,2018,its Profit including other comprehensive income,its cash flows and the statement of changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the 'Annexure A'a statement on the matters specified in paragraphs 3 and 4 of the said Order.

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 purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income),Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid Financial Statement comply with the Accounting Standards specified under section 133 of Companies Act, 2013. Read with Companies(Indian Accounting Standard) Rules,2015 ,as amended.

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

   f) With respect to the adequacy of the internal financial control over financial reporting of the Companyand the operative effectiveness of such controls ,refer to our separate report in 'Annexure B'.

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

      1. The Company has disclosed the impact of pending litigations on its financial statement.

      2. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      3. The Company has transferred the amounts which were required to be transferred to the Investor Education and Protection Fund.

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No: FCA 116676

Place: Mumbai
Date : May 26, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1, under Report on other Legal and Regulatory Requirements in the Independent Auditor's Report of even date to the members of Damodar Industries Limited (the company) on the financial statements for the year ended March 31, 2018, we report that:

i. In respect of its Fixed Assets:

   (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information

   (b) The Fixed Assets were physically verified during the year by the management in according with a regular programme of verification which, in our opinion provides for physical verification of major portion of fixed assets at reasonable intervals. According to the information and explanation given to us and no material discrepancies were noticed on such verification.

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

ii. In respect of its inventories:

   (a) As explained to us, the inventories were physically verified by the management at regular intervals during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.

   (b) The discrepancies noticed on verification between the physical stocks and book records were not material.

iii. The company has not granted any loans, secured or unsecured to the companies, firms, Limited liability partnership or other parties covered in the register maintained under section 189 of the companies Act, 2013. Accordingly, provisions of paragraph 3 (iii) of the Companies (Auditor Report) ordered 2016 were not applicable to the Company.

iv. The Company has not made investments and granted any loans or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013. Accordingly, provisions of paragraph 3 (iv) of the Companies (Auditor Report) order 2016 were not applicable to the Company

v. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 73 to 76 and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder with regard to the deposits accepted from the public. As per information given to us, no order under the aforesaid sections has been passed by the company Law Board or National Company Law Board or Reserve Bank of India or any court or any other tribunal, on the company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government under sub section 1 of section 148 of the Companies Act,2013 and are of the opinion that prime facie the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

   (a) According to information and explanations given to us and on the basis of our examination of the records of the company has been regular in depositing undisputed statutory dues including Provided Fund, investor education and production fund employer state insurance Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, cess and other material statutory dues with the appropriate authorities . According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.

   b) According to the information and explanations given to me, there are no dues in respect of Wealth-Tax, Excise Duty, Service Tax or Cess outstanding on account of any dispute. The details of dues which have not been deposited on account of dispute are given below:

Sr. No.	Name of the Statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
1.	DEPB Entitlement Refund	Custom	81,18,321/-	F.Y. 2010-11	DGFT

viii. In our opinion and according to the information and explanations given to us , the company has not defaulted in repayment of dues to any financial institutions and bank as at the Balance sheet date.

ix. In our opinion and according to the information and explanations given to us, during the year the company did not raised any money by way of initial public offer or further public offer (including debt instruments) and the term loans availed during the year have been applied for the purpose for which they were raised.

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

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

xii In our opinion and according to the information and explanations given to us the Company is not a nidhi company, accordingly paragraph 3(xii) of the Order is not applicable.

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

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

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

xvi According to the information and explanations given to us, the company is not required to be registered under section 45 1A of the reserve bank of india Act, 1934. Accordingly paragraph 3(xvi) of the Order is not applicable.

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No: FCA 116676

Place: Mumbai
Date : May 26, 2018

Annexure B To The Independent Auditors' Report

The annexure referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Damodar Industries Limited on the financial statements for the year ended March 31,2018.

Report on the Internal Financial controls under clause (i) of sub-section 3 of section143 of the companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Damodar Industries Limited ("the Company") as of March 31, 2018 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 standalone financial statements, whether due to fraud or error.

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

Meaning Of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

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

Inherent Limitations of Internal Financial controls Over Financial Reporting

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

Opinion

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

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No: FCA 116676

Place: Mumbai
Date : May 26, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

		Note No.	As at 31-03-2018	As at 31-03-2017 (₹)	As at 31-03-2016 (₹)
I	**Assets**				
	1) Non Current Assets				
	a) Property, Plant and Equipment	2	1,05,62,70,058	66,15,06,702	68,42,13,462
	b) Capital Work-in-Progress	3	8,32,44,345	-	-
	c) Intangible assets	4	75,95,991	25,30,236	35,27,851
	d) Intangible Assets Under Development	5	20,00,000	-	-
	e) Financial Assets				
	(i) Other Non - Current Financial Assets		-	-	-
	f) Other Non - Current Assets	6	74,43,938	57,23,150	64,23,153
	Total Non-Current Assets		**1,15,65,54,332**	**66,97,60,088**	**69,41,64,466**
	2) Current Assets				
	a) Inventories	7	49,94,81,921	62,85,49,824	51,25,59,680
	b) Financial Assets				
	(i) Investments	8	4,100	4,100	4,100
	(ii) Trade Receivables	9	93,73,65,617	74,25,22,172	71,13,32,911
	(iii) Cash and Cash Equivalents	10	4,25,98,313	2,16,41,411	1,82,85,176
	(iv) Bank Balance Other Than Cash & Cash Equivalents	11	25,82,933	20,54,779	11,71,448
	(v) Loans	12	49,53,440	44,95,524	40,35,153
	(vi) Other Current Financial Assets		1,12,08,314	1,42,22,307	-
	c) Current Tax Assets (Net)	13	67,48,756	85,72,459	1,34,64,074
	d) Other Current Assets	14	29,22,93,128	6,40,41,206	5,66,75,919
	Total Current Assets		**1,79,72,36,522**	**1,48,61,03,782**	**1,31,75,28,461**
	TOTAL ASSETS		**2,95,37,90,854**	**2,15,58,63,870**	**2,01,16,92,927**
II	**EQUITY AND LIABILITIES**				
	1) **Equity**				
	a) Equity Share Capital	15	11,12,58,120	11,12,58,120	11,12,58,120
	b) Other equity	16	94,39,61,986	87,27,68,305	79,02,46,537
	Total Equity		**1,05,52,20,106**	**98,40,26,425**	**90,15,04,657**
	2) Liabilities				
	Non-Current Liabilities				
	a) Financial Liabilities				
	(i) Borrowings	17	62,16,73,271	17,92,91,427	18,36,84,303
	(ii) Other Financial Liabilities		-	-	-
	b) Provisions		-	-	-
	c) Deferred Tax Liabilities (net)	13	6,10,65,705	4,74,62,316	5,28,53,494
	d) Other Non- Currrent Liabilities	18	30,18,409	33,89,800	-
	Total Non-Current Liabilities		**68,57,57,385**	**23,01,43,543**	**23,65,37,797**
	Current Liabilities				
	a) Financial Liabilities				
	(i) Borrowings	19	1,00,48,72,844	80,57,91,198	71,42,87,198
	(ii) Trade Payables	20	10,42,55,080	4,64,43,599	7,59,12,524
	(iii) Other Financial Liabilities	17, 21	8,42,70,137	7,33,15,543	7,78,27,647
	b) Other Current Liabilities	22	1,70,24,370	1,61,43,562	56,23,104
	c) Provisions	23	23,90,932	-	-
	Total Current Liabilities		**1,21,28,13,363**	**94,16,93,902**	**87,36,50,473**
	Total Liabilities		**1,89,85,70,748**	**1,17,18,37,445**	**1,11,01,88,270**
	TOTAL EQUITY AND LIABILITIES		**2,95,37,90,854**	**2,15,58,63,870**	**2,01,16,92,927**
	SIGNIFICANT ACCOUNTING POLICIES	1			
	Other Notes on accounts from No. 2 to 48 are an intergal part of the Financial Statements				

As per our report of even date attatched

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No. FCA 116676

Place : Mumbai
Date : 26th May, 2018

For and on behalf of the Board of Directors

Arunkumar Biyani
Chairman

Ajay D. Biyani
Managing Director

Subodh Kumar Soni
Company Secretary

R. Kumar
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

		Note No.	Current Year (₹)	Previous Year (₹)
I	**Income**			
	Revenue from Operations	24	6,49,65,32,341	7,04,02,38,812
	Other income	25	2,23,63,983	71,66,092
	Total Income		**6,51,88,96,324**	**7,04,74,04,904**
II	**Expenses**			
	a) Cost of Consumption	26	2,45,33,00,442	2,62,07,15,943
	b) Purchases of Stock in Trade	27	3,00,99,74,729	3,29,88,44,556
	c) Changes in inventories of Work-in-Progress and Stock-in-Trade	28	(2,74,37,803)	(49,38,034)
	d) Employee benefits expense	29	19,19,20,423	17,81,81,236
	e) Finance costs	30	10,96,23,411	12,52,51,622
	f) Depreciation and amortisation expense	32	8,50,53,325	11,88,53,273
	g) Other expenses	31	51,94,48,479	57,21,80,833
	Total expenses		**6,34,18,83,006**	**6,90,90,89,429**
III	**Profit before tax**		**17,70,13,318**	**13,83,15,475**
IV	**Less: Tax expense**			
	a) Current tax		4,45,00,000	5,74,89,045
	b) Deferred tax		1,53,95,694	(96,76,174)
	c) Earlier Year Adjustment		-	8,394
			5,98,95,694	**4,78,21,265**
V	**Profit for the year**		**11,71,17,624**	**9,04,94,210**
VI	**Other Comprehensive Income**			
	A. Item that will not be classified to Profit & Loss			
	(i) Remeasurement of Defined benefit plan		(21,64,882)	(18,40,787)
	(ii) Income tax related to Item (i) above		7,49,222	6,37,060
			(14,15,660)	**(12,03,727)**
	B. Item that will be reclassified to Profit & Loss			
	(i) Change in fair value of cash flow hedge		(30,13,993)	1,42,22,307
	(ii) Income tax related to Item (i) above		10,43,083	(49,22,056)
			(19,70,910)	93,00,251
	Other Comprehensive Income (Net of Tax)		(33,86,570)	80,96,524
	Total comprehensive income for the year		**11,37,31,054**	**9,85,90,734**
	Basic & Diluted Earning Per Share in(Rs.)	33	10.53	8.13
	SIGNIFICANT ACCOUNTING POLICIES	1		
	Other Notes on accounts from No. 2 to 48 are an intergal part of the Financial Statements			

As per our report of even date attatched

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No. FCA 116676

Place : Mumbai
Date : 26th May, 2018

For and on behalf of the Board of Directors

Arunkumar Biyani
Chairman

Ajay D. Biyani
Managing Director

Subodh Kumar Soni
Company Secretary

R. Kumar
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. EQUITY SHARE CAPITAL

(Amount in ₹)

As at April 1, 2016	111258120.00
Changes in Equity Share Capital during the year	0.00
As at March 31, 2017	111258120.00
Changes in Equity Share Capital during the year	0.00
As at March 31, 2018	111258120.00

B. OTHER EQUITY

	Share Preminum Account	General Reserve	Retaining Earning	Total
Balance as at April 1,2016	17,90,93,650	14,00,00,000	47,11,52,887	79,02,46,537
Total Comprehensive Income for the Year	-	-	9,85,90,734	9,85,90,734
Transfer to General Reserve	-	2,00,00,000	-2,00,00,000	-
Dividend 2015-2016	-	-	-1,33,50,974	-1,33,50,974
Dividend Tax on Dividend 2015-2016	-	-	-27,17,991	-27,17,991
Balance as at March 31,2017	17,90,93,650	16,00,00,000	53,36,74,655	87,27,68,305
Balance as at April 1,2017	17,90,93,650	16,00,00,000	53,36,74,655	87,27,68,305
Total Comprehensive Income for the Year	-	-	11,37,31,054	11,37,31,054
Transfer to General Reserve	-	2,00,00,000	-2,00,00,000	-
Dividend 2016-2017	-	-	-3,11,52,274	-3,11,52,274
Tax on Dividend 2016-2017	-	-	-63,41,870	-63,41,870
Earlier Year Tax Adjustments	-	-	-50,43,229	-50,43,229
Balance as at March 31,2018	17,90,93,650	18,00,00,000	58,48,68,336	94,39,61,986

As per our report of even date attatched

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No. FCA 116676

Place : Mumbai
Date : 26th May, 2018

For and on behalf of the Board of Directors

Arunkumar Biyani
Chairman

Ajay D. Biyani
Managing Director

Subodh Kumar Soni
Company Secretary

R. Kumar
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	CURRENT YEAR (₹)	(₹)	PREVIOUS YEAR (₹)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-ordinary Items		17,70,13,318		13,83,15,475
Adjustment for :				
Depreciation and amortisation	8,50,53,325		11,88,53,273	
Interest	8,60,12,138		9,68,60,092	
Profit on Sale of Fixed Assets	(63,72,415)		(1,78,336)	
Foreign Exchange (Gain)/ Loss (Net)	(95,06,517)		(25,07,501)	
		15,51,86,531		21,30,27,528
Operating Profit Before Working Capital Changes		33,21,99,849		35,13,43,003
Adjustment for :				
Trade & Other Receivable	(31,17,23,054)		(3,08,99,044)	
Inventories	12,90,67,903		(11,59,90,144)	
Trade Payable	5,85,46,948		(2,13,08,857)	
		(12,41,08,203)		(16,81,98,045)
Cash generated from Operations		20,80,91,646		18,31,44,958
Direct Tax paid(net)		(4,77,20,524)		(5,53,13,303)
Cash flow before Extra-Ordinary Items		16,03,71,122		12,78,31,655
Prior Years Tax Adjustments		-		(8,394)
Net Cash from Operating Activities A		16,03,71,122		12,78,23,261
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchases of Plant & Equipment/Intangible				
Assets & Capital Work in Progress	(57,70,60,461)		(9,31,10,159)	
Advance given for capital goods	(11,35,50,017)		(47,00,000)	
Sale proceeds of Property, Plant & Equipment	1,33,06,093		20,49,000	
Net Cash used in Investing Activities B		(67,73,04,385)		(9,57,61,159)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings & Fixed deposits	65,18,89,930		8,17,15,689	
Interest Paid	(8,60,12,138)		(9,68,60,092)	
Dividend	(3,11,52,274)		(1,33,50,974)	
Tax on Dividend	(63,41,870)		(27,17,991)	
Foreign Exchange (Gain)/ Loss (Net)	95,06,517		25,07,501	
Net Cash used in Financing Activities C		53,78,90,165		(2,87,05,867)
Net increase in cash and cash equivalents (A+B+C)		2,09,56,902		33,56,235
Opening Balance of Cash & Cash Equivalents		2,16,41,411		1,82,85,176
Closing Balance of Cash & Cash Equivalents		4,25,98,313		2,16,41,411
( ) indicates 'minus'				
Change in liability arising from Financing activities				

	1st April 2017	Cash Flow	31st March , 2018
Borrowing - Non current (Refer note no. 17)	17,92,91,427	44,23,81,844	62,16,73,271
Borrowing - current (Refer note no 17 &21)	87,70,51,962	20,95,08,086	1,08,65,60,048
	1,05,63,43,389	65,18,89,930	1,70,82,33,319

Note :

1 The Cash Flow Statement has been prepares under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of Cash Flow.

2 Additions to Property, Plant, equipments and intangible assets include movement of Capital work -in -progress and intangible assets under development respectively during the year

As per our report of even date attatched

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No. FCA 116676

Place : Mumbai
Date : 26th May, 2018

For and on behalf of the Board of Directors

Arunkumar Biyani
Chairman

Ajay D. Biyani
Managing Director

Subodh Kumar Soni
Company Secretary

R. Kumar
Chief Financial Officer

1) SIGNIFICANT ACCOUNTING POLICIES

A Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the `Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (`Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India. The accounting policies are applied consistently to all the period presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;

2) defined benefit plans – plan assets measured at fair value;

(iii)Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

B Use of estimates and judgments

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

C Property, plant and equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS. Hence, regarded thereafter as historical cost. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation:

a) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in case of Leasehold Land as stated in b below.

b) Premium on leasehold land is amortized over the residual period of the lease and proportionate amount of premium written off is being charged to Statement of Profit & Loss.

Intangible Assets:

Intangible Assets representing Computer Software is amortised using Straight Line method over a period of five years.

Asset Impairment:

The Company reviews the carrying values of tangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

D Investments and other financial assets

(i) Classification

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

1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and 2) those measured at amortized cost.

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

E Valuation of Inventories

Inventories are valued at lower of the cost and net realizable value.

F Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes & Goods & services Tax and gain/ loss on corresponding hedge contracts. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Sales are recognized when substantial risk and rewards of ownership are transferred to customer, in case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped onboard.

Revenue from services

Revenue from services is recognized in the accounting period in which the services are rendered.

Other operating revenue – Export incentives

Export Incentives under various schemes are accounted in the year of export.

G Government grants and subsidies:

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of Profit and Loss on a straight-line basis over the expected life of related assets and presented within other income.

H Foreign Exchange Transaction:

i) Transactions in foreign currencies are accounted for at prevailing exchange rates, Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realizations in the statement of profit and loss.

ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and loss.

I Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

J Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition / constructions of a qualifying asset are capitalised as part of the cost of such assets, up to the date, the assets are ready for their intended use.

Other Borrowing costs are recognised as an expense in the period in which they are incurred.

K Tax Expense:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

L Leases:

Lease rentals in respect of assets acquired under operating lease are charged off to the Statement of Profit & Loss as incurred.

M Provision, Contingent Liabilities and Contingent Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

N Derivatives:

The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts for trading or speculation purposes. The Company records the gain or loss on change in fair value of cash flow hedges in the Statement of Profit and Loss of that period through other comprehensive income.

O Gratuity and other post-employment benefits

The Company recognizes contribution paid or payable to the provident fund as an expense.

Leave encashment is accounted for on the basis of accumulated leave to the credit of employees at the year end.

Gratuity which are defined benefits are accrued based on actuarial valuation as at the Balance Sheet date. The Company contributes to a defined benefit gratuity plan through Life India Corporation, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

P Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2. PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rs.)

Particulars	Freehold Land	leasehold Land	Residential Flats	Buildings	Plant & Machinery	Electrical Installations	Furniture and Fixtures	Vehicles	Air Conditioners	Generators	Weighing Scale	Other Equipments	Computers	Total
Cost As at 1st, 2017	1,56,18,849	-	2,13,555	31,44,92,346	1,04,11,49,439	9,78,52,053	1,65,02,628	2,85,45,056	38,97,321	17,09,646	12,98,133	89,03,975	75,39,214	1,53,77,22,215
Additions/Adjustments	-	1,88,30,580	-	25,91,68,251	16,30,32,988	2,73,98,874	3,32,835	37,32,439	42,031	-	-	1,00,41,092	24,56,586	48,50,35,676
Disposals	16,20,049		-	-	4,02,51,662	-	-	-	-	-	-	-	-	4,18,71,711
Cost As at 31st March, 2018	**1,39,98,800**	**1,88,30,580**	**2,13,555**	**57,36,60,597**	**1,16,39,30,765**	**12,52,50,927**	**1,68,35,463**	**3,22,77,495**	**39,39,352**	**17,09,646**	**12,98,133**	**1,89,45,067**	**99,95,800**	**1,98,08,86,180**
Accumulated Depreciation as at 1st April, 2017	-	-	58,900	8,50,10,740	67,88,69,071	7,68,74,836	78,38,184	96,81,492	31,12,554	16,36,970	6,45,285	54,70,496	70,16,985	87,62,15,513
Depreciation for the year	-	1,98,217	3,481	1,05,58,406	6,10,37,905	46,48,219	14,23,095	31,24,416	2,99,833	36,762	1,11,056	12,79,634	6,17,616	8,33,38,640
Disposals	-	-	-	-	3,49,38,031	-	-	-	-	-	-	-	-	3,49,38,031
Accumulated Depreciationas at 31st March, 2018	-	1,98,217	62,381	9,55,69,146	70,49,68,945	8,15,23,055	92,61,279	1,28,05,908	34,12,387	16,73,732	7,56,341	67,50,130	76,34,601	92,46,16,122
Net Carrying amount as at 31st March, 2018	**1,39,98,800**	**1,86,32,363**	**1,51,174**	**47,80,91,451**	**45,89,61,820**	**4,37,27,872**	**75,74,184**	**1,94,71,587**	**5,26,965**	**35,914**	**5,41,792**	**1,21,94,937**	**23,61,199**	**1,05,62,70,058**

Particulars	Freehold Land	leasehold Land	Residential Flats	Buildings	Plant & Machinery	Electrical Installations	Furniture and Fixtures	Vehicles	Air Conditioners	Generators	Weighing Scale	Other Equipments	Computers	Total
Deemed Cost As at 1st, 2016	1,56,18,849	-	2,13,555	31,35,08,851	96,78,50,035	9,78,52,053	1,64,52,022	1,94,55,968	37,70,924	17,09,646	12,92,666	80,86,782	73,83,564	1,45,31,94,915
Additions/Adjustments	-	-	-	9,83,495	8,50,29,629	-	50,606	97,33,125	1,26,397	-	5,467	8,17,193	1,55,650	9,69,01,562
Disposals	-	-	-	-	1,17,30,225	-	-	6,44,037	-	-	-	-	-	1,23,74,262
Cost As at 31 st March, 2017	**1,56,18,849**	**-**	**2,13,555**	**31,44,92,346**	**1,04,11,49,439**	**9,78,52,053**	**1,65,02,628**	**2,85,45,056**	**38,97,321**	**17,09,646**	**12,98,133**	**89,03,975**	**75,39,214**	**1,53,77,22,215**
Accumulated Depreciation as at 1st April, 2016	-	-	55,419	7,51,81,283	60,40,13,381	6,01,21,846	61,32,391	79,01,106	26,75,069	16,00,211	5,03,067	43,43,932	64,53,748	76,89,81,453
Depreciation for the year	-	-	3,481	98,29,457	8,49,23,558	1,67,52,990	17,05,793	22,16,116	4,37,485	36,759	1,42,218	11,26,564	5,63,237	11,77,37,658
Disposals	-	-	-	-	1,00,67,868	-	-	4,35,730	-	-	-	-	-	1,05,03,598
Accumulated Depreciation as at 31st March, 2017	-	-	58,900	8,50,10,740	67,88,69,071	7,68,74,836	78,38,184	96,81,492	31,12,554	16,36,970	6,45,285	54,70,496	70,16,985	87,62,15,513
Net Carrying amount as at 31st March, 2017	**1,56,18,849**	**-**	**1,54,655**	**22,94,81,606**	**36,22,80,368**	**2,09,77,217**	**86,64,444**	**1,88,63,564**	**7,84,767**	**72,676**	**6,52,848**	**34,33,479**	**5,22,229**	**66,15,06,702**

Note :

Buildings includes cost of Office Premises & factory building (cost includes 660 shares of face value of Rs.100 each and 199 debentures of face value of Rs. 1,000) .

Deemed Cost :

"Ind AS 101 Exemption : The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property plant and equipment has been carried forward at the amount as determined under the previous GAAP. Considering the FAQ issued by the ICAI, regarding application of deemed cost, the Company has disclosed the cost as at 1 April, 2016 net of accumulated depreciation."

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
3 Capital Work in Progress			
Balance as at	8,32,44,345	-	-
	8,32,44,345	-	-
4 Intangiable Assets			
Computer Software			
Cost As at 1 st April, 2017		76,46,116	
Additions/Adjustments		67,80,440	
Disposals		-	
Cost As at 31st March, 2018		1,44,26,556	
Accumulated Depreciation as at 1st April, 2017		51,15,880	
Additions/Adjustments		17,14,685	
Disposals		-	
Accumulated Depreciation as at 31st March, 2018		68,30,565	
Net Carrying amount as at 31st March, 2018		75,95,991	
Cost As at 1st April, 2016		75,28,116	
Additions/Adjustments		1,18,000	
Disposals		-	
Cost As at 31st March, 2017		**76,46,116**	
Accumulated Depreciation as at 1st April, 2016		40,00,265	
Additions/Adjustments		11,15,615	
Disposals		-	
Accumulated Depreciation as at 31st March, 2017		51,15,880	
Net Carrying amount as at 31st March, 2017		**25,30,236**	
5 Intangible Assets under Development			
Balance as at	20,00,000	-	-
	20,00,000	-	-
6 Other Non Current Assets			
1) Other Loans & Advances			
i) Security Deposit	74,43,938	57,23,150	64,23,153
	74,43,938	**57,23,150**	**64,23,153**
7 Inventories			
(As taken, valued and certified by Management)			
a) Raw Materials	23,85,72,324	39,22,16,060	28,01,80,865
b) Work-in Progress	4,14,94,222	4,29,96,809	4,45,46,201
c) Finished Goods	21,36,52,505	18,47,12,115	17,82,24,689
d) Stores and Spares	34,15,305	43,73,324	39,87,778
e) Packing Material	23,47,565	42,51,516	56,20,147
	49,94,81,921	**62,85,49,824**	**51,25,59,680**
8 Investments (At Cost - Unquoated)			
(Valued at cost unless stated otherwise)			
10 Equity Shares of ₹ 10/- each paid up in Mogaveera Co-op. Bank Ltd.	1,000	1,000	1,000
310 Equity Shares of ₹ 10/- each paid up in Bombay Mercantile Co-op. Bank Ltd.	3,100	3,100	3,100
	4,100	**4,100**	**4,100**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
9 Trade Receivables			
a) Trade receivable from others	93,69,60,700	74,25,22,172	71,13,32,911
b) Receivable from Related Parties	4,04,917	-	-
	93,73,65,617	**74,25,22,172**	**71,13,32,911**
Breakup of security Details :			
Secured, Considered Good :	-	-	-
Unsecured, Considered Good :	93,73,65,617	74,25,22,172	71,13,32,911
Considered Doubtful :			
Total	**93,73,65,617**	**74,25,22,172**	**71,13,32,911**
10 Cash and Cash Equivalents :			
i) Balances with Banks in Current Account	1,51,62,465	18,42,085	4,44,172
ii) Cash on Hand	9,16,397	1,42,254	23,48,506
iii) Fixed Deposits with Banks as Margin Money*	2,65,19,451	1,96,57,072	1,54,92,498
	4,25,98,313	**2,16,41,411**	**1,82,85,176**
*Fixed Deposits with Bank include Deposits of Rs. 38,42,842 within maturity of more than 12 months as on 31.03.2018)			
11 Bank Balances other than Cash and Cash Equivalents :			
Unclaimed Dividend - Earmarked Balances with bank	25,82,933	20,54,779	11,71,448
	25,82,933	**20,54,779**	**11,71,448**
12 Loans (Unsecured, Considered good) :			
a) Loans to Employees	49,53,440	44,95,524	40,35,153
	49,53,440	**44,95,524**	**40,35,153**
13 Current Tax Assets and Deffered Tax :			
a) Income Tax paid/TDS (Net of Provision for current Tax)	67,48,756	85,72,459	1,34,64,074
b) Tax expenses recognised in the statemetn of Profit & Loss			
Current Tax			
Current Tax on Taxable Income for the year	4,45,00,000	5,74,89,045	6,25,37,417
Total Current Tax Expenses	**4,45,00,000**	**5,74,89,045**	**6,25,37,417**
Deffered Tax			
Deffered Tax charge/(Credit)	1,53,95,694	(96,76,174)	(1,33,56,548)
Total Deffered Tax Expenses	1,53,95,694	(96,76,174)	(1,33,56,548)
Total Income Tax Expenses	**5,98,95,694**	**4,78,12,871**	**4,91,80,869**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at March 31, 2018	As at March 31, 2017
c) A Reconciliation of the income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below		
Expected Income Tax rate in India applicable to Company	34.608	34.608
Profit Before Tax	17,70,13,318	13,83,15,475
Expected Income Tax expenses at statutory Income Tax Rate	6,12,60,769	4,78,68,220
Income exempt from tax/items not deductable / additional allowances	(1,67,60,769)	96,20,825
Income Tax Expense reported in the statement of Profit and Loss	4,45,00,000	5,74,89,045
Tax Adjustment for earlier Year	-	8,394
Deferred Tax Expense Reported in the statement of Profit & Loss	1,53,95,694	(96,76,174)
Total Tax Expense recoginsed in statement of Profit & Loss	**5,98,95,694**	4,78,21,265

d) The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018

Particulars	As at 1st April 2016 Deferred Tax Assets/ (Liabilities)	Credit/(Change) in statement of Profit & Loss	Charged in OCI	As at 31st March 2017 Deferred Tax Assets/ (Liabilities)	Credit/(Change) in statement of Profit & Loss	Charged in OCI	As at 31st March 2018 Deferred Tax Assets/ (Liabilities)
Depreciation	(5,28,53,494)	96,76,174	-	(4,31,77,320)	(1,53,95,694)	-	(5,85,73,014)
Expenses /provisions	-	-	6,37,060	6,37,060	-	7,49,222	13,86,282
Fair value of Cash flow hedge	-	-	(49,22,056)	(49,22,056)	-	10,43,083	(38,78,973)
Total	(5,28,53,494)	96,76,174	(42,84,996)	(4,74,62,316)	(1,53,95,694)	17,92,305	(6,10,65,705)

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
14 Other Current assets (Unsecured, Considered Good) :			
i) Advances for supply of Capital Goods	11,82,50,017	47,00,000	-
ii) Balances with Revenue Authorities*	13,25,73,576	51,15,146	46,58,933
iii) Prepaid Expenses	73,40,363	63,47,841	75,47,237
iv) Others*	3,41,29,172	4,78,78,219	4,44,69,749
	29,22,93,128	**6,40,41,206**	**5,66,75,919**
* Includes incentive, duty & GST refundable.			
15 Share Capital :			
Authorised :			
15,000,000 Equity Shares of Rs 10/- each	15,00,00,000	15,00,00,000	15,00,00,000
	15,00,00,000	**15,00,00,000**	**15,00,00,000**
Issued :			
11,125,812 Equity Shares of Rs. 10/- each	11,12,58,120	11,12,58,120	11,12,58,120
Subscribed and Fully Paid-up Equity Shares :			
11,125,812 Equity Shares of Rs. 10/- each fully paid up	11,12,58,120	11,12,58,120	11,12,58,120
	11,12,58,120	**11,12,58,120**	**11,12,58,120**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

a) The reconciliation of the number of Shares outstanding at the beginning and end of the year:

Particulars	31st March,2018		31st March,2017		1st April ,2016	
	No. of Shares	Rs	No. of Shares	Rs	No. of Shares	Rs
At the beginning of the year	1,11,25,812	11,12,58,120	1,11,25,812	11,12,58,120	1,11,25,812	11,12,58,120
Issued during the year	-	-	-	-	-	-
At the end end of the year	1,11,25,812	11,12,58,120	1,11,25,812	11,12,58,120	1,11,25,812	11,12,58,120

b) Terms / rights attahced to equity shares

i) The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of Shareholders holding more than 5% shares in the company :

Name of Share Holder	31st March,2018		31st March,2017		1st April ,2016	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Mr. Arunkumar Biyani - Director	13,25,000	11.91	13,25,000	11.91	13,25,000	11.91
Mr. Anil D. Biyani - Director	17,00,000	15.28	17,00,000	15.28	17,00,000	15.28
Mr. Ajay D. Biyani - Director	14,75,000	13.26	14,75,000	13.26	14,75,000	13.26
Mrs. Manju Biyani - Director	6,70,000	6.02	6,70,000	6.02	6,70,000	6.02

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

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
16 Other Equity			
Securities Premium	17,90,93,650	17,90,93,650	17,90,93,650
General Reserve	18,00,00,000	16,00,00,000	14,00,00,000
Retained Earning	58,48,68,336	53,36,74,655	47,11,52,887
	94,39,61,986	**87,27,68,305**	**79,02,46,537**

a) Securities Premium Reserve : Securities Premium Reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Act.

b) General Reserve : the has transferred a portion of Net Profit of the Company before declaring dividend to general reserve pursuant to the earlier provisons of compnies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act 2013.

c) Retained Earnings : Retained Earnings are the profit, the the company has earned till date, less any transfer to general reserve, dividend or other distributions paid to shareholders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

17 Non Current Borrowings :

	31st March,2018		31st March,2017		1st April ,2016	
Particulars	Non Current	Current	Non Current	Current	Non Current	Current
Secured :						
Term Loans - from Banks	13,03,00,271	4,11,40,204	7,80,34,427	4,34,39,764	5,77,76,123	5,65,65,199
Unsecured :						
i) Unsecured Loans *	16,76,00,000	-	2,68,00,000	-	7,09,27,680	-
ii) Fixed Deposits from Public	32,37,73,000	4,05,47,000	7,44,57,000	2,78,21,000	5,49,80,500	2,00,91,000
	49,13,73,000	4,05,47,000	10,12,57,000	2,78,21,000	12,59,08,180	2,00,91,000
	62,16,73,271	8,16,87,204	17,92,91,427	7,12,60,764	18,36,84,303	7,66,56,199

* As stated by Directors taken on Long term basis

The Term Loans of Rs. 1624.36 lacs are secured by first pari passu charge on office premises situated at Mumbai and respective plant & Machinery together with spares, tools and accessories and other movables, both present and future at Dadra and personal gurantees of three Directors. Term Loan of Rs. 90.05 lacs are secured by hypothecation of vehicles.

There are no defaultes in repayment of loan and interest thereon as on March 31, 2018 for the loan under this head.

Maturity Profile of Secured Loan (Non Current Portion) :

	1 - 2 years	2- 3 years	3 - 4 years	4 - 10 years
Term Loan	2,84,82,504	1,91,20,102	1,13,75,494	6,66,59,040
Vehicle Loan	35,95,453	10,44,309	23,369	-

Unscured Loans includes Rs. 745,00,000 from Directors and Rs. 931,00,000 from inter corporates.

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
18 Other Non Current Liabilities			
a) Government Grants #	30,18,409	33,89,800	-
	30,18,409	**33,89,800**	**-**
# Represents unamortised amount of duty saved referred to in note 43.			
19 Current Borrowings :			
Secured :			
a) Working Capital Loans from Banks :			
i) Cash Credit/Demand Loans/Short term Loans	72,24,79,405	63,32,46,520	60,78,65,860
ii) Packing Credit	28,23,93,439	17,25,44,678	10,64,21,338
	1,00,48,72,844	**80,57,91,198**	**71,42,87,198**

Working Capital loans are secured by hypothecation of all fixxed assets, present and future stock of raw materials, stock in process , finished goods, stores and spares, packing materials, book debts & personal gurantees of three directors.

20 Trade Payables :			
a) Micro, Small and medium Enterprises *	-	-	-
b) Trade Payables others	10,42,55,080	4,64,43,599	7,59,12,524
	10,42,55,080	**4,64,43,599**	**7,59,12,524**

There is no principal amount due and remaining unpaid. No interest paid/payable during the year by the compnay to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

The above disclosure is based on the information available with Company

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
21 Other Current Financial Liabilities :			
Unpaid Dividend	25,82,933	20,54,779	11,71,448
Current Maturities of Long term Debt (Refer note No. 17)	8,16,87,204	7,12,60,764	7,66,56,199
	8,42,70,137	**7,33,15,543**	**7,78,27,647**

*There are no amount due and outstanding to be credited to Investor Education and Protection Fund.

22 Other Current Liabilities			
a) Other Current Liabilities			
i) Employees Dues	1,11,85,845	49,94,662	42,05,698
ii) Government Grants #	3,71,391	3,71,391	-
iii) Others*	54,67,134	1,07,77,509	14,17,406
	1,70,24,370	**1,61,43,562**	**56,23,104**

* Includes statutary dues

Represents unamortised amount of duty saved referred to in note 43.

23 Provisions	23,90,932	-	-
	23,90,932	**-**	-

	Current Year	Previous Year
24 Revenue from Operations		
Sale of products	6,49,65,32,341	7,04,02,38,812
Revenue from Operations	**6,49,65,32,341**	**7,04,02,38,812**
25 Other Income		
Commission income	61,01,693	43,32,043
Profit on Sale of Fixed Assets	63,72,415	1,78,336
Exchange Rate Difference	95,06,517	25,07,501
Apportioned Income From Government Grants (Refer Note 43)	3,71,391	1,48,212
Other Income	11,967	-
	2,23,63,983	**71,66,092**
26 Cost of Raw Material consumed		
Inventory at the beginning of the year	39,22,16,060	28,01,80,865
Add: Purchases	2,29,96,56,706	2,73,27,51,138
	2,69,18,72,766	3,01,29,32,003
Less: Inventory at the end of the year	23,85,72,324	39,22,16,060
Cost of raw material and components consumed	**2,45,33,00,442**	**2,62,07,15,943**
27 Purchase of Traded Goods		
Yarn	3,00,99,74,729	3,29,88,44,556
	3,00,99,74,729	**3,29,88,44,556**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	Current Year	Previous Year
28 (Increase)/Decrease in Inventories		
Closing Stock		
Work-in-Progress	4,14,94,222	4,29,96,809
Finished Goods	21,36,52,505	18,47,12,115
	25,51,46,727	**22,77,08,924**
Opening Stock		
Work-in-Progress	4,29,96,809	4,45,46,201
Finished Goods	18,47,12,115	17,82,24,689
	22,77,08,924	22,27,70,890
	(2,74,37,803)	**(49,38,034)**
29 Employee Benefit Expenses		
Salaries, Wages and Bonus and other benefits	17,82,53,845	16,67,88,115
Contribution to Provident Gratuity & Other Funds	64,05,049	67,70,083
Staff Welfare Expenses	72,61,529	46,23,038
	19,19,20,423	**17,81,81,236**
30 Finance Costs		
Interest	8,60,12,138	9,68,60,091
Bank charges & Commission	2,36,11,273	2,83,91,531
	10,96,23,411	**12,52,51,622**
31 Other Expenses		
Consumption of Stores and spares	4,25,94,216	4,01,54,724
Consumption of Packing Material	3,84,56,570	4,30,15,344
Job Work Charges	3,93,47,029	4,95,29,070
Power and Fuel	12,18,40,941	14,11,71,093
Rent	1,11,90,527	1,27,26,293
Rates and Taxes	9,11,918	22,39,354
Insurance	1,18,31,210	1,13,50,084
Repairs and Maintenance		
Plant and Machinery	38,65,686	38,23,527
Buildings	21,87,631	36,79,574
Others	17,96,048	27,57,406
Legal and Professional fees	47,06,396	51,26,993
Directors' Sitting Fees	1,24,000	50,450
Payment to Auditor (Refer details below)*	2,25,000	1,72,500
Directors Remuneration	1,72,80,000	1,58,40,000
Bad debts	-	13,75,035
Vehicle Expenses	34,10,943	31,25,696
Freight and Forwarding Charges	14,67,12,701	15,31,28,547
Advertising and Sales Promotion	50,90,277	45,55,154
Sales Commission	5,03,75,303	5,76,70,208
Traveling and Conveyance	59,82,089	78,77,635
Communication Costs	39,00,185	53,56,909
Printing and Stationery	14,11,819	16,12,544
General Expenses	47,57,990	42,42,693
Corporate Social Responsibility Expenses	14,50,000	16,00,000
	51,94,48,479	**57,21,80,833**
*Payment to Statutory Auditor		
Audit Fees	1,70,000	1,37,500
Tax Audit Fees	40,000	35,000
Certification charges	15,000	-
	2,25,000	**1,72,500**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	Current Year	Previous Year
32 Depreciation and Amortization Expenses		
Depreciation of Property, Plant and Equipments	8,33,38,640	11,77,37,658
Amortisation on Intangible Assets	17,14,685	11,15,615
	8,50,53,325	**11,88,53,273**
33 Earnings per Share (EPS)		
Net profit after tax as per Profit & Loss attributable to Equity Shareholders (in Rs.)	11,71,17,624	9,04,94,210
Number of Equity Shares	1,11,25,812	1,11,25,812
Basic and Diluted Earning per share (in Rs.)	10.53	8.13
Face Value per Equity share (in Rs)	10.00	10.00
34 Dividend on Equity Shares		
Proposed dividend on equity share not recognised as liability :		
Final Dividend of Rs. 3/- per share for F.Y. 2017-2018		
(Previous Year Rs. 2.80/- per share)	3,33,77,436	3,11,52,274
Dividend Distribution Tax	68,60,045	63,41,870
35 Contingent Liabilities		
Counter Guarantees given to Banks	3,74,59,000	2,72,56,000
Letter of Credit/Bill Discounting with Banks	44,20,03,388	30,66,71,713
DEPB Entitlement Refund Claim by DGFT	81,18,321	81,18,321
36 Managerial Remuneration		
Salary	1,72,80,000	1,58,40,000
Perquisites	7,92,000	7,92,000

37 The Company is engaged only in Textile business and there are no separate reportable segments as per Ind AS 108.

38 **Rent Expenses**

The Company has taken godown, residential & office premise under operating lease or leave and license agreement and these are cancellable leases. The lease terms in respect of such premises are on the basis of individual agreement entered into with the respective landlord/owner. The lease payments are recognised under the Rent expense in the note number 31 under " Rent ".

39 **Related Party Disclosures**

As per Accounting Standard 24, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below.

List of related parties where control exists and related parties with whom material transactions have taken place and relationships:

(a) Key Management Personnel (KMP)

Shri Arunkumar Biyani - Chariman & Director
Shri Ajay D. Biyani - Managing Director
Shri Anil D. Biyani - Whole-Time Director

(b) Relatives of Key Management Personnel (KMP) :

Mrs. Kanta Biyani, Mr. Aman Biyani, Mr. Akshay Biyani, Mrs. Manju Biyani, Mrs. Sanju Biyani, Ms. Risha Biyani, Ms. Anushree Biyani, Mrs. Payal Biyani, Mrs. Bhawna Biyani, Mrs. Savitridevi D Biyani, Mr. Aditya Biyani, Ms. Reiya Biyani, Ms. Jia Biyani, Ms. Kiara Biyani, Mrs. Radhika Biyani & Mr. Abhishek Biyani

(c) Other Related Parties (Enterprises - KMP having significant influence / Owned by Major Shareholders)

M/s. Shri Damodar Yarn Manufacturing Pvt.Ltd., M/s. Suam Overseas Pvt. Ltd., Ajay Biyani HUF, Arun Kumar Biayni HUF, Damodarlal Biyani HUF & Shri Damodar Foundation.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

(c) Other Related Parties (Enterprises - KMP having significant influence / Owned by Major Shareholders)
M/s. Shri Damodar Yarn Manufacturing Pvt.Ltd., M/s. Suam Overseas Pvt. Ltd., Ajay Biyani HUF, Arun Kumar Biayni HUF, Damodarlal Biyani HUF & Shri Damodar Foundation.

Name of Party	Nature of Transaction	Amount (Rs.) 2017-2018	Amount (Rs.) 2016-2017
Arunkumar Biyani	Interest on Unsecured Loan	6,72,585	1,33,244
	Directors Remuneration	57,60,000	52,80,000
	Rent	-	1,20,000
	Unsecured Loan Balance	2,45,00,000	59,30,000
Ajay D. Biyani	Interest on Unsecured Loan	6,63,307	1,16,982
	Directors Remuneration	57,60,000	52,80,000
	Rent	-	1,20,000
	Unsecured Loan Balance	1,17,00,000	23,20,000
Anil D. Biyani	Interest on Unsecured Loan	24,62,241	2,35,121
	Directors Remuneration	57,60,000	52,80,000
	Unsecured Loan Balance	3,83,00,000	34,50,000
	Perquisites	7,92,000	7,92,000
Shri Damodar Yarn Mfg Pvt. Ltd.	Sales of Goods/materials	1,83,18,700	3,56,77,277
	Purchases Goods/materials	2,26,811	27,70,656
	Job Work	36,98,544	97,32,823
Suam Overseas Pvt. Ltd.	Sales of Goods/materials	12,72,30,882	26,64,82,734
	Purchases Goods/materials	15,68,03,009	32,00,36,132
	Assets Purchased	-	58,33,125
	Job Work Sales	45,52,265	29,95,063
	Job Work Purchases	3,84,486	16,61,124
	Trade Receivable	4,04,917	-
Shri Damodar Foundation	Purchases Goods/materials	-	2,94,000
	Rent	9,60,000	8,40,000
	Trade Payables	2,70,000	6,000
Arunkumar Biyani (HUF)	Interest on FD	-	79,848
	Rent	60,000	1,20,000
Ajay D. Biyani (HUF)	Interest on FD	-	36,404
	Rent	60,000	90,000
Kanta Biyani	Interest on FD	-	85,394
Abhishek Biyani	Interest on FD	16,654	9,950
	Fixed Deposit Balance	2,00,000	-
Akshay Biyani	Interest on FD	53,099	45,783
	Fixed Deposit Balance	4,07,000	3,27,000
Manju Biyani	Interest on FD	1,48,870	1,59,151
	Fixed Deposit Balance	1,75,00,000	-
Sanju Biyani	Interest on FD	-	1,89,895
Bhawna Biyani	Interest on FD	-	1,03,633
Reiya Biyani	Interest on FD	17,926	48,758
	Fixed Deposit Balance	-	4,22,000
Risha Biyani	Interest on FD	743	61,046
	Fixed Deposit Balance	-	20,000
Savitridevi Biyani	Interest on FD	3,23,899	2,70,607
	Fixed Deposit Balance	28,19,000	24,19,000

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Name of Party	Nature of Transaction	Amount (Rs.) 2017-2018	Amount (Rs.) 2016-2017
Aman Biyani	Interest on FD	1,83,795	9,756
	Fixed Deposit Balance	1,75,00,000	2,00,000
	Employee Remuneration	24,00,000	21,00,000
Aditya Biyani	Interest on FD	1,48,870	91,103
	Fixed Deposit Balance	1,75,00,000	-
	Employee Remuneration	24,00,000	21,00,000
	Rent	60,000	1,20,000
Payal Biyani	Interest on FD	1,966	47,162
	Employee Remuneration	10,20,000	9,00,000
	Fixed Deposit Balance	2,20,000	-
Damodarlal Biyani (HUF)	Interest on FD	-	28,139
Kiara Biyani	Interest on FD	21,419	19,123
	Fixed Deposit Balance	1,82,000	1,69,000
Radhika Biyani	Interest on FD	9,670	36,052
	Fixed Deposit Balance	1,80,000	40,000
	Employee Remuneration	9,00,000	6,60,000
Jia Biyani	Interest on FD	9,240	-
	Fixed Deposit Balance	1,95,000	-

Parties identified by the management and relied upon by the Auditors

40 Defined Benefit Plan :- Gratuity (Funded)

The employees' gratuity fund scheme managed by Life Insurance Corporation. The present value of the obligation is determined based on actuarial valuation using the Projected unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

	As at March 31, 2018	As at March 31, 2017
I) Reconciliation of Opening and Closing balances of Defined Benefit Obligation of the year		
Defined Benefit Obligation at Beginning of the year	51,94,037	28,42,242
Liability transferred in/ Acquisitions	-	-
Current Service Cost	3,15,696	3,20,666
Interest Cost	4,15,523	1,95,245
Actuarial (Gain)/loss	25,95,138	21,08,012
Benefit Paid	(5,45,904)	(2,72,128)
Defined Benefit Obligation at the end of the year	79,74,490	51,94,037
II) Reconciliation of Opening and Closing balances of Fair value of plan Assets		
Defined Benefit Obligation at Beginning of the year	57,33,846	32,84,474
Expected return on Plan Assets	4,30,257	3,19,415
Assets transferred in/ Acquisitions	-	-
Actual Enterprise's contribution	32,71,869	24,54,275
Benefit Paid	(5,45,904)	(2,72,128)
Actuarial (Gain)/loss	-	(52,190)
Fair value of Plan Assets at year end	88,90,068	57,33,846
Actual return on Plan Assets		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at March 31, 2018	As at March 31, 2017
III) Reconciliation of fair value of Assets and Obligations		
Fair value of Plan Assets	88,90,068	57,33,846
Present value of Obligation	79,74,490	51,94,037
Amount Recognised in Balance Sheet [Surplus/(Deficit)]	9,15,578	5,39,809
IV) Expenses recognised during the year		
In Income Statement		
Current Service Cost	3,15,696	3,20,666
Interest Cost	4,15,523	1,95,245
Return on Plan Assets	-	-
Net Cost	7,31,219	5,15,911
In Other Comprehensive Income		
Actuarial (Gain)/ Loss	25,95,138	21,08,012
Return on Plan Assets	(4,30,258)	(2,67,225)
Net (Income)/Expense for the period recognised in OCI	21,64,881	18,40,787
V) Investment Details		
Insurance Fund	88,90,068	57,33,846
VI) Actuarial Assumption		
Financial Assumptions		
Discount rate	8.00%	7.30%
Salary Escalation Rate #	4.00%	4.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VI) Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level.

41 Details of corporate social responsibility (CSR) expenditure:

(Rs. In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Amount required to be spent as per Section 135 of the Act	33.52	37.53
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above*	14.50	16.00
Total as shown in note no. 31	**14.50**	**16.00**
*CSR paid to Related Party Shri Damodar Foundation	14.50	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

42 Fair value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values :

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts."
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values."

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique.

Level 1 : Quoted (unadjusted) price in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. In Lakhs)

Financial Assets and Liabilities	As at 31st March 2018				As at 31st March 2017				As at 31st March 2016			
	Carrying amount	Level of Input used in			Carrying amount	Level of Input used in			Carrying amount	Level of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets and Liabilities												
- Loans	49.53	-	-	49.53	44.96	-	-	44.96	40.35	-	-	40.35
- Trade Receivable	9373.66	-	-	9373.66	7425.22	-	-	7425.22	7113.33	-	-	7113.33
- Other Financial Assets	112.08	-	-	112.08	142.22	-	-	142.22	-	-	-	-
- Cash & Cash Equivalents	425.98	-	-	425.98	216.41	-	-	216.41	182.85	-	-	182.85
- Other Bank Balance	25.83	-	-	25.83	20.55	-	-	20.55	11.71	-	-	11.71
	9987.09	**-**	**-**	**9987.09**	**7849.36**	**-**	**-**	**7849.36**	**7348.25**	**-**	**-**	**7348.25**
At FVTPL												
Financial Assets												
At FTOCI												
Financial Assets												
At Amortised Cost												
Borrowings	16265.46	-	-	16265.46	9850.83	-	-	9850.83	8979.72	-	-	8979.72
Other Financial Liabilities	842.70	-	-	842.70	733.16	-	-	733.16	778.28	-	-	778.28
Trade Payables	1042.55	-	-	1042.55	464.44	-	-	464.44	759.13	-	-	759.13
	18150.71	**-**	**-**	**18150.71**	**11048.42**	**-**	**-**	**11048.42**	**10517.12**	**-**	**-**	**10517.12**
At FVTPL												
Financial Liabilities												

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Financial risk management objectives and policies

In the course of business, the company is exposed to certain financial risk that could have considerable influence on the Company's business and its performance. These include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk. The Board of Directors review and approves risk management structure and policies for managing risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides service to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The company uses derivative financial instruments to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

a) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair value or future cash flows of an 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 its operating activities. The Company manages its foreign Currency risk by hedging transaction that are expected to occur within a maximum 12 month periods for hedge of forecasted sales and purchases in foreign currency.

The hedging is done through foreign currency forward contracts.

a) The following table shows foreign currency exposures in USD and EUR on financial instruments at the end of the reporting period.

Foreign Currency Exposure

(Rs. In Lakhs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	USD	Euro	USD	Euro	USD	Euro
Loans	2823.93	-	2405.35	-	1700.98	-
Trade and other Payables	146.49	142.99	28.49	-	109.78	45.19
Trade and other Receivables	(4,927.26)	-	(4,080.44)	-	(3,609.35)	-
Derivatives						
- Forwards	1,956.83	-	1,646,60	-	1798.56	-
Net Exposure	**-**	**142.99**	**-**	**-**	**-**	**45.19**

b) Sensitivity analysis of 5% change in exchange rate at the end of reporting period.

Foreign Currency Exposure

(Rs. In Lakhs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	USD	Euro	USD	Euro	USD	Euro
5% Depreciation in INR Impact on P & L	-	7.15	-	-	-	2.26
Total	-	7.15	-	-	-	2.26
5% appreciation in INR Impact on P & L	-	(7.15)	-	-	-	(2.26)
Total	**-**	**(7.15)**	**-**	**-**	**-**	**(2.26)**

b) Market Risk - Interest rate risk :

Interest rate risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Total Borrowings	17082.33	10563.43	9746.28
% of Borrowings out of above bearing variable rate on interest	68.33	86.90	84.79

c) Equity Price Risk

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the company to equity price risks. At the reporting date, the company do not hold any equity securities.

d) Credit Risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Trade receivables consist of a large number of customers, spread across geographical areas. Outstanding customer receivables are regularly monitored.

The average credit period is in the range of 30 -90 days. However in select cases credit is extended which is backed by security deposit/bank guarantee/letter of credit and other firms. The Company's Trade receivables consist of a large number of customers, across geographies hence the Company is not exposed to concentration risk.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Ageing of Account receivables	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Not Due	6,324.10	5,404.50	4,811.42
0 - 3 Months	1,754.53	1,264.42	1,181.51
3 - 6 Months	610.35	353.06	773.05
6 Months to 12 Months	445.81	65.70	39.20
Beyond 12 Months and less than 3 years	238.86	337.55	308.15
Total	9,373.66	7,425.22	7,113.33

Financial Assets are considered to be part of good quility and there is no significant increase in credit risk.

e) Liquidity Risk :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. Furthermore, the Company access to funds from debt markets through short term working capital loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Within 1 year	More than 1 year	Total
As at 31st March, 2018			
Brrowings	10865.60	6216.73	17082.33
Trade and other payables	1042.55	-	-
Other Financial Liabilities	25.83	-	25.83
As at 31st March, 2017			
Brrowings	8770.52	1792.91	10563.43
Trade and other payables	464.44	-	464.44
Other Financial Liabilities	20.55	-	20.55
As at 1st April, 2016			
Brrowings	7909.43	1836.84	9746.28
Trade and other payables	759.13	-	759.13
Other Financial Liabilities	11.71	-	11.71

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

43 Export Promotion Capital Goods (EPCG)

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant

44 First Time Ind AS Adoption Reconciliation :

a) Effect of Ind As adoption on the bancnace sheet as at 1st Aptil, 2016 and 31st March, 2017

	As at 1st April 2016			As at 31st March, 2017		
	Regrouped Previous GAPP	IND AS Adjustments	IND AS	Regrouped Previous GAPP	IND AS Adjustments	IND AS
I Assets						
1) Non Current Assets						
a) Property, Plant and Equipment	68,42,13,462	-	68,42,13,462	65,77,45,511	3761191.00	66,15,06,702
b) Capital Work-in-Progress	-	-		-	-	-
c) Intangible assets	35,27,851	-	35,27,851	25,30,236	-	25,30,236
d) Intangible Assets Under Development	-	-	-	-	-	-
e) Financial Assets	-	-	-	-	-	-
(i) Other Non - Current Financial Assets -	-	-	-	-	-	
f) Other Non - Current Assets	64,23,153	-	64,23,153	57,23,150	-	57,23,150
Total Non-Current Assets	69,41,64,466	-	69,41,64,466	665998897.00	-	66,97,60,088
2) Current Assets						
a) Inventories	51,25,59,680	-	51,25,59,680	62,85,49,824	-	62,85,49,824
b) Financial Assets	-	-		-	-	-
(i) Investments	4,100	-	4,100	4,100	-	4,100
(ii) Trade Receivables	71,13,32,911	-	71,13,32,911	74,25,22,172	-	74,25,22,172
(iii) Cash and Cash Equivalents	1,82,85,176	-	1,82,85,176	2,16,41,411	-	2,16,41,411
(iv) Bank Balance Other Than Cash & Cash Equivalents	11,71,448	-	11,71,448	20,54,779	-	20,54,779
(v) Loans	40,35,153	-	40,35,153	44,95,524	-	44,95,524
(vi) Other Current Financial Assets	-	-	-	-	1,42,22,307	1,42,22,307
c) Current Tax Assets (Net)	1,34,64,074	-	1,34,64,074	85,72,459	-	85,72,459
d) Other Current Assets	5,66,75,919	-	5,66,75,919	6,40,41,206	-	6,40,41,206
Total Current Assets	1,31,75,28,461	-	1,31,75,28,461	1471881475.00	14222307.00	1,48,61,03,782
TOTAL ASSETS	2,01,16,92,927	-	2,01,16,92,927	2137880372.00	17983498.00	2,15,58,63,870
II EQUITY AND LIABILITIES						
1) Equity						
a) Equity Share Capital	11,12,58,120	-	11,12,58,120	111258120.00	-	11,12,58,120
b) Other equity	77,41,77,572	1,60,68,965	79,02,46,537	82,53,36,850	4,74,31,455	87,27,68,305
Total Equity	88,54,35,692	1,60,68,965	90,15,04,657	936594970.00	47431455.00	98,40,26,425
2) Liabilities						
Non-Current Liabilities						
a) Financial Liabilities						
(i) Borrowings	18,36,84,303	-	18,36,84,303	17,92,91,427	-	17,92,91,427
(ii) Other Financial Liabilities	-	-	-	-	-	-
b) Provisions	-	-	-	-	-	-
c) Deferred Tax Liabilities (net)	5,28,53,494	-	5,28,53,494	4,31,77,320	42,84,996	4,74,62,316
d) Other Non- Currrent Liabilities	-	-	-	-	33,89,800	33,89,800
Total Non-Current Liabilities	23,65,37,797	-	23,65,37,797	22,24,68,747	76,74,796	23,01,43,543

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

	As at 1st April 2016			As at 31st March, 2017		
	Regrouped Previous GAPP	IND AS Adjustments	IND AS	Regrouped Previous GAPP	IND AS Adjustments	IND AS
Current Liabilities						
a) Financial Liabilities						
(i) Borrowings	71,42,87,198	-	71,42,87,198	80,57,91,198	-	80,57,91,198
(ii) Trade Payables	7,59,12,524	-	7,59,12,524	4,64,43,599	-	4,64,43,599
(iii) Other Financial Liabilities	7,78,27,647	-	7,78,27,647	7,33,15,543	-	7,33,15,543
b) Other Current Liabilities	56,23,104	-	56,23,104	1,57,72,171	3,71,391	1,61,43,562
c) Provisions	1,60,68,965	(1,60,68,965)	-	3,74,94,144	(3,74,94,144)	-
Total Current Liabilities	**88,97,19,438**	**(1,60,68,965)**	**87,36,50,473**	**978816655.00**	**(3,71,22,753)**	**94,16,93,902**
Total Liabilities	**1,12,62,57,235**	**(1,60,68,965)**	**1,11,01,88,270**	**1201285402.00**	**(2,94,47,957)**	**1,17,18,37,445**
TOTAL EQUITY AND LIABILITIES	**2,01,16,92,927**	**-**	**2,01,16,92,927**	**2137880372.00**	**1,79,83,498**	**2,15,58,63,870**

B) Effect of Ind As adoption on the statement of Profit and Losss for the year ended 31st March, 2017

	As at 31st March, 2017		
	Regrouped As Per Previous GAAP 31.3.2017 (audited)	IND AS Adjustments	IND AS
1 a) Net Sales/Income from Operations	7,04,02,38,812	-	7,04,02,38,812
Total Income From Operations (Net)	**7,04,02,38,812**	**-**	**7,04,02,38,812**
2 Expenditure			
a) Cost of Materials Consumed	2,62,07,15,943	-	2,62,07,15,943
b) Purchases of Stock in trade	3,29,88,44,556	-	3,29,88,44,556
c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	(49,38,034)	-	(49,38,034)
d) Employee Benefits Expenses	18,00,22,023	(18,40,787)	17,81,81,236
e) Depreciation and Amortisation Expenses	11,87,05,061	1,48,212	11,88,53,273
f) Other Expenses	57,21,80,833	-	57,21,80,833
Total	**6,78,55,30,382**	**(16,92,575)**	**6,78,38,37,807**
3 Profit from Operations before Income & Finance Cost (1-2)	25,47,08,430	16,92,575	25,64,01,005
4 Other Income	70,17,880	1,48,212	71,66,092
5 Profit from Ordinary Activities before Finance Cost (3+4)	26,17,26,310	18,40,787	26,35,67,097
6 Finance Cost	12,52,51,622	-	12,52,51,622
7 Profit from Ordinary Activities after Finance Cost (5-6)	13,64,74,688	18,40,787	13,83,15,475
8 Tax Expenses - Current Tax	5,74,89,045	-	5,74,89,045
- Deferred Tax (Assets)/Liabilities	(96,76,174)	-	(96,76,174)
- Income tax related to earlier years	8,394	-	8,394
Tax Expenses	4,78,21,265	-	4,78,21,265
9 Net Profit from Ordinary Activities After Tax (7-8)	8,86,53,422	18,40,787	9,04,94,210
10 Other Comprehensive Income (Net of Tax)	-	80,96,524	80,96,524
11 Total Comprehensive Income (9-10)	**8,86,53,422**	**99,37,311**	**9,85,90,734**

Note :

a) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Notes to the reconciliation of equity as at 1st April, 2016 and 31st March 2017 and Total comprehensive income for the year ended 31st March, 2018.

i) Under Indian GAAP, proposed dividend (including DDT) is recognized as a liability in the period to which it relates, irrespective of when it is declared.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Under Ind AS, proposed dividend is recognized as a liability in the period in which it is declared by the Company (usually when approved by the shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for the year ended 31st March, 2016 recorded for the proposed dividend for the year along with dividend distribution tax is de-recognized and provided in the financial year in which it is declared or paid under Ind AS.

ii) Both under Indian GAAP and Ind AS, the Company recognises costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, the actuarial gains and losses on re-measurements of net defined obligation are recognised in other comprehensive income. Thus the employee benefit cost is increased/decrease and re-measurement gains/losses on defined benefit plans has been recognized in the OCI net of tax.

Under previous GAAP, there was no separate record in the financial statements for other Comprehensive Income (OCI). Under Ind AS, specified items of income, expense, gains and losses are presented under OCI.

iii) Under the Ind AS, change in fair value of cash flow hedge are recorded in OCI, net of tax.

iv) Apportionment of Government Grant recognised under Export Promotion Capital Goods (EPCG) scheme and corresponding charge of depreciation on account of grossing up of Property, plant & Equipment."

45 First time adoption of Indian Accounting Standards

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

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for period ended 31 March 2018, together with the comparative period data as at and for the year ended 31st March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS.This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

I) Mandatory exemptions:

a) Estimates

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

Ind AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP

ii) Optional exemptions:

a) Deemed Cost for Property Plant & equipment

Ind AS 101 permits a first time adopter to elect to fair value its property, plant and equipment as recognized in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property plant and equipment as recognized in the financial statements as at the date of transition to Ind AS. This exemption can be also used for intangible assets covered by Ind-AS 38.

Accordingly, as per Ind AS 101, the Company has elected to consider fair value of its property, plant and equipment, capital work in progress and intangibles as its deemed cost on the date of transition to Ind AS.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

iii) Fair value measurement of financial assets and liabilities Under IGAAP the financial assets and liabilities were being carried at the transaction value.

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transaction, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

The Company has measured its financial assets and liabilities at amortised cost or fair value.

46 Other Current financial assets represents fair value of cash flow hedge.

47 The financial information of the Company for the year ended 31st March, 2017 and the transation date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on previously issued statutory financial statements for the year ended 31st March, 2017 and the year ended 31st March, 2016 prepared in accordnace with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited and the auditors had given unmodified opinion. The adjustments to those financial statements for the differences in accounting principles have been adopted by the Company on transation to the Ind AS.

48 The previous period figures have been regrouped reclassified, wherever considered necessary.

As per our report of even date attatched

For Jitendra Mishra & Company
Chartered Accountants
Firm Registration No: 125334W

(Jitendra Mishra)
Proprietor
Membership No. FCA 116676

Place : Mumbai
Date : 26th May, 2018

For and on behalf of the Board of Directors

Arunkumar Biyani
Chairman

Ajay D. Biyani
Managing Director

Subodh Kumar Soni
Company Secretary

R. Kumar
Chief Financial Officer

DAMODAR INDUSTRIES LIMITED

Reg. Off. 19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai – 400 013
Tel: +91 – 022 -66610301/2 • **Fax:** 022- 6661 0308 • **E-mail:** cs@damodargroup.com • www.damodargroup.com

ATTENDENCE SLIP Serial No:

Registered Folio No./ DP ID/Client ID	
Name and address of the Member(s)	
Joint Holders	

I/We record my/our presence at the 30th Annual General Meeting of the Company to be held on Saturday, the 28th July, 2018 at 11.30 a.m. at Maheshwari Bhawan, 603, Chira Bazar (J. S. Road), Mumbai – 400 002.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

NOTE: You are requested to sign and handover this slip at the entrance of the meeting venue.

Proxy Form - Form No. MGT-11

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

CIN No.	L17110MH1987PLC045575		
Name of the Company	**Damodar Industries Ltd.**		
Registered Office	19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai – 400 013		
Name of the member (s)			
Registered address			
Email ID			
Folio No. / Client ID		DP ID	

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

1.	Name			
	Address			
	E-mail ID		Signature	
	Or Falling him			
2.	Name			
	Address			
	E-mail ID		Signature	
	Or Falling him			
3.	Name			
	Address			
	E-mail ID		Signature	
	Or Falling him			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Saturday, the 28th July, 2018 at Maheshwari Bhawan, 603, Chira Bazar (J. S. Road), Mumbai – 400 002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No	RESOLUTIONS	For	Against
1.	Adoption of Accounts		
2.	Declaration of dividend on equity share		
3.	Re-appointment of Shri Anil D. Biyani who retire by rotation and, being eligible, offer himself for re-appointment		
4.	Ractification of continuation of M/s Jitendra Mishra & Company, Chartered Accountants as the Statutory Auditor of the Company		
5.	Ractification of the Remuneration of the Cost Auditor		
6.	Approval of Related Party Transactions		
7.	Approval for the Acceptance of Fixed Deposits		

Signed this..... day of 2018

Affix Revenue Stamp ₹1/-

Signature of shareholder

Signature of Proxy holder (s)

Note : 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.



DAMODAR INDUSTRIES LTD.

Registered Office:-
19/22 & 27/30, Madhu Estate,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 013
Maharashtra.

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