SHEKHAWATI

Peaking growth. Scaling success.

27 TH ANNUAL REPORT 2017-18



Table of Contents

1.	Corporate information	01
2.	Notice	02
3.	Director's Report	13
4.	Annexure to Director's report	21
5.	Management Discussion and Analysis	41
6.	Corporate Governance Report	44
7.	Independent Auditor's Report	65
8.	Annexure to Auditor's Report	68
9.	Balance Sheet	72
10.	Profit and Loss Account	73
11.	Cash Flow Statement	74
12.	Notes to the financial Statement	88
13.	E-Communication Registration Form	
14.	Attendance Slip and Proxy Form	

CIN : L17120DN1990PLC000440

An ISO 9001 : 2015 Certified Company

CORPORATE INFORMATION

Board of Directors

1. **Mr. Mukesh Ramniranjan Ruia**
   Chairman & Managing Director
2. **Mr. Ravi Jogi**
   Whole-Time Director
3. **Mr. Sushil Poddar**
   Independent Director
4. **Mrs. Rohini Pradyumna Dandekar**
   Independent Director (Appointed w.e.f. May 25, 2017)
5. **Ms. Swati Sahukara**
   Independent Director
6. **Mr. Sanjay Jogi**
   Non-Executive Director (Resigned w.e.f May 25, 2017)
7. **Ms. Jyoti Thakkar**
   Independent Director(Resigned w.e.f May 25, 2017)

Chief Financial Officer
Mr. Suresh Chandra Gattaini

Statutory Auditors
M/s. Ajay Shobha& Co.
Chartered Accountants

Company Secretary& Compliance Officer
Mrs. Meena A. Agal

Bankers
State Bank of India
Axis Bank Ltd
Union Bank of India
Allahabad Bank
Dena Bank

Corporate Office
Express Zone 'A' Wing,
Unit No. 1102/1103,Patel Vatika,
off Western Express Highway,
Malad East, Mumbai-400097,
Maharashtra, India

Registrar & Transfer Agent
Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises,
1st Floor, 44E,MVasantiMarg
Andheri Kurla Road, Safed Pool,
Andheri (E),Mumbai -400 072

Registered Office
Unit –III, Plot No. 185/1,
Naroli Village,
Near KanadiPhatak,
Dadra & Nagar Haveli – 396 235
(Union Territory), India

Plant Locations

Unit III
Plot no.185/1, Naroli Village,
Near KanadiPhatak
Dadra & Nagar Haveli - 396 235
(Union Territory), India

Unit II
Plot no. 44 Government Industrial Estate,
Masat, Samarvani,
Dadra & Nagar Haveli – 396 230
(Union Territory), India

Important Communication to Members

The Ministry of Corporate Affairs 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).

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of Shekhawati Poly-Yarn Limited will be held on 27th September, 2018 at 11.30 a.m. at the Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli -396 235 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on March 31, 2018 including Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss Account and Cash flow statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Mukesh R. Ruia (DIN No. 00372083), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To Re-appointment of Mr. Ravi Sanjay Jogi as Whole Time Director

To consider and if thought fit, to pass with or without modification, the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V as amended upto date and all guidelines for managerial remuneration issued by the Central Government from time to time and in accordance with the approval of Nomination and Remuneration Committee and the Board of Directors at their meeting held on August 11, 2014 and subject to the approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Ravi Sanjay Jogi (holding DIN No. 06646110) as a Whole – Time Director of the Company for a period of 5 (Five) years w.e.f. September 3, 2018 on the terms and conditions, inclusive expressly the remuneration payable to him as Whole Time Director and the minimum remuneration payable to him in case of absence or inadequacy of profits in any year, set out in the Draft Agreement prepared in that behalf and submitted to this meeting and initialed by the Chairman for the purpose of identification, the broad details of which are given in the Explanatory Statement in respect of this item of the Notice, is hereby specifically approved with liberty to the Board to vary or increase the terms & Conditions of the remuneration including salary, commission, perquisites, etc. and appointment and /or the Agreement in such manner as may be agreed to between the Board and Mr. Ravi Sanjay Jogi in the best interest of the Company within the limitations in that behalf as contained in Schedule V to the Act or any amendments thereof or otherwise as may be permissible at law and that the Agreement, when finalized be executed by the Company by affixing its common seal thereon in accordance with the relevant provisions contained in the Article of Association of the Company."

"RESOLVED FURTHER THAT any of the Director and/or Company Secretary of the Company be and is hereby jointly or severally to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

4. Ratification of Remuneration to Cost Auditor :

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2015 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration as decided between the company and auditor to M/s. N. Ritesh & Associates, Cost Accountants (Registration No. 26963), who were appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-2019, be and is hereby ratified and confirmed."

By Order of the Board of Directors
For Shekhawati Poly-Yarn Limited

Sd/-
Meena A. Agal
Company Secretary & Compliance Officer

Place : Mumbai
Date : August 11, 2018

Registered Office:-
Unit No. III, Survey No. 185/1,
Naroli Village, Near Kanadi Phatak,
Dadra& Nagar Haveli, Silvassa. 396 235
India.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PROXY FORM IS SENT HEREWITH.

2. Corporate Members intending to send their authorized representative to attend the Meeting are required to send a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote at the Meeting, as required under Section 113 of the Companies Act, 2013. The attention of the Members is drawn to the proxy related provisions given in para 6 of the SS-2 i.e. Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India and approved by the Central Government.

3. In terms of Section 152 of the Companies Act, 2013, Mr. Mukesh Ramniranjan Ruia, (DIN No. 00372083) Director, retire by rotation at the Meeting and being eligible, offers himself for reappointment. The Board of Directors of the Company recommend his re-appointment. The details of the director seeking re-appointment as required Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards-2 issued by Institute of Company Secretaries of India and notified by Central Government, is annexed hereto.

   The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the Meeting, is annexed hereto.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting. Route Map of the AGM venue is appended is given in this report.

5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office/Corporate Office of the Company during the Business hours on all working days except Saturday and Sunday during business hours up to the date of the 27th Annual General Meeting.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 21, 2018 to Thursday, September 27, 2018 (both days inclusive) in connection with Annual General Meeting.

8. Members may also note that the Notice of the 27th Annual General meeting and Annual Report for 2018 will also be available on the Company's website www.shekhawatiyarn.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office/Corporate office for inspection during normal business hours on working days except Saturday & Sunday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication the shareholders may also send request to the Company investor email id : investor@shekhawatiyarn.com

9. Electronic copy of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any Members has requested for a hard Copy of the same. Members who have not registered their email address, physical copies of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. To prevent fraudulent transactions, members are advised to intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Private Limited, Unit No.1 Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400 072 Tel 022-2851 5644 Fax No. 022-2851 2855. Members holding shares in the electronic form are advised to inform change in address directly to their respectively depository participants.

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

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Company and has allowed service of notices I documents including annual report 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 the same in respect of electronic holdings with the depository through their depository participants. Members

who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.

Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

12. Remote e-voting Facility:-

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read along with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through remote e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') will be provided by National Securities Depository Limited (NSDL) .

(ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 20, 2018.

(iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

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

(v) Mr. Vishal N. Manseta,(Membership No. 25183), Practicing Company Secretary has been appointed as a Scrutinizer for conducting the remote e-voting and the voting process at the meeting in fair and transparent manner.

13. Information and other instructions relating to e-voting are as under :

The instructions for shareholders voting electronically are as under :

(i) The voting period begins on September 24, 2018 at 10.00 a.m. and ends on September 26, 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the September 20, 2018 cut-off date (record date) of may cast their vote electronically. The e-voting module shall be disabled by NSDL 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 process/manner for availing e-voting facility and the instructions for members voting electronically are as under :-

How do I vote electronically using NSDL e-Voting system?

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

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who holdshares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open

the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

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

a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

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

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

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

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting.Click on e-Voting. Then,click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

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

14. Procedure of Voting at AGM

(i) Members who do not vote by e-voting are entitled to vote at the meeting. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

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

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

(iv) The results declared alongwith the report of the Scrutinizer will be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately forwarded to the BSE Ltd. and National Stock Exchange of India Ltd, Mumbai.

15. Mrs. Meena Agal, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. Her contact details and Address : Corporate Office of the Company i.e. Express Zone, Unit No. 1102/1103, Patel Vatika, Off. W.E. Highway, Malad (E), Mumbai – 400 097 Telephone No.: 022-66940626 E-mail : cs@shekhawatiyarn.com

16. Members are requested to send their queries atleast 10 days in advance so that the required information can be made available at the meeting.

17. Members are requested to intimate Registrar and Share Transfer Agent M/s Sharex Dynamic (India) Private Limited for consolidation of their folios, in case they are having more than one folio alongwith copy of PAN card.

By Order of the Board of Directors
For Shekhawati Poly-Yarn Limited

Sd/-
Meena A. Agal
Company Secretary & Compliance Officer

Place : Mumbai
Date : August 11, 2018

Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 of the accompanying Notice:

Item No. 3

Mr. Ravi Sanjay Jogi was appointed as the Whole Time Director of the Company for a period of 5 (Five years) w.e.f September 3, 2013 to manage and control the functions of Company under the superintendence, control and directions of the Board of Directors ('the Board') of the Company. His term expires on September 3, 2018 and proposed further for re-appointment as Whole Time Director is subject to approval at the ensuing Annual General Meeting of the company.

The terms and conditions of the appointment of Mr. Ravi Sanjay Jogi as the Company's Whole Time Director are embodied in the draft Agreement ('the Agreement') entered into between the Company and Mr. Ravi Sanjay Jogi and same was approved by Nomination and Remuneration Committee and Board of Directors. The material terms of which may be summarized as follow :

1. Terms of Office of Mr. Ravi Sanjay Jogi as the Whole Time Director of the Company for a period of 5 (Five) years w.e.f . September 3, 2018 and re -appointment of Mr. Ravi Sanjay Jogi shall be liable to retirement by rotation.

2. Mr. Ravi Sanjay Jogi shall subject to the superintendence, control and directions of the Board of Directors of the Company shall perform the duties and exercise the powers referable or in relations thereto and shall also perform such other duties and exercise such further powers as may from time to time be entrusted to or conferred upon him by the board either alone or jointly with any other person or persons as the Board shall determine and shall devote the whole of his time and attention to the business and affairs of the Company and shall to the best of his skill and ability serve and promote the interests of the Company. In consideration of his services as the Company's Whole Time Director, Mr. Ravi Sanjay Jogi shall be entitled to receive the following remuneration from the Company. The remuneration will comprise of Salary, commission, perquisites, Bonus, other benefits & allowances as mentioned below :

3. Remuneration : Not to exceed Rs. 1,00,000/- p.m. (Rupees One Lac Only) & the Board of Directors be and is hereby authorised to vary or increase the remuneration from time to time within the limits of Schedule V of the Companies Act, 2013.

4. In the event of absence or inadequacy of profits of the Company in any Financial year during the term of Mr. Ravi Sanjay Jogi appointment hereunder, (a) subject to the approval of Central Government the remuneration payable to him shall not be reduce and (b) if the approval of Central Government as stated in (a) is not received, the remuneration payable to Mr. Ravi Sanjay Jogi shall be the maximum amount permitted as per Schedule V of the Companies Act, 2013.

5. Remuneration specified herein, shall be payable to the Whole Time Director notwithstanding the inadequacy of or no profits in any financial year during the currency of tenure of his office as such.

6. Mr. Ravi Sanjay Jogi, Whole Time Director shall not so long as he functions as the Whole Time Director of the Company be entitled to receive any fee(s) for attending Meeting of Board or a Committee thereof from the date of his appointment, however he shall be entitled to reimbursement of expenses in connection with the business of the Company.

7. Mr. Ravi Sanjay Jogi satisfies all the conditions set out in part –I of schedule V to the Act as also condition set out under sub-section (3) of the Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

   The Resolution seeks the approval of member in terms of section 196,197 and 203 read with schedule V and other applicable provisions of Companies Act, 2013 and (Appointment and Remuneration of Managerial Personnel) Rule 2014 made thier under for his appointment as Whole Time Director

   None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested in the said resolution except Mr. Ravi Sanjay Jogi.

   The agreement between the Company and Mr. Ravi Sanjay Jogi, Whole Time Director providing the terms and conditions of his appointment and remuneration is available for inspection by the members of the Company at the Registered Office/Corporate Office between 11.00 a.m. to 2.00 p.m. on any working day of the Company except Saturday/Sunday up to and inclusive of the date of the ensuing Annual General Meeting.

   Your Directors recommend the resolution for the member's approval.

Item No.4

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. Ritesh & Associates, Cost Accountants (Registration No. M/26963), to conduct the audit of the cost records of the Company for the financial year ended March 31, 2019. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the year 2018-19 as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

Details of Director seeking appointment /re-appointment as required under Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2:-

Name	**:Mr. Ravi Sanjay Jogi**
Age	: 30 Years (June 5, 1988)
Date of Appointment	: August 10, 2013
Qualification	:Bachelor of Engineering (InformationTechnology) from Mumbai University and MBA in Marketing & Operations from Foundation for Liberal & Management Education.
Other Directorship	: NIL
Shareholding in the Company	: 1000
Names of the Listed Companies in which he holds Directorship/Committee Membership	**Director in:** Shekhawati Poly-Yarn Limited **Committee Membership:** NIL
Experience in Specific	: Mr. Ravi Sanjay Jogi has a good knowledge in the field of Marketing and Operation.
Job Profile & Suitability	: To Manage and control function of Company under the superintendence, control and directions of the Board of Directors ('the Board') of the Company in the field of Marketing and Operations.
Terms and conditions of re-appointment	Appointed as a Director liable to retire by rotation
Details of meeting attended and Remuneration	Appointed as a Director liable to retire by rotation. Other details are mentioned in the Corporate Governance Report

Name	**: Mr. Mukesh Ramniranjan Ruia**
Age	: 46 Years (February 1, 1972)
Date of Appointment	: March 2, 2010
Qualification	B.Com. from Mumbai University Diploma in Computer by NIIT & Course of Import – Export from "The Indo American Society."
Other Directorship	NIL
Shareholding in the Company	85500000
Names of the Listed Companies in which she holds Directorship/Committee Membership	**Director in:** Shekhawati Poly-Yarn Limited **Committee Membership:** Audit Committee Stakeholders Relationship Committee Corporate Social Responsibility Committee
Experience in Specific	: Experience of 28 years in Textile Industry.
Job Profile & Suitability	: To Manage and control function of Company under the superintendence, control and directions of the Board of Directors ('the Board') of the Company in all the field of Company.
Terms and conditions of re-appointment	Appointed as Chairman & Managing Director for five year.
Details of meeting attended and Remuneration	Details are mentioned in the Corporate Governance Report.

By Order of the Board of Directors
For Shekhawati Poly-Yarn Limited

Sd/-
Meena A. Agal
Company Secretary & Compliance Officer

Place : Mumbai
Date : August 11, 2018

BOARD REPORT

To the Members,

Your Directors have pleasure in submitting their 27th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2018.

1. FINANCIAL RESULTS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The financial statements for the Financial Year ended March 31, 2018 are the Company's first Ind AS compliant annual financial statements with comparative figures for the year ended March 31, 2017 also under Ind AS. The date of transition is April 1, 2016. The disclosure and effects of first time adoption of Ind AS are detailed in the Notes to the financial statements. The financial highlights of your Company for the financial year ended March 31, 2018 are summarized as follows:

(Amount in Lakhs)

Particulars	**2017-2018**	**2016-2017**
Net Sales /Income from		
Business Operations	14608.25	10078.45
Other Income	153.98	41.91
Total Income	**14762.23**	**10120.36**
Less: Expenses	15103.81	10096.10
Total	**341.58**	**24.26**
Less: Interest	15.85	42.56
Profit before Depreciation	(357.43)	(18.30)
Less: Depreciation	998.84	1037.01
Profit/Loss after depreciation and Interest	**(1356.27)**	**(1055.31)**
Less: Exceptional Item&Prior period Exp.	----	4560.34
Profit/Lossbefore Tax	**(1356.27)**	**(5615.65)**
Less: Current Income Tax	-----	-----
Less: Deferred Tax Liability / (Assets)	3.49	(3.58)
Net Profit / Loss after Tax	**(1359.76)**	**(5612.06)**
Other comprehensive Income/(Loss)	(7.08)	7.26
Total Comprehensive Income/(Loss) for the year (After Tax)	**(1366.84)**	**(5604.82)**
Dividend (including Interim if any and final)	----	-----
Net Profit after dividend and Tax	(1366.84)	(5604.82)
Amount transferred to General Reserve	----	-----
Balance carried to Balance Sheet	(1366.84)	(5604.82)
Earning per share (Basic)	(0.39)	(1.67)
Earning per Share(Diluted)	(0.39)	(1.67)

2. DIVIDEND

The Board of Director has not recommended any dividend on the Share Capital of the Company for the period ended March 31, 2018 in view of losses incurred.

3. TRANSFER TO RESERVES

The company has not transferred any amount to the General Reserve.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations during the year under review:

a. Performance

During the year under review the performance of the company was affected due to lower capacity utilization on account of limited resources available with company and continuous slowdown in the local and international market in the textile industry. The Performance also affected due to transitory adverse effect of rolling out of Goods and Service Tax (GST). The Company has incurred loss after tax of ₹ 1366.84 lacs as against a loss after tax of ₹ 5604.82 lacs in the previous year 2016-17. The turnover of the company was ₹ 14608.25 lacs as against ₹10078.45 lacs in the previous year 2016-17.

b. Marketing and Market environment

Your Company believes that its scale of operations and integration across the textile chain will, in future, offer significant advantages in both cost and revenue.Your Company work hard to meet the competition as well as to enable to maintain long standing business relationship.

C. Future Prospects including constraints affecting due to Government policies

We expect the textile segments to turn favorable based on the various factors like macro economy condition and the Company is taking all necessary steps to take company forward.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed by the regulators / courts that would impact the going concern status of the Company and its future operations.

7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year ended 31st March, 2018 as stipulated under Regulation 34(2) and (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with Stock Exchanges in India, is presented in the a separate section forming a part of this Annual Report.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **"Annexure A"** and is attached to this report.

9. RISK MANAGEMENT POLICY

Risk management includes identifying all types of risks and its assessment, risk handling and monitoring and reporting. The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor the principal risks that can impact its ability to achieve its strategic objectives. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company has adopted Risk Management Policy in accordance with the Listing Regulations, 2015.

The Risk Management Policy is available on weblinkhttp://www.shekhawatiyarn.com/Companypolicies.html.

10. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has constituted Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Sushil Kumar Poddar. The other members of the Committee are Mr. Mukesh Ruia and Mrs. Rohini Pradyumna Dandekar. The Board of Directors based on the recommendations of the Committee formulated a CSR Policy. The Company could not undertake CSR activities in view of losses. The detailed CSR Policy is hosted on company's website weblinkhttp://www.shekhawatiyarn.com/Companypolicies.html. Annual report on CSR as required under Companies (Corporate Social Responsibility Policy) Rules 2014 is furnished in **"Annexure B"** and forms part of this report.

11. DISCLOSURE UNDER THE SEXUAL HARASSEMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing woman employees in various cadres within its office and factory premises. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of woman at work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee is set up to redress any complaints received and are monitored by woman line supervisors. All employees are covered under this policy. There was no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on March 31, 2018 for redressal.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Particulars of Contract or Arrangements made with related parties made pursuant to Section 188 is furnished in **"Annexure C"** and is attached to this report. All related party transactions that were entered into during the year under report were on an arm's length basis and in ordinary course of business and were in compliance with applicable provisions of the Act and Listing Regulations.

The policy on the materiality of the Related Party Transactions and also on dealing with the Related Party Transactions as approved by the Audit Committee and Board of Directors is available on the weblinkhttp://www.shekhawatiyarn.com/Companypolicies.html.

14. AUDITORS REPORTS

As regards Auditors Remarks in Audit Report, comments of the Board of Director is as under:-

Auditor Remark :
The Company has not provided for Interest Expenses amounting to ₹ 2,256.99 Lakhs (P.Y.₹ 2373.73 Lakhs) (derived on simple interest basis) which should have been provided as per the Principal of Prudence on the borrowing which have been classified as "Non-performing assets" (NPA) by the banks as referred in Note 42 of accompanying notes to financial statement. The company has also not provided penal interest and other bank charges, as the same are not ascertainable. Had these interest expenses been debited to the Statement of Profit and Loss Account, loss for the year ended and debit balance of reserves and surplus would have been higher by ₹ 2,256.99 lakhs and ₹ 4,630.72 lakhs.

Management Remark :
The Company is in the process of negotiation with its bankers and is hopeful that the suitable resolution plan will be considered by banks and accordingly, the Company has not recognized the Interest Expenses.

15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, including criteria for determining Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **"Annexure D"** and is attached to this report.

16. ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an extract of the Annual Return in Form MGT – 9 is furnished in **"Annexure E"**.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

18. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

19. MEETINGS OF THE DIRECTORS

The Board met 5 (Five) times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the periods prescribed by the companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with the stock exchanges.

20. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

a) Applicable accounting standards have been followed with explanation for any material departures;
b) Selected accounting policies have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
c) Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
d) The annual accounts are prepared on a going concern basis;
e) Internal financial controls laid have been followed by the company and that such internal financial controls are adequate and are operating effectively and;
f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year following Directors appointed / re-appointed and resigned in the Company.

Appointments
Mrs. Rohini Pradyumna Dandekar who were appointed as an Additional Independent Director by the Board of Directors on the recommendation of Nomination and remuneration Committee on May 25, 2017 and re-appointed as an Independent Director in the 26th AGM for 5 consecutive years.

Re-appointments
1) As per the provisions of Section 152(6) of the companies Act, 2013 Mr. Mukesh Ruia (DIN : 00372083), Executive Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

2) As per the provision of Section 196, 197 & 203 of the Companies Act, 2013 Mr. Ravi Sanjay Jogi, Executive Director is re-appointed for the another term of 5 years as a Whole Time Director.

Attention of the member is invited to the relevant item in the Notice of the 27th Annual General Meeting and explanatory statement thereto.

Resignations
Ms. Jyoti Thakkar, Independent Director and Mr. Sanjay Jogi, Non – Executive Director was resigned from the Directorship of the Company w.e.f May 25, 2017 due to their pre-occupation.

The Board places on record its appreciation for the services rendered by Ms. Jyoti Thakkar and Mr. Sanjay Jogi during their tenure with the Company.

Appointment / Resignations of the Key Managerial Personnel

There is no appointment/Resignation of the Key Managerial Personnel.

Board Evaluation
Pursuant to section 134 and 174 of the Act, and Regulation 17 and 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors, Board, its committees including the Chairman of the Board who were evaluated on parameters such level of engagement and contribution and independence of judgement thereby safeguarding the interests of the Company. The performance evaluation of the Chairman and the Non Independent Directors

was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Committees. The Directors expressed their satisfaction with the evaluation process.

Familiarization Programme

The Company have conducted presentation during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, performance update of the Company, global business environment, technology and the risk management system of the Company. Further, the Directors are encouraged to attend and to the training programmes being organized by various regulators/bodies/Institution on above matters and freedom to interact with the management of the Company.

22. DECLARATION OF INDEPENDENT DIRECTORS

The company has received necessary declaration from all Independent Director under section 149(7) of the Companies Act, 2013,that he/she meets the criteria of independence as prescribed under Section 149(6) and (7) of the Companies Act, 2013,and Regulation 16 of Listing Regulations.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of the following members as on March 31, 2018

Sr. No.	Name of the Member	Designation
1	Mr. Sushil Kumar Poddar	Chairman
2	Mr. Mukesh Ruia	Member
3	Mrs. Rohini Pradyumna Dandekar	Member

The above composition of the Audit Committee consists of independent Directors viz., Mr. Sushil Kumar Poddar and Mrs. Rohini Pradyumna Dandekar who form the majority. More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report. Mrs. Rohini Pradyumna Dandekar was appointed as member of Audit committee in place of Ms. Jyoti Thakkar, who resigned from membership w.e.f. May 25, 2017.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and is also displayed on the website of the Company.

24. AUDITORS

STATUTORY AUDITORS

M/s. Ajay Shobha & Co. Chartered Accountants were appointed as Statutory Auditor of the Company at the Annual General Meeting held on September 22, 2015, to hold office till the conclusion of the Annual General Meeting to be held in the Calendar year 2020 subject to ratification by the member at every AGM held thereafter. Section 139 of the Act has been amended vide the Companies (Amendment) Act, 2017 by the Ministry of Corporate Affairs on May 7, 2018 and has done away with the requirement of seeking ratification of Member for appointment of Auditors at every AGM. Accordingly, no Resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM.

The M/s.Ajay Shobha & Co. Chartered Accountants have under Sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from continuing as Statutory Auditor of the Company and furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

COST AUDITORS

As per the requirement of Section 148 of the Act, read with the companies (Cost Record and Audit) Rules, 2014, the Audit of Cost Account related to Textile product is being carried out every year. The Board of Directors have, based on the recommendation of the Audit Committee, appointed M/s. N. Ritesh& Associates, Cost Accountant, Mumbai (Membership No. M/26963) to audit the cost accounts of the Company for the year ended March 31, 2018 on a remuneration of fixed between the Board and Cost Auditor. As required under the Act, necessary resolution seeking members ratification for the remuneration payable to M/s. N. Ritesh & Associates is included as **item Number 4** of the Notice convening 27th Annual General Meeting.

SECRETARIAL AUDITORS

Mr. Vishal Manseta, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the company for the Financial Year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for F. Y. 2017-18 forms part of the Annual Report as **"Annexure F"** to the Board Report.

INTERNAL AUDITORS

M/s. Sunil Kudwa & Co., Chartered Accountants (Firm Registration No. 123657W) were appointed as internal auditors of the Company for the F.Y. 2017-2018. The Internal Audit Report have been submitted to the Audit Committee and the Board of Directors.

Their appointment as a internal Auditor for the Financial Year 2018-19 has been approved in the meeting of the Board of Directors held on May 30, 2018.

26. INTERNAL FINANCE CONTROL

The Board has adopted system of internal control to ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company is in the process of strengthening its Internal Financial Control System considering present financial situation, and other recent developments.

27. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES

Your company had 381 employees as on March 31, 2018.

The statement containing the particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company as no employees were in receipt in remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details required as per Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **"Annexure G"** and forms part of the report.

28. SHARE S

a. BUY BACK OF SECURITIES
The Company has not bought back any of its securities during the year under review.

b. SHARES WITH DIFFERENTIAL VOTING RIGHTS
The company has not issued equity shares with differential voting rights during the period under review.

c. SWEAT EQUITY
The Company has not issued any Sweat Equity Shares during the year under review.

d. BONUS SHARES
No Bonus Shares were issued during the year under review.

e. EMPLOYEES STOCK OPTION PLAN
The Company has not provided any Stock Option Scheme to the employees.

29. CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements as per the Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.A separate report on Corporate Governance alongwith a Certificate of Compliance from the Auditors forms a part of this report.

30. COMPLIANCE OF SECRETARIAL STANDARDS

The Company is in compliance with all applicable Secretarial Standard issued by the Institute of Company Secretaries of India.

31. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For SHEKHAWATI POLY-YARN LIMITED

		Sd/-	**Sd/-**
		Mukesh Ruia	**Ravi Jogi**
Date	**: August 11, 2018**	**Chairman & Managing Director**	**Whole – Time Director**
Place	**: Mumbai**	**(DIN : 00372083)**	**(DIN : 06646110)**

ANNXEXURE – A

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

Particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018

CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy

Conservation of energy is an essential step towards overcoming energy crisis, environmental degradation & global competitiveness.

The Company has given due importance to conservation of energy. It is making continuous efforts to conserve energy by affecting process and machinery modifications, implementation of technological advancements, development of newer methods, proper maintenance among others. These measures have resulted in savings in terms of energy, money and time.

The Company has replaced CFL and LED Lighting in place of conventional lighting to save energy. The Company has also replaced old motors with energy efficient motors.The Company has adopted various other measures in earlier years which are still continuing.

(ii) the steps taken by the company for utilizing alternate sources of energy

The company has necessary transparent ceiling and maximum windows on Top Floor of the Plant to run factory lighting through direct sun rays.

(iii) the capital investment on energy conservation equipments

During the year under review, the Company has not incurred any capital investment on energy conservation equipment.

The Details of Energy Consumption:-

Particulars		**2017-2018**	**2016-2017**
Power and Fuel Consumption			
Electricity			
Purchased Units	(KWH)	1,92,92,400	2,14,82,516
Total Amount	(₹)	8,08,56,149	10,31,32,931
Average rate per unit	(₹)	**4.19**	**4.80**

RESEARCH AND DEVELOPMENT

a) The efforts made towards technology absorption

The Company has well-equipped and state-of-the-art quality testing and development equipment, managed by a committed team of highly qualified and experienced professional.

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

These measures have helped in production of value added products, reduction of costs among others. Besides various studies and experiments are undertaken to save energy, improve productivity and quality, control costs among others.

Improved product designs resulted in higher value added products and better realizations.

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology from outside India during the last three years reckoned from the beginning of the financial year.

d) Specific in which R & D was carried out by the Company.

The Company is actively engaged in product up gradation and development.

Emphasis on the different variety of products for better margin.

e) Expenditure incurred on R & D

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same were being maintained.

A. FOREIGN EXCHANGE EARNING AND OUTGO

Foreign Exchange earnings by way of Exports were ₹ 424.27 lacs and the company does not have Foreign exchange outgo during the year by way of import.

ANNEXURE - B

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 and programs.	Pursuant to Section 135(1) of the Companies Act, 2013 read with companies (Corporate Social Responsibility) Rules, 2014, the Board of Director have constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy is placed on the website and is available on the following weblinkhttp://www.shekhawatiyarn.com/Companypolicies.html
2.	The Composition of the CSR Committee	1) Mr.Sushil Kumar Poddar, Chairman 2) Mr. Mukesh Ruia, Member and 3) Mrs. Rohini Pradyumna Dandekar, Member*.

***Note :**Mrs. Rohini Pradyumna Dandekar appointed as member of Corporate Social Responsibilty in place of Ms. JyotiThakkar w.e.f. May 25, 2017.

The Company could not undertake CSR activities/Expenditure during this financial year considering the losses incurred by the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For SHEKHAWATI POLY-YARN LIMITED

Sd/-
MukeshRuia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Sushil Kumar Poddar
Chairman – CSR Committee
(DIN : 03605830)

Place : Mumbai
Date : August 11, 2018

ANNXEXURE – C

Form No. AOC-2

Particulars of Contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This form pertains to the disclosure of particulars of contract/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 Contract or arrangements or transactions not at arm's length basis :

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

Details of Contract or arrangements or transactions at arm's length basis :

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2018 are as follow:

Name of Related party and Nature of Relationship	Nature of Contract/ arrangements/ transactions	Duration of Contract/ arrangements/ transactions	Salient terms of the Contract / arrangements/ transactions	Date of approval by Board	Amount paid by Party (₹ In Lakhs)
Vinayak Clothings Pvt. Ltd (Director Relative is Director in Pvt. Ltd Company)	Sale of Goods	On Going	Sale of Good	December 5 , 2017	2110.55

Appropriate approvals have been taken for related party transactions.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For SHEKHAWATI POLY-YARN LIMITED

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole – Time Director
(DIN : 06646110)

Date : August 11, 2018
Place : Mumbai

Annexure – D

Policy regarding Appointment of Directors and payment of remuneration to Managerial Personnel

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel, Non-Executive Directors and other employees, which was approved and adopted by the Board.

I. PREAMBLE:

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Regulation19(4) and part 'D (A) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 entered into by the Company with Stock Exchanges, as amended from time to time. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

II. OBJECTIVE:

The objective of the Policy is to ensure that:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

(ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed thereunder, (b) Regulation 19(4) and part 'D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

IV. REMUNERATION OF MANAGING DIRECTOR/WHOLE TIME DIRECTOR:

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Managing Director/Whole Time Director of the Company. The remuneration payable to the Managing Director/Whole Time Director shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules framed thereunder. The remuneration payable to the Managing Director/Whole Time Director shall comprise of fixed pay, perquisites and a variable salary determined as a percentage of fixed salary & payable annually, linked to

achievement against pre-agreed annual performance parameters. The Managing Director/Whole Time Director will not be eligible for any bonus/commission linked to profits of the Company. Notwithstanding that in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration as aforesaid to its Managing Director/Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013, and with the prior approval of the Central Government, wherever necessary.

V. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings of the Board and Committees thereof (ii) Commission up to 1% of net profit as may be decided by the Board (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Key Managerial Personnel and Senior Management. The structure of remuneration payable to Key Managerial personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company. Such compensation framework adopted for the employees by the Human Resource department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies and having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

VII. REMUNERATION TO OTHER EMPLOYEES

Basic Salary, allowances, Retiral Benefits, such other perquisites and/or incentives and/or bonus and/or variable Pay based on factors as above, as may be decided by the Management from time to time as per HR Policy.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Regulation 19(4) and part 'D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications,positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

(a) He/She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

(b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed thereunder and the Listing Agreement with Stock Exchanges.

II. POSITIVE ATTRIBUTES:

(a) He/She should be a person of integrity, with high ethical standard.
(b) He/She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
(c) He/She should be having courtesy, humility and positive thinking.
(d) He/She should be knowledgeable and diligent in updating his/her knowledge.
(e) He/She should have skills, experience and expertise by which the Company can benefit.
(f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team monitoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of Regulation 19(4) and part 'D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Annexure – E
EXTRACT OF ANNUAL RETURN
As on financial year ended 31-03-2018
[Pursuant to Section 92(3) of the Companies act, 2013 read with
[The Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9

A. REGISTRATION AND OTHER DETAILS:

CIN:-	L17120DN1990PLC000440
Registration Date:	05-11-1990
Name of the Company:	Shekhawati Poly-Yarn Ltd.
Category / Sub-Category of the Company	Company Limited by Shares Indian Non-Government Company
Address of the Registered office and contact details:	Unit No. III, Plot No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli - 396 235.
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072. Tel : 2851 5606/5644/6338 F : 28512885 / Web :http://www.sharexindia.com

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service% to total turnover of the company	% to total turnover of the company
a.	Texturized, Twisted Yarn & Knitted Fabrics	20203	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
a	Not Applicable			

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	"No. of Shares held at the beginning of the year 01-04-2017"				No. of Shares held at the end of the year 31-03-2018				"% Change during the year"
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1). INDIAN									
(a). Individual	126005000	0	126005000	36.56	126005000	0	126005000	36.56	0.00
(b). Central Govt.	0	0	0	0	0	0	0	0	0.00
(c). State Govt(s).	0	0	0	0	0	0	0	0	0.00
(d). Bodies Corpp.	46249255	0	46249255	13.42	46249255	0	46249255	13.42	0.00
(e). FIINS / BANKS.	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0			0.00
Sub-total (A) (1):-	**172254255**	**0**	**172254255**	**49.97**	**172254255**	**0**	**172254255**	**49.97**	**0.00**
(2). FOREIGN									
(a). Individual NRI / For Ind	0	0	0	0	0	0	0	0	0.00
(b). Other Individual	0	0	0	0	0	0	0	0	0.00
(c). Bodies Corporates	0	0	0	0	0	0	0	0	0.00
(d). Banks / FII	0	0	0	0	0	0	0	0	0.00
(e). Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.00
(f). Any Other Specify	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (2):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
"Total shareholding of Promoter (A) = (A) (1)+(A)(2)"	**172254255**	**0**	**172254255**	**49.97**	**172254255**	**0**	**172254255**	**49.97**	**0.00**
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds	0	0	0	0	0	0	0	0	0.00
(b). Banks / FI	0	0	0	0	0	0	0	0	0.00
(c). Central Govt.	0	0	0	0	0	0	0	0	0.00
(d). State Govt.	0	0	0	0	0	0	0	0	0.00
(e). Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
(f). Insurance Companies	0	0	0	0	0	0	0	0	0.00
(g). FIIs	0	0	0	0	0	0	0	0	0.00
(h). Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
(i). Others (specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	97562845	0	97562845	28.30	72222843	0	72222843	20.95	-7.35
(ii). Overseas	0	0	0	0	0	0	0	0	0
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh	36529646	1324	36530970	10.60	51376209	1324	51377533	14.91	4.31

Category of Shareholders	"No. of Shares held at the beginning of the year 01-04-2017"				No. of Shares held at the end of the year 31-03-2018				"% Change during the year"
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	32329524	0	32329524	9.38	47029653	0	47029653	13.64	4.27
(c). Other (specify)									
Non Resident Indians	1900618	0	1900618	0.55	1062753	0	1062753	0.31	-0.24
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0.00
Foreign Nationals	0	0	0	0	0	0	0	0	0.00
Clearing Members	4121788	0	4121788	1.20	752963	0	752963	0.22	-0.98
Trusts	0	0	0	0	0	0	0	0	0.00
Foreign Boodies - D R	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(2):-	**172444421**	**1324**	**172445745**	**50.03**	**172444421**	**1324**	**172445745**	**50.03**	**0.00**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**172444421**	**1324**	**172445745**	**50.03**	**172444421**	**1324**	**172445745**	**50.03**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	**0.00**
Grand Total (A+B+C)	**344698676**	**1324**	**344700000**	**100.00**	**344698676**	**1324**	**344700000**	**100.00**	**0.00**

ii) Shareholding of promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			ShareHolding at the end of the Year			% changes in share holding during the year
		No.of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	No.of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	
1	MUKESH RAMNIRANJAN RUIA	85500000	24.80	0	85500000	24.80	9.00	0.00
2	SKI BUILDCON PVT LTD	31000000	8.99	0	31000000	8.99	0.00	0.00
3	MUKESH RAMNIRANJAN RUIA HUF	18000000	5.22	0	18000000	5.22	5.19	0.00
4	ALTIUS BUILDCON PRIVATE LIMITED	15249255	4.42	0	15249255	4.42	0.00	0.00
5	SHREY MUKESH RUIA	15000000	4.35	0	15000000	4.35	0.00	0.00
6	KALPANA MUKESH RUIA	7500000	2.18	0	7500000	2.18	2.18	0.00
7	RAMNIRANJAN N RUIA	5000	0.00	0	5000	0.00	0.00	0.00

iii) Change in Promoter's Shareholding(Please specify,if there is change)

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No.Of shares	
	N/A							

iv) Shareholding pattern of top ten Shareholders (other than Directors,promoters and Holders of GDRs and ADRs):

Sr. No	Name	No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
1	S & D SHARE & STOCK PVT LTD	0	0.00	01-04-2017				
				09-03-2018	26000000	Buy	26000000	7.54
	-Closing Balance			**31-03-2018**			**26000000**	**7.54**
2	AZURA PROJECTS PVT LTD	26000000	7.54	01-04-2017				
	-Closing Balance			**31-03-2018**		**No Change**	**26000000**	**7.54**
3	AMAX NETWORK PVT LTD	11162031	3.24	01-04-2017				
	-Closing Balance			**31-03-2018**		**No Change**	**11162031**	**3.24**
4	VIKAS TYAGI	3821130	1.11	01-04-2017				
				05-05-2017	637218	Buy	4458348	1.29
				04-08-2017	399050	Buy	4857398	1.41
				08-09-2017	840000	Buy	5697398	1.65
				15-09-2017	719000	Buy	6416398	1.86
				22-09-2017	-40526	Sold	6375872	1.85
				30-09-2017	-24474	Sold	6351398	1.84
				06-10-2017	-540000	Sold	5811398	1.69
				13-10-2017	-417504	Sold	5393894	1.57
				20-10-2017	1441564	Buy	6835458	1.98
				27-10-2017	1610218	Buy	8445676	2.45
				03-11-2017	-2456698	Sold	5988978	1.74
				10-11-2017	-1831742	Sold	4157236	1.21
				17-11-2017	-1836974	Sold	2320262	0.67
				24-11-2017	1723550	Buy	4043812	1.17
				01-12-2017	-50407	Sold	3993405	1.16
				15-12-2017	358605	Buy	4352010	1.26
				22-12-2017	-11988	Sold	4340022	1.26
	-Closing Balance			**31-03-2018**			**4340022**	**1.26**
5	NUPUR BHANSALI	2348837	0.68	01-04-2017				
	-Closing Balance			**31-03-2018**		**No Change**	**2348837**	**0.68**
6	PROFULLA SARMA	75974	0.02	01-04-2017				
				05-01-2018	75974	Buy	75974	0.02
				12-01-2018	509463	Buy	585437	0.17
				19-01-2018	69264	Buy	654701	0.19
				26-01-2018	189441	Buy	844142	0.25
				02-02-2018	196236	Buy	1040378	0.30
				09-02-2018	76860	Buy	1117238	0.32
				16-02-2018	234459	Buy	1351697	0.39
				23-02-2018	495621	Buy	1847318	0.54
				02-03-2018	156420	Buy	2003738	0.58
				09-03-2018	101583	Buy	2105321	0.61
				16-03-2018	16488	Buy	2121809	0.62
				23-03-2018	154105	Buy	2275914	0.66

Sr. No	Name	No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
	-Closing Balance			**31-03-2018**	**36522**	**Buy**	**2312436**	**0.67**
7	M GUNESHWOR SINGH	0	0.00	01-04-2017				
				08-12-2017	1800000	Buy	1800000	0.52
				15-12-2017	500000	Buy	2300000	0.67
	-Closing Balance			**31-03-2018**			**2300000**	**0.67**
8	R VISHWANATHAN	0	0.00	01-04-2017				
				25-08-2017	2503253	Buy	2503253	0.73
	-Closing Balance			**31-03-2018**	**-493491**	**Sold**	**2009762**	**0.58**
9	PRESCIENT SECURITIES PRIVATE LIMITED	2000000	0.58	01-04-2017				
	-Closing Balance			**31-03-2018**		**No Change**	**2000000**	**0.58**
10	MADHUKAR SHETH	5883934	1.71	01-04-2017				
				08-12-2017	-4135011	Sold	1748923	0.51
				15-12-2017	-211000	Sold	1537923	0.45
	-Closing Balance			**31-03-2018**			**1537923**	**0.45**
11	PAATH FINANCIAL SERVICES PRIVATE LIMITED	26000000	7.54	01-04-2017				
				09-03-2018	-26000000	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**
12	GAJANAND INFRACON PRIVATE LIMITED	12839049	3.73	01-04-2017				
				28-04-2017	-702046	Sold	12137003	3.52
				12-05-2017	-1480894	Sold	10656109	3.09
				19-05-2017	-4597852	Sold	6058257	1.76
				09-06-2017	-6058257	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**
13	VASTUPAL INFRA STRUCTURE PRIVATE LIMITED	4185804	1.21	01-04-2017				
				07-04-2017	-1825091	Sold	2360713	0.69
				14-04-2017	-2360713	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**
14	RG BJ TRADERS PRIVATE LIMITED	4164505	1.21	01-04-2017				
				21-07-2017	-4164505	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**
15	SATYAPRABHU INFRA STRUCTURE PRIVATE LIMITED	3478957	1.01	01-04-2017				
				15-12-2017	-3478957	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**
16	SHANKHESHWAR SPINNERS PRIVATE LIMITED	3161912	0.92	01-04-2017				
				14-04-2017	-1513227	Sold	1648685	0.48
				21-04-2017	-1482420	Sold	166265	0.05
				28-04-2017	-166265	Sold	0	0.00
	-Closing Balance			**31-03-2018**			**0**	**0.00**

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding at the beginning of the year			Cumulative Shareholding at the end of the year			% of total Shares of the company
		No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	
1	Mukesh R. Ruia - Chairman & Managing Director	85500000	24.80	**01-04-2017**				
	-Closing Balance			**31-03-2018**	**0**	**No Change**	**85500000**	**24.80**
2	Ravi S. Jogi - Whole Time Director	1000	0.00	**01-04-2017**				
	-Closing Balance			**31-03-2018**	**0**	**No Change**	**1000**	**0.00**
3	Suresh Chandra Gattani - Chief Financial Officer	1000	0.00	**01-04-2017**				
	-Closing Balance			**31-03-2018**	**15000**	**Buy**	**16000**	**0.00**
4	Meena Agal - Company Secretary & Compliance Officer	10	0.00	**01-04-2017**				
	-Closing Balance			**31-03-2018**	**0**	**No Change**	**10**	**0.00**

vi) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year* i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	20551.74	0.00	0	20551.74
Change in Indebtedness during the financial year • Addition • Reduction				
Net Change	184.10	0.00	0	184.10
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not	20367.64	0.00	0	20367.64
Total (i+ii+iii)	**20367.64**	**0.00**	**0**	**20367.64**

***Note :-** Amount at the beginning of the Financial year shown as per Ind AS Financial Statement.

vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs in Lakhs)

Sr. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1	**Gross salary**	**Mukesh Ramniranjan Ruia**	**Ravi Sanjay Jogi**	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.50	10.50	28.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify…	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total (A)	**17.50**	**10.50**	**28.00**
	Ceiling as per the Act	**0.00**	**0.00**	**0.00**
	Totat	**17.50**	**10.50**	**28.00**

B. Remuneration to other directors:

(Amount in Rs)

Particulars of Remuneration	Name of Directors / Manager					Total Amount
1. Independent Directors	**Mr. Sushil Kumar Poddar**	**Ms. Swati Sahukara**	**Mrs. Rohini Dandekar**	**Ms. Jyoti Thakkar**	**Mr. Sanjay Jogi**	
•Fee for attending board / committee meetings	5000	4,000	5,000	1,000	-	15000
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (1)	**5000**	**4,000**	**5,000**	**1,000**	**-**	**15000**
2. Other Non-Executive Directors						
•Fee for attending board / committee meetings	-	-	-	-	1000	1000
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (2)	**-**	**-**	**-**	**-**	**1000**	**1000**
Total (B)=(1+2)	**5000**	**4,000**	**5,000**	**1,000**	**1000**	**16000**

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

(Rs in Lakhs)

Sr No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CFO	Company Secretary	
		Suresh Chandra Gattani	Meena Agal	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.06	6.74	21.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission - as % of profit - others, specify…	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00
	Total	**15.06**	**6.74**	**21.80**

viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/Punishment/Compounding of Offences for the year ended on March 31, 2018.

Annexure F

Form No. 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 No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Shekhawati Poly-Yarn Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shekhawati Poly-Yarn Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Shekhawati Poly-Yarn Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. :

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

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

As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act.The Company has filed various E-Forms during the year as a part of Compliance with the Act.

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

As per information provided the Company has complied with the stated rules.

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

As the shares of the Company are listed on BSE and NSE as per compliance requirement the shares of the Company are in demat form except 1,324 shares as on date.

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

As per information and explanation provided the Company is involved in export and in respect of which FEMA Compliances are done.

The Company has obtained Licences under EPCG for purchase of capital goods. Under the EPCG the Company needs to fulfil certain export obligations, failing which it is liable for payment of custom duty. Obligation at the

end of current financial year is ₹ 1160.98 Lakhs (P.Y. ₹ 1541.24 Lakhs) to be exported / adjusted within 6 to 8 years from the date of respective license.

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; are complied.
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
The said regulations are Complied with as the insider trading notice is issued to the persons possessing price sensitive information before every Board or Members meeting and in case of any Corporate Action or announcements made to Stock Exchanges as the case may be.
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; aare Complied
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;Not Applicable
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
The Sharex Dynamic (India) Pvt. Ltd is RTA of the Company and is compliant with the said regulations.
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and
(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;Not Applicable
(i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; are complied.

(vi) The list of other acts applicable is as under:

- **Provident Fund and other Employee Benefit related Statutes**
The Company has EPF Account wherein share of Employee and employer is deposited. As per information and explanation provided to me on some occasion delay was there in remittance of such dues which were then deposited with interest wherever applicable. However, there are no dues outstanding for more than six month as on March 31, 2018.

- **TDS and Service Tax related statutes**
The Company has deposited Tax under respective Statutes. As per information and explanation provided to me on some occasion delay was there in remittance of such dues which were then deposited with interest as may be applicable. However, there are no dues outstanding for more than six month as on March 31, 2018.

  - The Maharashtra Shops and Establishment Act, 1948.
  - Prevention of Money Laundering Act
  - The Information Technology Act, 2000.
  - The Indian Stamp Act, 1899/Bombay Stamp Act.
  - Negotiable Instruments Act, 1881.
  - Registration of any property purchase/sale/long lease.
  - Wealth Tax Act, 1957
  - Maharashtra Profession Tax under various state level legislations
  - Indian Contract Act, 1872

As information and explanation given to me, the company has obtained various licenses required for the operations of the Company.

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

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

As per information and explanation given by the Company, the Company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India during the period under review. As per the information provided, the company has complied with the requirements of the GST Act, as and when made applicable.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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 at the meeting.

Majority decision is carried through there were no dissenting views by the members.

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

I further report that as per the information and explanation given to me the company has not provided interest on borrowings outstanding which have been classified as NPA by the banks. The company has also not provided penal interest and other bank charges, as the same are not ascertainable. The detailed explanation and effect of the same is given in the auditor's report.

For Vishal N. Manseta
(Practicing company Secretary)

Place : Mumbai
Date : August 11, 2018

Sd/-
Vishal N. Manseta
ACS No. A25183
CP No. 8981

Annexure to Secretarial Audit Report

To,
The Members,
Shekhawati Poly-Yarn Limited
(CIN No.L17120DN1990PLC000440)

My Secretarial Audit Report is to be read along with this letter :

1. Maintenance of secretarial record as well as the compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. My examination was limited to the verification of procedures on test basis.

3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

4. I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.

5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Vishal N. Manseta
(Practicing company Secretary)

Place : Mumbai
Date : August 11, 2018

Sd/-
Vishal N. Manseta
ACS No. A25183
CP No. 8981

ANNXEXURE – G

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

Sr. No	Name of Director/KMP and Designation	Remuneration of Director/KMP for the Financial Year 2017-18 (₹ In Lakhs)	% increase in Remuneration in the financial year 2017 -18	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Mukesh Ramniranjan Ruia- Chairman & Managing Director	17.50	34.61	16.03
2.	Mr. Ravi Jogi – Whole Time Director	10.50	0.00	9.61
3.	Mr. Sushil Kumar Poddar – Independent Director	Nil	Nil	Nil
4.	Mrs. Rohini Dandekar– Independent Director	Nil	Nil	Nil
5.	Ms. Swati Sahukara– Independent Director	Nil	Nil	Nil
6.	Mr. Suresh Chandra Gattani – Chief Financial Officer	15.06	(6.28)	13.79
7.	Meena Agal – Company Secretary & Compliance Officer	6.74	5.81	6.17

Sr. No.	Requirements	Disclosures
1	The Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 2.94%.The actual average increase for employees eligible for increment was around 4.95%. The calculation of % increase in median remuneration is done based on the Company performance and employee's individual performance.
2	The Number of permanent employees on the rolls of the Company	381 employees as on March 31, 2018
3	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exception circumstance for increase in the managerial remuneration	There was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees.
4	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration is as per the remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For SHEKHAWATI POLY-YARN LIMITED

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole – Time Director
(DIN : 06646110)

Date : August 11, 2018
Place : Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

Management Discussion and Analysis mainly comprises of the statements which inter alia involve predictions and projections based on perceptions and may, therefore, attract certain risks and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking within the meaning of applicable securities, laws and regulations. The actual result could differ materially from those expressed herein specifically or impliedly.

The important factors that could make a difference to the Company's operations include availability and cost of raw material, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economics developments within India and countries in which the Company conducts business, India's Free Trade Agreements with other countries, prevailing exchange rate of INR against other currencies, availability of skilled and unskilled workforce and other incidental factors. The shareholders are cautioned to use this in conjunction with the Company's financial statements.

OVERALL REVIEW:

- In India's textiles sector is one of the oldest sector in Indian economy have an overwhelming presence in economic life of India. Now a days textiles sector is one of the largest contributors to India's exports with approximately 13% of total exports of the country. The textiles industry is also labour intensive and is one of the largest employer.This sector employed approx 51 million people directly and 68 million indirectly in the country. Textile sector plays a major/vitol role in the Indian Economy It contributes around 14% to industrial production and 5% to GDP of the country.

  During the year under review the performance of the company was affected due to lower capacity utilization on account of limited resources available with company and continuous slowdown in the local and international market in the textile industry. Further it is also affected due to thin margin in job work activity that the company is carrying on.

A. INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The textile industry has witnessed steady growth in the recent past with the friendly policies announced by the Government. The industry has undergone drastic changes over the decades, particularly after the introduction of Technology Up-gradation Funds (TUFs) scheme by the Government of India and majority of the textile companies have modernized /renovated their plants in order to provide quality products and meet the global standards.

The Indian government has come up with a number of export promotion policies for the textiles sector which encourage the textile industries to export. The Government has also allowed 100 % Foreign Direct Investment (FDI) in the Indian textiles sector under the automatic route as per FEMA Act.

Your Company work hard to meet the competition as well as to enable to maintain long standing business relationship.

B. OPPORTUNITY AND THREATS:

The economy is expected to improve its performance during the current fiscal and the textiles industry is also likely to register good growth. Moreover, Implementation of a well-designed GST model that applies to the

widest possible base at a low rate, can provide significant growth stimulus to business and contribute to the Prime Minister's mission of 'Make in India'.

OUTLOOK:

We expect the textile segments to turn favorably and based on the various factors like macro economy condition, the Company is hopeful of improved financial performance in the coming year and hope to provide good results in the forth coming years.Total export of the Company for the year 2017-18 was ₹ 424.27 Lacs.

C. RISK AND CONCERNS:

Risk taking is intrinsic to business growth. All business organization face risks either from internal operations or from external environment. The base of any business is a healthy appetite for risk. This is why one of the greatest and most important challenges for an organization is to define the optimal risk level for its business to ensure that its activities produce risk adjusted returns.

The risks for the Company is high cost of major input, viz. POY and intense competition in domestic and export markets due to large scale over capacity.

D. INTERNAL CONTROL SYSTEM:

The Board has adopted system of internal control to ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.The management reviews the control systems and procedures periodically to upgrade them. Presently the internal control systems are commensurate to the size and operations of the company.

E. FINANCIAL & OPERATIONAL PERFORMANCE:

During the year under review the performance of the company was affected due to lower capacity utilization on account of limited resources available with company and continuous slowdown in the local and international market in the textile industry. The Performance also affected due to transitory adverse effect of rolling out of Goods and Service Tax (GST). The Company has incurred loss after tax of ₹ 1366.84 lacs as against a loss after tax of ₹ 5604.82 lacs in the previous year 2016-17. The turnover of the company was ₹ 14608.25 lacs as against ₹10078.45 lacs in the previous year 2016-17.

F. HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS:

The Company continued to enjoy harmonious and cordial relations amongst its entire employee. The key to the success of the Company lies in its people whose skills, expertise, and talent help the Company to achieve and sustain its market position. It is the people's commitment, technical know-how, innovative ability and performance driven mindset that enable to react swiftly and creatively to the evolving customer and market needs.

Human resources continue to be an invaluable and intangible asset and key success factor for the Company to grow and sustain its market position in a highly competitive and challenging environment. Your Company firmly believes that people are the pivotal force behind the growth and excellence in business operations. Focus on developing leadership skills and building talent for the future and the process of improving organizational

and human capability through competency mapping of managerial positions in all areas of the Company's operations, continued as a major initiative. The Company is committed to provide the right environment to its employees to work and to inculcate a sense of ownership and pride.

G. CAUTIONARY STATEMENT:

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate, intend, will, expect and other similar expressions are intended to identify such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of subsequent developments, information or events.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For SHEKHAWATI POLY-YARN LIMITED

	Sd/-	**Sd/-**
	Mukesh Ruia	**Ravi Jogi**
Date : August 11, 2018	**Chairman & Managing Director**	**Whole – Time Director**
Place : Mumbai	**(DIN : 00372083)**	**(DIN : 06646110)**

REPORT ON CORPORATE GOVERNANCE

Corporate Governance:

Corporate Governance pertains to system, by which companies are directed and controlled, keeping in mind long-term interest of stakeholders. Corporate Governance is an internal system encompassing policies, processes and people, which serve the needs of shareholders and other stakeholders, by directing and controlling management activities with good business savvy, objectivity, accountability and integrity. Corporate Governance is a journey for improving sustainable value creation. Sound Corporate Governance is reliant on external market place commitment and legislation, plus a healthy board culture which safeguards policies and processes. The positive effect of Corporate Governance on different stakeholders ultimately is a strengthened economy, and hence good Corporate Governance is a tool for Socio-Economic Development.

Corporate Governance is the application of best management practice, compliance of laws, rules and regulations to achieve the objective of the Company & maximize shareholders value. Key elements of good Corporate Governance principles include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect, and commitment to the organization. Corporate Governance encompasses commitment to values and to ethical business conduct to maximize shareholder values on a sustainable basis, while ensuring fairness to all stakeholders including customers, employees, investors, vendors, Government and society at large. Corporate Governance is the system by which companies are directed and managed. It influences how the objectives of the Company are set and achieved, how risk is monitored and assessed and how performance is optimized. Sound Corporate Governance is therefore critical to enhance and retain investors' trust.

The essence of Corporate Governance is a framework of effective accountability to all stakeholders. In its widest sense, Corporate Governance is almost akin to a trusteeship. It is about creating an outperforming organization, which leads to increasing customer satisfaction and shareholder value.

Corporate Governance at Shekhawati Poly-Yarn Limited:

The Companies philosophy on Corporate Governance is to achieve the highest level of transparency, accountability and integrity, honesty, ethical behavior. Your Company is committed to meet the aspiration of all of its shareholders, lenders, employees and other stakeholders. It is always ensured that the practice being followed by the Company is in alignment with its philosophy towards Corporate Governance. Your Company believes that for a Company to be successful it must maintain global standards of Corporate conduct towards its stakeholders. The Company believes that it is rewarding to be better managed and governed and to identify its activities with national interest.

It is not merely compliance and simply a matter of creating checks and balances; it is an ongoing measure of superior delivery of Company's objectives with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to national need, shareholders benefit and employee growth, thereby delighting all its stakeholders, while minimizing the risks. Corporate Governance means being responsive for aspirations of all our shareholders, employees, and all other stake holders and also fulfilling the expectations of the society.

1. BOARD OF DIRECTORS:

i) Composition of Board

The Board of Directors (the 'Board') of the Company represents an optimum mix of persons with experience and expertise in their respective fields. As at March 31, 2018 the Board of the Company consisted of Five

Members, which comprises of 2 Executive Director and 3 Non-Executive Independent Director. None of the Directors of the Company is a member of the Board of more than 20 companies, in terms of Section 165 of the Companies Act, 2013, and a member of more than 10 Committees or Chairman of more than 5 Committees. The Composition of the Board is in conformity with in Regulation 17 and Regulation 26 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 entered into with the Stock Exchanges. The Board is primarily responsible for the overall management of the Company's business.

The composition and Category of Board of Directors as on March 31, 2018 is as under :

Sr. No.	Name of the Directors	Category
1.	Mr. Mukesh Ruia (Chairman & Managing Director)	Executive Director
2.	Mr. Ravi Jogi (Whole Time Director)	Executive Director
3.	Mrs. Rohini Pradyumna Dandekar	Independent Non Executive Director
4.	Mr. Sushil Kumar Poddar	Independent Non Executive Director
5.	Ms. Swati Sahukara	Independent Non Executive Director

ii) Board Meetings:

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 5 (Five) Board Meeting were held respectively on May 25, 2017, August 19, 2017, September 14, 2017, December 5, 2017 and February 13, 2018.

iii) Attendance:

The details of attendance of the directors are as follows;-

Sr. No.	Name of Directors	Attendance at Meetings during F.Y. 2017-18		Directorship in other Indian Public Limited Companies*	No. of Board Committees in which Chairman/ Member	
		No. of Meetings attended	Last AGM attended		Chairman	Member
1	Mr. Mukesh Ruia	5	Yes	0	0	0
2	Mr. Ravi Jogi	5	Yes	0	0	0
3	Mr. Sushil Kumar Poddar	5	Yes	0	0	0
4	Ms. Swati Sahukara	4	No	3	0	0
5	Mrs. Rohini Pradyumna Dandekar[1]	5	No	0	0	0
6	Mr. Sanjay Jogi[2]	1	Yes	0	0	0
7	Ms. Jyoti Thakkar[2]	1	No	0	0	0

[1]Mrs. Rohini Pradyumna Dandekar was appointed as an Additional Director w.e.f May 25, 2017 and regularize in the Annual General Meeting held on September 27, 2017.
[2]Ms. Jyoti Thakkar, Independent Director and Mr. Sanjay Jogi, Non-Executive Director resigned w.e.f May 25, 2017

All the Directors have made the requisite disclosures regarding Committee positions held by them in other Public Limited Companies.

*Directorship in other companies excludes Private Companies, One Person Companies and LLP.

iv) Disclosure of Relationship between Directors inter-se

There has been no inter se relationship between the Directors of the Company as on March 31, 2018.

v) Board Evaluation

Pursuant to the provisions of the Act, and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such level of engagement and contribution and independence of judgement thereby safeguarding the interests of the Company. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. 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. The Details of Board Evaluation Programme can be viewed on the Company's website viz. http://www.shekhawatiyarn.com/investorrelation.html

vi) Performance evaluation criteria for independent Directors

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include :

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing best practices to address business challenges and risks.
- Active participation in long term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities ; these include participation in Board and committee meetings.

vii) Familiarization Programme

The Company have conducted various session during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, and the technology and the risk management system of the Company. Further, the Directors are encouraged to attend to the training programmes being organized by various regulators/bodies/Institution on above matters. The details of the Familiarisation Programme can be viewed on the Company's website viz. http://www.shekhawatiyarn.com/investorrelation.html

1. BOARD COMMITTEES

For effective and efficient functioning of the Company, the Board has formed the following Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

A. Audit Committee :

Composition, Meeting and Attendance:

During the year under review the Audit Committee presently comprise three Member majority of them being Independent Non Executive Directors and One Executive Director having knowledge of Finance, Accounts and Company Law. The Company Secretary acts as the Secretary to the Committee.

Meetings:

During the year under review, the committee met 5 (Five) times on May 25, 2017, August 19, 2017, September 14, 2017, December 05, 2017 and February 13, 2018.

Attendance:

The details of attendance of the members are as follows:

Sr. No	Name of the Members	Designation	Category	No. of Meeting Attended
1	Mr. Sushil Kumar Poddar	Chairman	Independent Director	5
2	Mrs. Rohini Pradyumna Dandekar[1]	Member	Independent Director	4
3	Mr. Mukesh Ruia	Member	Executive Director	5
4	Ms. Jyoti Thakkar[2]	Member	Independent Director	1

[1]Mrs. Rohini Pradyumna Danedkar appointed as a Member w.e.f May 25, 2017.

[2]Ms. Jyoti Thakkar resigned from member w.e.f. May 25, 2017.

The term of reference stipulated by the Board to the Audit Committee are, as contained in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013, inter alia as follows:

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommending to the Board, for appointment, re-appointment and if required, the replacement or removal of the statutory auditor, cost auditor and fixation of remuneration;

3. Approval of payment to statutory auditors for any other services rendered by them;

4. Reviewing with the management the annual financial statements and auditor's report thereon before submission to the board for approval, with particulars reference to:

    a. Matters required to be included in the Directors Responsibility Statement to be included in the Board 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 reason 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, and
g. Modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independent and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transaction of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertaking or assets of the company, wherever it is necessary;

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

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

13. 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;

14. Discussion with internal auditors any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. 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;

17. 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;

18. To review the functioning of the Whistle Blower mechanism;

19. 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 & background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

B. Nomination and Remuneration Committee:

As a part of good Corporate Governance the Board has constituted Nomination and Remuneration Committee and modified its constitution time to time. As per the provision of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with Stock Exchange.

Composition, Meeting and Attendance:

During the year under review the Nomination and Remuneration Committee comprises of three Independent Non Executive Directors.

Meeting:

The committee met twice in a year i.e May 25, 2017 and August 19, 2017 .

Attendance:

The attendance of the members at the meetings of the Nomination and Remuneration Committee is as follows:

Sr. No	Name of the Members	Designation	Category	No. of Meetings Attended
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director	2
2.	Mrs. Rohini Pradyumna Dandekar[1]	Member	Independent Director	1
3.	Ms. Swati Sahukara[1]	Member	Independent Director	1
4.	Ms. Jyoti Thakkar[2]	Member	Independent Director	1
5.	Mr. Sanjay Jogi[2]	Member	Non-Executive Director	1

[1]Mrs. Rohini Pradyumna Dandekar and Ms. Swati Sahukara appointed as Member w.e.f May 25, 2017.

[2]Ms. Jyoti Thakkar and Mr. Sanjay Jogi resigned from member w.e.f May 25, 2017.

Terms of Reference of Nomination and Remuneration Committee are as follow :

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;
ii) Formulation of criteria for evaluation of performance of Independent Director and the Board of Director ;
iii) Devising a policy on Board diversity;
iv) 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.
v) 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 Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Remuneration Policy

In accordance with the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as **Annexure 'C'** to the Directors' Report

Directors' Remuneration & Sitting Fee

a) Remuneration to the Chairman & Managing Director and Whole Time Director

The Nomination and Remuneration Committee recommends to the Board of Directors, the remuneration of the Managing Director & Whole-Time Director by way of salary. The Company has a structured assessment of the Key Performance Indicators for all employees including the Managing Director & Whole-Time Director.

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD and/or Manager	
		Mr. Mukesh Ruia Chairman & Managing Director	Ravi Sanjay Jogi Whole Time Director
1	Gross Salary		
a.	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	17.50	10.50
b.	Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
c.	Profits in lieu of salary under section 17(3) of the Income – tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	-As % of profit	-	-
	-Others, specify,	-	-
5	Others, Please specify	-	-
	Total	**17.50**	**10.50**

- During the year under review Mr. Mukesh Ramniranjan Ruia, CMD has not take his full remuneration considering the Current Cash Flow and Profit and Loss Account of the Company.

b) Remuneration to Non-Executive Directors of the Company:
Details of sitting fees paid to the Directors during the F.Y. 2017-18

Sr. No.	Name of Directors	Sitting Fees (in Rupees)
1	Mr. Sushil Kumar Poddar	5000
2	Mrs. Rohini Pradyumna Dandekar[1]	5000
3	Ms. Swati Sahukara	5000
4	Ms. Jyoti Thakkar[2]	1000
5	Mr. Sanjay Jogi[2]	1000

[1]Mrs. Rohini Pradyumna Dandekar was appointed as an Additional Director w.e.f May 25, 2017.

[2]Ms. Jyoti Thakkar and Mr. Sanjay Jogi resigned w.e.f May 25, 2017

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year.

The Non- Executive Directors of the Company do not hold any shares and Debentures of the Company.

Mr. Mukesh Ruia, Chairman and Managing Director of the Company holds 8,55,00,000 shares of the Company as on March 31, 2018.

c) Performance criteria for payment of remuneration to directors :

Performance criteria for payment of remuneration to directors is mentioned in **'Annexure C'** of Director Report of this report.

C. Stakeholders Relationship Committee:

The Board has constituted the Stakeholder Relationship Committee in accordance with the requirement of the Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The objective of the Company is to attend to the investors' complaints pertaining to transfer/transmission/demat/remat of shares, on the receipt of dividend warrant/shares certificates, non-receipt of annual report and non-receipt of declared dividends etc. and any other matter related thereto.

Composition, Meetings and Attendance :

During the year under review the Stakeholders Relationship Committee presently comprises of the Two Independent Non Executive Director & One Executive Director.

Meetings:

During the financial year 2017-18, the Stakeholders Relationship Committee met 4 (four) time viz. May 25, 2017, September 14, 2017, December 5, 2017 and February 13, 2018.

Attendance:

The details of attendance of the members are as follows:

Sr. No.	Name of the Members	Designation	Category	No. of Meeting attended
1	Mr. Sushil Kumar Poddar	Chairman	Independent Director	4
2	Mr. Mukesh Ruia	Member	Executive Director	4
3	Mrs. Rohini Pradyumna Dandekar[1]	Member	Independent Director	3

[1]Mrs. Rohini Pradyumna Dandekar was appointed as member w.e.f May 25, 2017

Role and Responsibilities of Stakeholders Relationship Committee

The committee is responsible for approving transfer of shares including transmission, splitting of shares into marketable lots, changing joint holding into single holding and vice versa and also for issuing duplicate certificates in lieu of those torn, destroyed, lost or defaced or where the cases in the reverse for recording transfers have been duly utilized. It is also responsible for reviewing the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of Redressal of Investor Grievances.

Also the stakeholders Relationship Committee is responsible for resolving various complaints of shareholders about transfer of shares, non receipt of balance sheet, non-receipt of interest/ dividend payments, non- receipts of duplicate share certificates, any other grievance of the members/ investors with Company or any officer of our Company in performing his official duty; any other task assigned by the board from time to time. The committee will also oversee the performance of the registrars transfer agents and the depository related services. The committee also oversees the implementation and compliance of the code of conduct adopted by our Company for prevention of insider trading for listed companies as specified in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

Status of the Shareholders' Complaints:

The Company addresses all the complaints, suggestions and grievance expeditiously. The details of complaints received and resolved during the year as follows:

Sr. No.	Nature of Complaints	Opening balance	Complaints Received	Complaints Redressed	Pending as on March 31, 2018
1	Non Receipt of S/C of public issue	Nil	Nil	Nil	Nil
2	Non-receipt of refund in public issue	Nil	Nil	Nil	Nil
3.	Non-receipt refund of application amount	Nil	Nil	Nil	Nil
4	Non-receipt of interest for delay in refunds	Nil	Nil	Nil	Nil
	Total	**Nil**	**Nil**	**Nil**	**Nil**

Compliance Officer:

The Company has appointed Mrs. Meena A. Agal, full time Company Secretary of the Company as a Compliance officer of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to section 135 and other applicable provision of the Companies Act, 2013 the company has constituted the Corporate Social Responsibility Committee.

Composition, Meeting and Attendence:

The Corporate Social Responsibility comprises of the Two Independent Non Executive Director & One Executive Director.

Meetings:

During the financial year 2017-18 the Corporate Social Responsibility Committee met 1 (one) time viz. February 13, 2018.

Attendance:

The details of attendance of the members are as follows:

Sr.	Name of the Members	Designation	Category	No. of Meeting attended
1	Mr. Sushil Kumar Poddar	Chairman	Independent Director	1
2	Mr. Mukesh Ruia	Member	Executive Director	1
3	Mrs. Rohini Pradyumna Dandekar[1]	Member	Independent Director	1

[1]Mrs. Rohini Pradyumna Dandekar was appointed as member w.e.f May 25, 2017.

E. INDEPENDENT DIRECTOR MEETING

In compliance with the provisions of Section 149(8) read along with Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the stock exchanges, a meeting of the Independent Directors of the Company was held on March 29, 2018 without the attendance of Non-Independent Directors and members of management. All the Independent Directors were present at the said meeting, to discuss the following matters;

- Review of the performance of Non-Independent Directors and the Board as a whole;
- Review of the performance of the Chairman & Managing Director of the Company, taking into account the view of executive directors and non – executive Directors;
- Evaluate the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Subsidiary Company

The Company has no subsidiary company. The Company has formulated the Material Subsidiary Policy as per the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and the same is available on the website of the Company http://www.shekhawatiyarn.com/Companypolicies.html

5. Disclosures

Related party Transaction:

During the F.Y. 2017-18, Company has entered into all the contracts, arrangements and transactions which are at arm's length basis with the Directors or Management or Relatives. The details of transaction with the related parties are tabled before the Audit Committee on a quarterly basis. The registers of contracts containing the transactions in which the Directors are interested are placed regularly before the Board for their approval/signature.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with the Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock exchanges. The same is available on the website of the Company http://www.shekhawatiyarn.com/Companypolicies.html.

Accounting Treatment:

The Company has followed accounting treatment as prescribed in Accounting Standard applicable to the Company.

Details of non-compliances, penalties, strictures imposed on the Company by Stock Exchange/ SEBI/Statutory Authorities on any matter related to Capital Markets during last three years ;

The Company has complied with the requirements of the Stock Exchange/SEBI and other Statutory Authorities on all matters related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

Whistle Blower Policy

Pursuant to Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and upon recommendation by the Audit Committee, the Board of Directors approved and adopted the Whistle Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. This Policy can be viewed on the company's website viz. http://www.shekhawatiyarn.com/Companypolicies.html.

Compliances by the Company with Stock Exchanges

The Equity Shares of the Company are listed on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai, for the entire year and there were no penalties or restrictions imposed on the Company by any Stock Exchanges or SEBI for any matter.

Details of company with mandatory requirements and adoption of non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:

The Company has complied with all the mandatory requirements of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in respect of corporate governance. A Certificate from the statutory auditors of the Company to this effect has been included in this report. The Company has not complied with the other non-mandatory disclosures stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for time being.

6. GOVERNANCE CODES:

CODE OF CONDUCT:

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company and all the Board members and Senior Management have affirmed their adherence to the Code. The Model Code of Conduct is available on the website of the Company http://www. shekhawatiyarn.com/ Companypolicies.html. The declaration from the Chairman & Managing Director to this effect forms a part of this Annual Report.

CODE OF CONDUCT FOR PREVENTION/PROHIBITION OF INSIDER TRADING:

With a view to regulate trading in securities by the Promoters, Directors and Designated/Specified Employees, the Company has adopted a Code of Conduct for prevention/prohibition of Insider Trading.

7. Means of Communication

- **Website:** The Company's website www.shekhawatiyarn.com contains separate section as "Investor Relation" where shareholder information are 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 (LODR) Regulation, 2015 and publish in Financial Express in English and Financial Express Gujarati News Papers for all the quarters.

- **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.

- **Management Discussion and Analysis:** Annual Report contains detailed information on Management Discussion and Analysis.

8. General Body Meetings

- **Annual General Meetings:**

Details of the location of the previous three AGMs and the details of the Special Resolutions passed as under:

a. Particulars of previous three Annual General Meetings:

Meeting	Year	Venue	Date	Time
AGM	2017	Unit III, Plot No. 185/1, Naroli Village, Near Kanadi Pharak, Silvassa, Dadra & Nagar Haveli – 396 235	September 27, 2017	11.30 A.M.
AGM	2016	Unit III, Plot No. 185/1, Naroli Village, Near Kanadi Pharak, Silvassa, Dadra & Nagar Haveli – 396 235	September 28, 2016	11.30 A.M.
AGM	2015	Unit III, Plot No. 185/1, Naroli Village, Near Kanadi Pharak, Silvassa, Dadra & Nagar Haveli – 396 235	September 22, 2015	11.30 A.M.

b. The Details of Special Resolution passed at AGM during last 3 years i.e. 2015, 2016 & 2017.

Sr.	AGM held on	Special Resolution passed
1	September 27, 2017	NIL
2	September 28, 2016	NIL
3	September 22, 2015	• To adoption of new set of Article of Association

9. General Shareholder Information

- **27th Annual General Meeting:**

Day & Date : Thursday, September 27, 2018
Time : 11.30 A.M.
Financial Year : 2017-2018
Venue : Unit III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N. H. – 396 235

Agenda :

Ordinary Business
- Adoption of Audited Accounts , Directors' and Auditors Report thereon.
- Re-election of Directors retiring by rotation.

Special Business
- Re-appointment of Mr. Ravi Sanjay Jogi as a Whole Time Director for five years.
- Ratification of appointment of Cost Auditor for Financial year 2018-19.

- **Financial Calendar (Tentative Calendar of Events 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 Result	:	Within 45 days from the end of Quarter
Second quarter Result	:	Within 45 days from the end of Quarter
Third quarter Result	:	Within 45 days from the end of Quarter
Audited Annual Result	:	Within 60 days from the end of Quarter

- **Book Closure Dates on account of Annual General Meeting:**
  Friday, September 21, 2018 to Thursday, September 27, 2018 (Both day inclusive)

- **Listing on Stock Exchanges:**

The Company's Shares are listed on :

(i) BSE Limited (BSE), Mumbai
Floor 25, P.J. Tower, Dalal Street,
Mumbai – 400 001

(ii) National Stock Exchange of India Limited (NSE), Mumbai
"Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

- **Stock Code:**

Exchange	Code/trading symbol	ISIN
BSE	533301	INE268L01020
NSE	SPYL	

- **Payment of Listing Fees:**

  Listing fees for the financial Year 2017-2018 have been paid, within the stipulated time to the above stock Exchanges where the Company's Equity Shares are listed.

- **CEO/CFO Certification:**

  As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, the Chairman & 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**

  A Certificate from M/s Ajay Shobha & Co. Chartered Accountants, confirming compliance with the conditions of Corporate Governance in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 form part of this Report.

- **Share Transfer System**

  Since the Company's shares are traded in the dematerialized form on the Stock Exchanges, bulk of the transfers takes place in the electronic form.

  For expediting transfers, the Company has appointed a common agency, M/s Sharex Dynamic (India) Pvt. Ltd., Registrar and Share Transfer Agent (RTA)of the Company, for effecting transfers of shares held in both the demat as well as physical form. The Board has designated the Company Secretary as the Compliance Officer. The Company obtains, from a Company Secretary in practice, half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and files as copy of the certificate with the Stock Exchanges. 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. Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, 1st floor, 44-E, M - Vasanti Marg, Andheri- Kurla Rd. Safed Pool, Andheri (E), Mumbai – 400072 and for any other query to the Company Secretary & Compliance Officer at the Registered office address or Investor can also send their queries on investorgrievance@ shekhawatiyarn.com

- **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.

- **Compulsory De-materialized Trading**

  As the shareholders are aware, the Securities and Exchange Board of India (SEBI), has included equity shares of the Company for compulsory dematerialized trading for all investors with effect from July 24, 2000. The Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable members of the Company to select the depository of their choice for holding and dealing in shares in electronic form. The shareholders may also note that 99.99% holding of the Company is in demat form.

- **Distribution of Shareholders**

  Distribution of shareholding as on March 31, 2018

Slab of shares	Number of Shareholders	Percentage of shareholders	Total No. of Shares	Percentage of Shareholding
1 -5000	5688	71.60	8235240	2.39
5001 -10000	906	11.40	7587953	2.20
10001 -20000	543	6.84	8444193	2.45
20001 -30000	248	3.12	6319724	1.83
30001 -40000	107	1.35	3911217	1.13
40001 -50000	116	1.46	5495903	1.59
50001 -100000	175	2.20	13623236	3.95
Above 100000	161	2.03	291082534	84.45
Total	**7944**	**100**	**344700000**	**100.00**

Shareholding Pattern as on March 31, 2018

Category	No. of Shareholders	No. of Shares Held	% Equity
(A) Promoters Shareholding and Promoter Group			
1. Individuals / Hindu Undivided Family	5	126005000	36.55
2. Bodies Corporate	2	46249255	13.42
Sub Total (A)	**7**	**172254255**	**49.97**
(B)Public Shareholding			
1. Institutions	-	-	-
2. Non-Institutions			
Bodies Corporate	257	77242166	22.41
Individuals	7680	95203579	27.62
Sub Total (B)	**7937**	**172445745**	**50.03**
Total (A)+(B)	**7944**	**344700000**	**100.00**

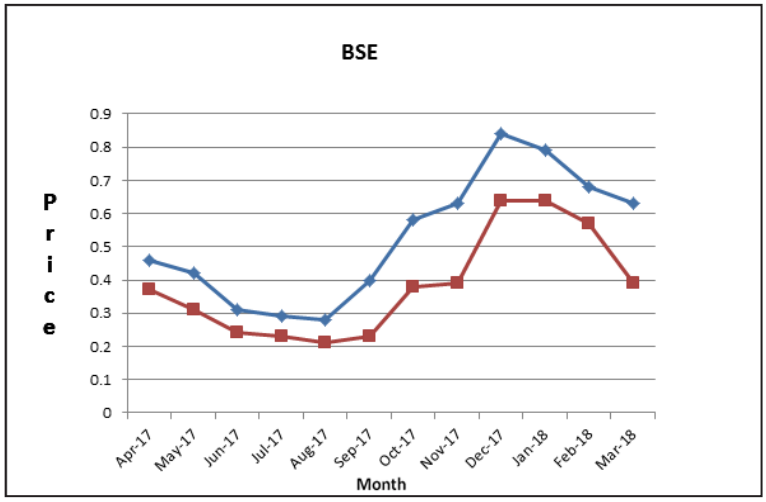
- **Shareholding Pattern of Non Executive Director as on March 31, 2018.**
  Non-Executive directors hold shares or debenture in the company during the period ended March 31, 2018.

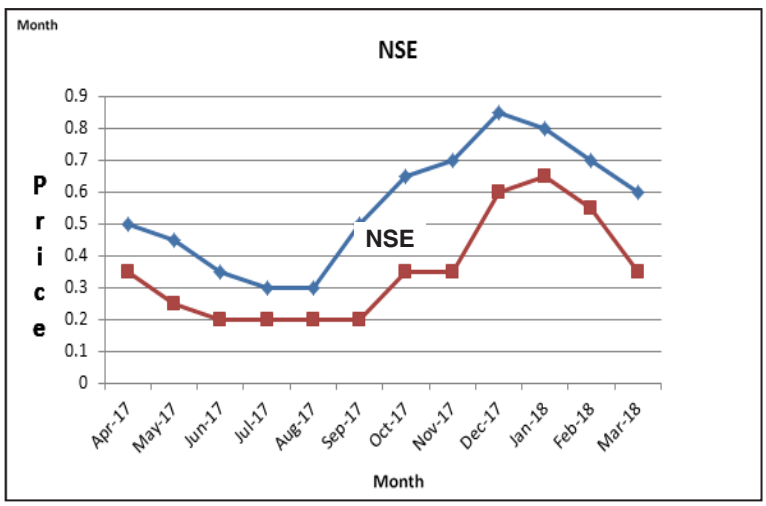
Sr. No.	Name of Non-Executive directors	No. of Shares
1.	Mr. Sushil Kumar Poddar	Nil
2.	Mrs. Rohini Pradyumna Dandekar	Nil
3.	Ms. Swati Sahukara	Nil

- **Stock Market Price Data**
  The details of Monthly high and low quotation of shares traded on BSE Limited and National Stock Exchange India Limited during the financial year as 2017-2018 were under:

Month	Share Prices - BSE			Share Prices - NSE		
	High (`)	Low (`)	Volume (nos)	High (`)	Low (`)	Volume (nos)
Apr-17	0.46	0.37	3911045	0.50	0.35	13047490
May-17	0.42	0.31	1394277	0.45	0.25	12244691
June-17	0.31	0.24	2087028	0.35	0.20	18797364
July-17	0.29	0.23	3393774	0.30	0.20	15183872
Aug-17	0.28	0.21	5660016	0.30	0.20	16170249
Sep-17	0.40	0.23	1409210	0.50	0.20	23325313
Oct-17	0.58	0.38	5613877	0.65	0.35	14912570
Nov-17	0.63	0.39	3866317	0.70	0.35	30700053
Dec-17	0.84	0.64	5408605	0.85	0.60	33532222
Jan-18	0.79	0.64	5721634	0.80	0.65	14106142
Feb-18	0.68	0.57	1641973	0.70	0.55	4230053
Mar-18	0.63	0.39	599296	0.60	0.35	4567431

Performance of Company's Shares in comparison to BSE & NSE





- **Liquidity:**
  Shares of the Company are actively traded on the NSE and the BSE as is evident from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity of the investors.

- **Dematerialisation of shares:**
  Approx 99.99% of the Equity Shares of the Company have been dematerialized and only 1324 shares are in physical form as at March 31, 2018.

- **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity:**
  The Company has not issued any GDRs/ADRs/Warrants/Partly Paid or any Convertible Instruments. No amounts were outstanding on account of the same as at the date of the Balance Sheet.

- **Plants Location:-**

Unit II	Unit III
Plot no. 44 Government Industrial Estate, Masat, Samarvani, Dadra & Nagar Haveli –396230(Union Territory), India	Survey no.185/1, Naroli Village, Near Kanadi Phatak Dadra & Nagar Haveli - 396 235(Union Territory), India

- **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:

  Sharex Dynamic (India)Pvt. Ltd.,
  Unit-1,Luthra Industrial Premises,
  1st floor, 44-E, M Vasanti Marg,
  Andheri- Kurla Rd. Safed Pool, Andheri (E),
  Mumbai – 400078.
  Tel. No.: 022-2264 1376/2270 2485, Fax No. 022- 2264 1349
  E-mail: info@sharexindia.com
  Website: www.sharexindia.com

For and on behalf of the Board of Directors
For Shekhawati Poly-Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Place : Mumbai
Date : August 11, 2018

Registered Office:
Unit No. III, Plot No. 185/1,
Naroli Village,
Near Kanadi Phatak, Silvassa,
D & N. H. – 396 235.

Correspondence Address :
Express Zone, Unit No. 1102/1103,
11th Floor, Patel Vatika,
Off. W.E. Highway,
Malad (East),
Mumbai – 400 097.

Declaration

To,
The Members of
Shekhawati Poly Yarn Limited

I, Mukesh Ramniranjan Ruia, Chairman & Managing Director of Shekhawati Poly-Yarn Limited ('the Company') hereby declare that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct, laid down and adopted by the Company, during the year ended March 31, 2018.

For Shekhawati Poly-Yarn Limited
Sd/-
Mukesh Ruia
Chairman &Managing Director
(DIN : 00372083)

Place : Mumbai
Date : August 11, 2018

Chairman & Managing Director (MD)/Chief Financial Officer (CFO) Certification

To,
The Board of Directors
Shekhawati Poly-Yarn Ltd.

We the undersigned, in our respective capacities as the Chairman & Managing Director and Chief Financial Officer of Shekhawati Poly-Yarn 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.

Sd-/
Mukesh Ruia
Chairman &Managing Director

Sd-/
Suresh Chandra Gattani
Chief Financial Officer

Place : Mumbai
Date : August 11, 2018

Corporate Governance Certificate

To,
The Members of
Shekhawati Poly-Yarn Limited

1. We,Ajay Shobha & Co.,Chartered Accountants, the Statutory Auditors of Shekhawati Poly-Yarn Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design/ implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations and as required by the provisions of the Companies Act, 2013 and rules framed thereunder.

Auditor's Responsibility

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

4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

Other matters and Restriction on Use

8. We state that compliance is an assurance as to the future viability of the Company and the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

9. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Ajay Shobha & Co.
Chartered Accountants
Firm Reg. No.: 317031E

Sd/-
Ajay Gupta
Partner
Mem. No. 053071

Date : August 11, 2018
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Shekhawati Poly- Yarn Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Shekhawati Poly-Yarn Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 Ind AS financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

a) *The company has not provided for Interest Expenses amounting to ₹ 2,256.99 lakhs (P.Y. ₹ 2,373.73 lakhs) (derived on simple interest basis) which should have been provided as per the principle of prudence on the borrowings which have been classified as "Non-performing assets" (NPA) by the banks as referred in Note 42 of accompanying notes to financial statement. The company has also not provided penal interest and other bank charges, as the same are not ascertainable. Had these Interest Expenses been debited to the Statement of Profit and Loss Account, loss for the year ended and debit balance of Other Equity would have been higher by ₹ 2,256.99 lakhs and ₹ 4,630.72 lakhs.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Emphasis of Matters

During the year, the company has suffered heavy losses, its net worth has been completely eroded. These conditions, along with other matters set forth in Note 43 in the accompanying financials statements, indicate the existence of an uncertainty on the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the aforesaid Note. Our opinion is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Act, we further 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of accounts as required by law have been kept by the Company so as far as it appears from our examination of those books.

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

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

e) The matters described under the Basis for Qualified Opinion paragraph and the Emphasis of Matters paragraph above, in our opinion, may have a negative effect on the functioning of the Company.

f) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of subsection 2 of Section 164 of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

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

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

   i. The Company has disclosed pending litigation in its financial statements (refer note no – 38).

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

   iii. The company is not required to transfer any amounts as required by the law to Investor Education and Protection Fund.

For Ajay Shobha & Co.
Chartered Accountants
Firm's Reg. No. 317031E

Sd/-
Ajay kumar Gupta
Partner
Mem. No. 53071

Place: Mumbai
Date: 30th May, 2018

Annexure 'A' to the Independent Auditors Report

Annexure referred to in Paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the accounts of Shekhawati Poly- Yarn Limited for the year ended 31st March 2018.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

(i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deeds are held in the name of the company.

(ii) The inventories have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on physical verification of inventories by the management.

(iii) a) During the year the Company has not granted any Loan, secured or unsecured, to any party covered in the registered maintained under section 189 of the Companies Act, 2013
b) In view of our comments in para (iii) (a) above, clauses 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, section 185 and section 186 of the Companies Act, 2013 is not applicable, since the Company has not granted any loan, made any investments and provided any guarantee & security.

(v) According to the information and explanations given to us and on the basis of our examination of records, the company has not accepted any deposits from public.

(vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.

(vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities except in few cases of Provident Fund, Profession Tax, TDS and Service tax there is slight delay in payment. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2018 for a period more than six months from the date they became payable.

b) According to the record of the company, Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, and Value Added Tax which have not been deposited on account of any dispute with the appropriate authorities are given below:

Amount (₹ In Lakhs)

Name of the statute	Nature of dues`	Amount	Amount Paid*	Period to which the amount relates	Forum where dispute is pending

The Income Tax Act, 1961	Income Tax	3,13,51,950	62,70,390	F.Y. 2015-16	CIT (Appeals)
		21,85,920	4,37,184	F.Y. 2013-14	CIT (Appeals)
		220	-	F.Y. 2012-13	CIT (Appeals)
		27,270	5,454	F.Y. 2009-10	CIT (Appeals)

* Amount paid under protest.

(viii) Based on our audit procedure and as per the information and explanation given by the management, the Company had defaulted in repayment of its dues to Banks. Accordingly during the financial year 2015-16, the bank accounts of the company had been classified as "Non-Performing asset" (NPA) by State bank of India, Union Bank of India and Axis Bank and during the financial year 2016-17 Allahabad bank and Dena bank has also declared the company accounts as NPA. In respect of above loans the total principal outstanding is ₹19,126.63 Lakhs (P.Y. ₹ 19,334.22 Lakhs) and Interest Outstanding is ₹1,132.21 Lakhs (P.Y. ₹1,132.21 Lakhs). Also, during the year the company has not provided for interest of ₹ 2,256.99 lakhs (P.Y. ₹2,373.73 Lakhs) (Refer Note 42).

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information & 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 our audit.

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

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

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by applicable accounting standards.

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

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

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

For Ajay Shobha & Co.
Chartered Accountants
Firm's Reg. No. 317031E

Sd/-
Ajay kumar Gupta
Partner
Mem. No. 53071

Place: Mumbai
Date: 30th May, 2018

Annexure "B" to the Independent Auditor's Report of even date on the financial statements of Shekhawati Poly- Yarn Limited for the year ended 31st March 2018.

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

We have audited the internal financial controls over financial reporting of Shekhawati Poly - Yarn 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanation given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31st March, 2018:

The documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting are not adequate and needs to be further strengthened.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effect of the material weakness described above on the achievement of the objectives of the control Criteria, the Company has maintained , 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing and audit tests applied in our audit of the financial statements of the Company and these material weaknesses above does not affect our opinion on the financial statements of the Company.

For Ajay Shobha & Co.
Chartered Accountants
Firm's Reg. No. 317031E

Sd/-
Ajay kumar Gupta
Partner
Mem. No. 5307

Place: Mumbai
Date: 30th May, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(₹ In Lakhs)

Particulars	" Note No. "	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current Assets				
Property, plant and equipment	3	11,540.27	12,511.42	13,317.36
Intangible Assets	4	111.57	137.38	164.32
Capital work in progress	5	636.60	636.60	636.60
Financial Assets				
Other financial assets	6	143.98	2.98	2.98
Other non-current Assets	7	152.40	147.74	134.10
		12,584.81	**13,436.11**	**14,255.37**
Current Assets				
Inventories	8	472.34	378.40	296.57
Financial Assets				
Trade receivables	9	883.10	1,537.47	6,219.39
Cash and Cash Equivalents	10	90.43	195.26	144.67
Bank Balances other than Cash and Cash Equivalents	11	20.39	13.36	19.40
Other financial assets	12	331.76	932.05	1,511.88
Other current assets	13	238.03	359.44	830.77
Income Tax Assets	14	119.38	53.72	25.99
		2,155.43	**3,469.70**	**9,048.67**
TOTAL		**14,740.24**	**16,905.81**	**23,304.04**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	3,447.00	3,447.00	2,999.46
Other Equity	16	(9,358.20)	(7,991.36)	(2,189.09)
		(5,911.20)	**(4,544.36)**	**810.37**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	17	108.80	6,021.65	8,401.53
Other Financial Liabilities	18	26.20	29.78	-
Provision	19	26.09	22.30	14.52
Deferred tax liabilities (Net)	20	-	-	-
		161.09	**6,073.73**	**8,416.05**
Current liabilities				
Financial Liabilities				
Borrowings	21	9,560.66	9,627.51	9,807.37
Trade payables	22	70.93	509.06	713.91
Other Financial Liabilities	23	10,844.02	5,194.27	3,539.08
Other Current Liabilities	24	13.00	43.63	17.02
Provision	25	1.74	1.97	0.24
		20,490.35	**15,376.44**	**14,077.62**
TOTAL		**14,740.24**	**16,905.81**	**23,304.04**
Summary of significant accounting policies and other notes on accounts	1 & 2			

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

As per our report of even date
For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E
Sd/-
Ajay Kumar Gupta
Partner
Membership No. 53071

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board of Directors of
Shekhawati Poly- Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole Time Director
(DIN : 06646110)

Sd/-
Suresh Chandra Gattani
Chief Financial Officer

Sd/-
Meena Agal
Company Secretary &Compliance Officer

Place: Mumbai
Date: 30th May, 2018

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

(₹ In Lakhs)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue from operations	26	14,608.25	10,078.45
Other Income	27	153.98	41.91
Total Revenue (I)		**14,762.23**	**10,120.36**
EXPENSES			
Cost of materials consumed	28	11,428.91	6,374.82
Purchase of Stock-in-Trade	29	142.81	132.34
Changes in inventories of finished goods, work-in-progress	30	66.13	(86.89)
Excise duty paid		183.21	791.41
Employee benefits expense	31	694.97	698.05
Finance costs	32	15.85	42.56
Depreciation and amortization expenses	3 & 4	998.84	1,037.01
Other expenses	33	2,587.78	2,186.37
Total Expenses (II)		**16,118.50**	**11,175.67**
Profit/(Loss) Before Tax and Exceptional Items		**(1,356.27)**	**(1,055.31)**
Less :			
Exceptional Items	34	-	4,560.34
Profit/(Loss) Before Tax		**(1,356.27)**	**(5,615.65)**
Tax Expenses:			
- Current Tax		-	-
- Deferred Tax Liability/ (Assets) (net)	20	3.49	(3.58)
Profit/(Loss) for the year		**(1,359.76)**	**(5,612.07)**
Other Comprehensive Income/(Loss)			
Items that will not be reclassified subsequently to Profit or loss			
Remeasurements of Defined Benefits Plan		(10.57)	10.84
Income tax on above		3.49	(3.58)
		(7.08)	**7.26**
Total Comprehensive income/(loss) for the year (After tax)		**(1,366.84)**	**(5,604.82)**
Earnings per equity share:	35		
Nominal value of share ₹1			
: Basic		(0.39)	(1.67)
: Diluted		(0.39)	(1.67)
Summary of significant accounting policies and other notes on accounts	1 & 2		

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

As per our report of even date
For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E
Sd/-
Ajay Kumar Gupta
Partner
Membership No. 53071

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board of Directors of
Shekhawati Poly- Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole Time Director
(DIN : 06646110)

Sd/-
Suresh Chandra Gattani
Chief Financial Officer

Sd/-
Meena Agal
Company Secretary &Compliance Officer

Place: Mumbai
Date: 30th May, 2018

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

(₹ In Lakhs)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A	**Cash Flow from Operating Activities:**		
	Net Profit/(Loss) before Tax	(1,356.26)	(1,055.31)
	Adjustments to reconcile profit before tax to net cash inflow from operating activities:		
	Depreciation	998.85	1,037.01
	Remesurement of Employee benefit obligation	(10.57)	10.84
	Provision for expected credit loss	787.96	120.63
	Finance Cost (including fair value change in financial instruments)	15.86	42.56
	Profit on sale of asset	-	(2.89)
	Sundry Balances Written back	(20.59)	-
	Gain / (Loss) on Foreign Exchange Fluctuations	(19.11)	-
	Interest Income	(14.03)	(13.86)
	Operating profit before working capital changes	**382.11**	**138.98**
	Working capital adjustments:-		
	(Increase) / Decrease in Other Non-current financial Assets	(141.00)	-
	(Increase) / Decrease in Other Non-current Assets	(4.66)	(13.64)
	(Increase) / Decrease in Inventories	(93.95)	(81.82)
	(Increase) / Decrease in Trade Receivables	482.97	420.53
	(Increase) / Decrease in Other Current financial Assets	2.84	160.25
	(Increase) / Decrease in Other Current Assets	121.40	471.33
	Increase / (Decrease) in Non- current Other Financial Liabilities	(3.58)	29.78
	Increase / (Decrease) in Non- current Provisions	3.79	7.78
	Increase / (Decrease) in Trade Payables	(417.55)	(204.85)
	Increase / (Decrease) in Current Other Financial Liabilites	(145.85)	(534.74)
	Increase / (Decrease) in Other Current Liabilites	(30.63)	26.60
	Increase / (Decrease) in Current Provisions	(0.23)	1.73
	Cash Generated from Operations	**155.67**	**421.92**
	Income Tax paid	(65.66)	(27.72)
	Net Cash from operating activities	**90.01**	**394.20**
B.	**Cash Flow from Investing Activities:**		
	Purchase of Fixed Assets	(0.68)	(222.78)
	Purchase of Intangible Asset	(1.20)	-
	Investment in bank deposits (having original maturity of more than 3 months)	104.83	(50.60)
	Sale of Tangible Assets	-	21.55
	Interest received	14.03	13.86
	Rent Income	-	-
	Net Cash used in investment activities	**116.98**	**(237.97)**
C.	**Cash Flow from Financing Activities:**		
	Proceeds from Short Term Borrowings (Net)	(66.85)	(179.86)
	Proceeds from Long Term Borrowings (Net)	(124.42)	(189.94)

Interest expense	(8.69)	(42.56)
Money received against share warrants	-	250.09
Net Cash from financing activities	**(199.96)**	**(162.27)**
Net increase in cash and cash equivalents	**7.03**	**(6.04)**
Cash and Cash equivalents at the biginning of the year (Note 10)	13.36	19.40
Cash and Cash equivalents at the end of the year (Note 10)	20.39	13.36

Note :

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2 Cash and cash equivalent at the end of the year consists of cash in hand and balances with banks as follows:

(₹ In Lakhs)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Balances with banks in Current accounts	13.05	9.96
Cash on hand	7.34	3.40
Total Cash & Cash Equivalents	**20.39**	**13.36**

3 Amendment to Ind AS 7 :

The amendments to Ind As 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. this amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

(₹ In Lakhs)

Particulars	**"As at 31.03.2017"**	**Cash Flows**	**Non Cash Changes**		**"As at 31.03.2018"**
			Fair Value Changes	**Current / Non-current Classification**	
Borrowings - Non-current	6,021.65	(124.42)	7.16	(5,795.60)	108.80
Other financial Liabilities	4,902.58	-	-	5,795.60	10,698.18
Borrowings - Current	9,627.51	(66.85)	-	-	9,560.66

As per our report of even date
For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E
Sd/-
Ajay Kumar Gupta
Partner
Membership No. 53071

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board of Directors of
Shekhawati Poly- Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole Time Director
(DIN : 06646110)

Sd/-
Suresh Chandra Gattani
Chief Financial Officer

Sd/-
Meena Agal
Company Secretary &Compliance Officer

Place: Mumbai
Date: 30th May, 2018

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

(₹ In Lakhs)

EQUITY SHARE CAPITAL Particulars	Balance as at 01.04.2016	Changes in equity share capital	Balance as at 31.03.2017	Balance as at 01.04.2017	Changes in equity share capital	Balance as at 31.03.2018
Paid up Equity Capital (Refer Note No.15)	2,999.46	447.54	3,447.00	3,447.00	-	3,447.00

OTHER EQUITY Particulars	Reserve & Surplus				Other Comprehensive Income	Money received against share warrant	Total
	Securities premium account	Capital Reserve account	General Reserves	Retained Earnings			
Balance as at April 1,2016	4,358.38	198.90	9.19	(8,104.48)	5.39	1,343.53	(2,189.09)
Loss for the year	-	-	-	(5,612.07)		-	(5,612.07)
Other Comprehensive Income :							-
Remeasurements of net defined benefit plans	-	-	-		7.26		7.26
Total Comprehensive Income for the year	**4,358.38**	**198.90**	**9.19**	**(13,716.55)**	**12.65**	**1,343.53**	**(7,793.91)**
Money received against Convertible Share Warrants [Refer Note No. 16 (f)]:							
Received during the year	921.93	-	-	-	-	373.47	1,295.40
Share warrant money forfeited during the year	-	224.15	-	-	-	-	224.15
Share Warrants withdrawn	-	-	-	-	-	(347.53)	(347.53)
Converted into Equity Shares	-	-	-	-	-	(1,369.47)	(1,369.47)
Balance as at March 31,2017	**5,280.31**	**423.05**	**9.19**	**(13,716.55)**	**12.65**	**-**	**(7,991.36)**
Loss for the year	-	-	-	(1,359.76)	-	-	(1,359.76)
Other Comprehensive Income :							
Remeasurements of net defined benefit plans	-	-	-	-	(7.08)	-	(7.08)
Balance as at March 31,2018	**5,280.31**	**423.05**	**9.19**	**(15,076.32)**	**5.57**	**-**	**(9,358.20)**

Nature of reserves:

a) Securities premium

Securities premium received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied;

i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;

ii) for the purchase of its own shares or other securities;

iii) in writing off the preliminary expenses of the Company;

iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and

v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

b) Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights."

c) General Reserves

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provision of the Companies Act, 2013."

d) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders."

e) Gain / (loss) on fair value of defined benefit plans

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in Other Comprehensive Income (OCI). These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognized"

As per our report of even date attached

For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E

Sd/-

Ajay Kumar Gupta
Partner
Membership No. 53071

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board of Directors of

Shekhawati Poly- Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole Time Director
(DIN : 06646110)

Sd/-
Suresh Chandra Gattani
Chief Financial Officer
Place: Mumbai
Date: 30th May, 2018

Sd/-
Meena Agal
Company Secretary &Compliance Officer

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

Note 1 : Corporate Information

Shekhawati Poly-Yarn Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India (BSE & NSE). The Company is principally engaged in the manufacturing of Texturising Yarn, Twisting Yarn and Knitted Fabrics. The Company caters to both domestic and international markets.

The IndAS financial statements (the financial statements) of the Company for the year ended 31 March 2018 were authorised for issue in accordance with resolution of the Board of Directors on May 30, 2018.

Note 2 : Significant Accounting Policies:

i The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards (""Ind AS"") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements for all periods upto and including year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act (""the Act""), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) (""previous GAAP""). The financial statements for the year ended 31 March 2018 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2.2 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteira set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

ii Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

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

iii Property, Plant and Equipment

"Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost."

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

iv Depreciation/ Amortisation

Depreciation/ amortisation is provided :

Tangible Assets:

- No deprecation is charged on Freehold Land.
- Leasehold Land is amortised over the remaining period of lease.
- Depreciation on other tangible assets is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis.

Intangible Assets:

- Accounting Software is amortised on Straight Line Method over a period of ten years.
- Right to receive power is amortised on Straight Line Method over a period of ten years.

The useful lives have been determined based on technical evaluation carried out by the management's expert, in order to reflect the actual usage of the assets. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount."

v Financial Instruments

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

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss (""ECL"") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

vi Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

d Termination benefits

Termination benefits are recognised as an expense as and when incurred.

vii Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand , which are subject to an insignificant risk of changes in value.

viii Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

ix Government Grant

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

x Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a Initial Recognition
Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b Conversion
Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference
Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xi Revenue Recognition

a Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
b Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.
c Revenue in respect of export sales is recognised on shipment of products.
d Dividend income is recognized when the company’s right to receive dividend is established.
f Rental Income is recognized on accrual basis as per the terms of agreement.
g Revenue from conversion charges is recognised on completion of particular Job work.
h Export incentives are recognised in the Statement of Profit and Loss when the right to receive establishes as per the terms of the Scheme in respect of export made.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

i The Interest subsidy accrued under Technology Upgradation Fund (TUF) Scheme are recognised on accrual basis and reduced from the cost of funds available on loan. The recognition of TUF subsidy amount has been made on the basis of entitlement under the scheme.

j Purchases are stated inclusive of custom duty, clearing & forwarding charges and net of discounts, returns, VAT and rate differences.

k Sales are inclusive of excise duty and are stated net of discounts, returns and rebates.

xii Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xiii Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

Recoverable amount is determined:
- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xiv Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xv Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xvi Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xvii Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xviiiCash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

xix Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, the ministry of Corporate Affairs (the MCA) notified the Companies (Indian Accounting Standards Amendment Rules 2018 containing Appendix B to Ind AS 21 Foreign currency transactions and advance consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

The amendment will come into force from April 1, 2018. The company has evaluated the effect of this on the financial statements and the impact is not material.

Ind As 115, Revenue from Contract with Customers : On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature , amount, timing and uncertainty of revenue and cashflows arising from the entity's contract with customers.

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

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

NOTE 2.1 : Transition to Ind AS :

These are the Company's first financial statements prepared in accordance with Ind AS. The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Significant Accounting Policies set out in Note No.1 have been applied in preparing the financial statements for the year ended March 31, 2018, March 31, 2017 and the opening Ind As Balance sheet on the date of transition i.e. April 1, 2016.

In preparing its Ind AS Balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2017, the Company has adjusted amounts previously reported in the financial statements prepared in accordance Previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with Previous GAAP, and how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

I) Explanation of transition to Ind AS

In preparing the financial statement, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

Property, Plant and Equipment and Intangible Assets exemption:

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

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

NOTE 2.1 : Transition to Ind AS :

II) Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

(₹ In Lakhs)

Particulars	Reference Note No.	As at 31.03.2017 (Regrouped IGAAP)	IND AS Adjust -ments	As at 31.03.2017 (IND AS)	As at 01-Apr-16 (Regrouped IGAAP)	IND AS Adjust -ments	As at 01.04.2016 (IND AS)
ASSETS							
Non-current assets							
Property, Plant and Equipment		12,511.42		12,511.42	13,317.36		13,317.36
Intangible assets		137.38		137.38	164.32		164.32
Capital work in progress		636.60		636.60	636.60		636.60
Financial Assets		-			-		
Other financial assets		2.98		2.98	2.98		2.98
Other non-current Assets		147.74		147.74	134.10		134.10
Total Non - Current Assets		**13,436.11**	**-**	**13,436.11**	**14,255.37**	**-**	**14,255.37**
Current Assets							
Inventories		378.40		378.40	296.57		296.57
Financial Assets							
Trade receivables	4	1,546.52	(9.05)	1,537.47	7,140.20	(920.81)	6,219.39
Cash and Cash Equivalents		195.26		195.26	144.67		144.67
Bank Balances other than Cash and Cash Equivalents		13.36		13.36	19.40		19.40
Other financial assets	2	2,192.53	(1,260.48)	932.05	2,352.81	(840.93)	1,511.88
Other current assets		359.44		359.44	830.77		830.77
Income Tax Assets		53.72		53.72	25.99		25.99
Total Current Assets		**4,739.23**	**(1,269.53)**	**3,469.70**	**10,810.41**	**(1,761.74)**	**9,048.67**
TOTAL ASSETS		**18,175.34**	**(1,269.53)**	**16,905.81**	**25,065.78**	**(1,761.74)**	**23,304.04**
EQUITY AND LIABILITIES							
Equity							
Equity Share Captial		3,447.00		3,447.00	2,999.46		2,999.46
Other Equity		(6,722.63)	(1,268.73)	(7,991.36)	(1,379.85)	(809.24)	(2,189.09)
Total Equity		**(3,275.63)**	**(1,268.73)**	**(4,544.36)**	**1,619.61**	**(809.24)**	**810.37**
Non-current liabilities							
Financial Liabilities							
Borrowings	2	6,059.72	(38.07)	6,021.65	8,401.53		8,401.53
Other Financial Liabilities	2	-	29.78	29.78	-		-
Provision		22.30		22.30	14.52		14.52
Deferred tax liabilities (Net)	3	-	-	-	952.50	(952.50)	-
Total Non - Current Liabilities		**6,082.02**	**(8.29)**	**6,073.73**	**9,368.55**	**(952.50)**	**8,416.05**
Current liabilities							
Financial Liabilities							
Borrowings		9,627.51		9,627.51	9,807.37		9,807.37
Trade payables		509.06		509.06	713.91		713.91
Other Financial Liabilities	2	5,186.78	7.49	5,194.27	3,539.08		3,539.08
Other Current Liabilities		43.63		43.63	17.02		17.02
Provision		1.97		1.97	0.24		0.24
Total Current Liabilities		**15,368.95**	**7.49**	**15,376.44**	**14,077.62**	**-**	**14,077.62**
TOTAL EQUITY AND LIABILITIES		**18,175.34**	**(1,269.53)**	**16,905.81**	**25,065.78**	**(1,761.74)**	**23,304.04**

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

III) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ In Lakhs)

Particulars	Reference Note No.	Year ended 31.03.2017 (Regrouped IGAAP)	IND AS Adjust -ments	Year ended 31.03.2017 (IND AS)
INCOME				
Revenue from operations		9,287.04	791.41	10,078.45
Other Income	2	35.98	5.93	41.91
Total Income		**9,323.02**	**797.34**	**10,120.36**
EXPENSES				
Cost of materials consumed		6,374.82		6,374.82
Purchase of Stock-in-Trade		132.34		132.34
Changes in inventories of finished goods, work-in-progress		(86.89)		(86.89)
Excise duty paid		-	791.41	791.41
Employee benefits expense	1	687.21	10.84	698.05
Finance costs	2	37.44	5.12	42.56
Depreciation and amortization expenses		1,027.04	9.97	1,037.01
Other expenses	4	2,065.74	120.63	2,186.37
		10,237.70	**937.97**	**11,175.67**
Profit/(Loss) Before Tax and Exceptional Items		**(914.68)**	**(140.63)**	**(1,055.31)**
Less :				
Prior Period Items		9.97	(9.97)	-
Exceptional Items		5,173.15	(612.81)	4,560.34
Profit/(Loss) Before Tax		(6,097.80)	482.15	(5,615.65)
Tax Expenses				
(1) Current tax		-	-	-
(2) Deferred tax Charge / (Credit)	3	(952.50)	948.92	(3.58)
Profit after tax		**(5,145.31)**	**(466.77)**	**(5,612.07)**
Other Comprehensive Income (net of tax)				
Items that will not be reclassified subsequently to Profit or loss				
Remeasurements of Defined Benefits Plan	1	-	10.84	10.84
Income tax on above		-	(3.58)	(3.58)
Total Comprehensive Income for the year		**(5,145.31)**	**(459.51)**	**(5,604.82)**

IV) On account of transistion to Ind AS, there is no material adjustment to the Statement of Cash Flows for the year ended March 31, 2017.

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

V) Reconcilliation of Equity as on March 31, 2017 & April 1, 2016

(₹ In Lakhs)

Particulars	As at 31.03.2017	As at 01.04.2016
Total Equity (Shareholder's funds) as per previous GAAP	**(3,275.60)**	**1,619.61**
Adjustment to restate to Ind AS		
Financial liabilities carried at amortised cost	0.81	-
Expected credit loss provided on financial assets	(1,269.58)	(1,761.76)
Deferred Tax on above	-	952.51
Total Impact	**(1,268.77)**	**(809.25)**
Total Equity as per Ind AS	**(4,544.37)**	**810.37**

VI) Reconcilliation of Profit or Loss for the year ended March 31, 2017.

(₹ In Lakhs)

Particulars	Year ended 31.03.2017
Profit and Loss as per Previous GAAP	**(5,145.30)**
Benefit / (Charge)	
Acturial Loss on Defined Benefit Plans reclassified to other comprehensive Income	(10.85)
Amortisation of financial liability carried at amortised cost	0.81
Expected credit loss provided on financial assets	(298.95)
Deferred tax impacts	(157.78)
Net Profit for Quarter (as per Ind-AS)	**(5,612.07)**
Other Comprehensive Income	
Acturial Gain on Defined Benefit Plans (net of tax)	7.26
Total Comprehensive Income	**(5,604.81)**

VII) Notes to reconcilliations :-

Note 1: Remeasurements of defined benefit liabilities
Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

Note 2: Loans
Under Ind AS, loans are valued at present value as compared to being carried at cost in the previous GAAP. This adjustment includes the difference between the book value and the present value of an interest free loan or loan below market rate given to a subsidiary, which is treated as investment in that subsidiary. The interest on the present value of this loan is recognised over the tenure of the loan using the EIR method.

Note 3: Deferred taxes
Deferred tax have been recognised on the adjustments made on transition to Ind AS as specified above.

Note 4: Expected Credit Loss (ECL) Provision
The Company has provided ECL as per Ind AS. Impact of ECL as on date of transition is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss .

Note 3 : Property, plant and equipment

(₹ In Lakhs)

Particulars	Land Freehold	Land Leasehold	Buildings-Office	Buildings-Factory	Plant and Machinery	Electrical Installations	Furniture & Fixture	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount (as deemed cost)											
Balance as at 1 April 2016	**372.60**	**31.45**	**608.56**	**4,059.78**	**7,429.87**	**647.50**	**125.34**	**35.06**	**5.09**	**2.10**	**13,317.36**
Additions	-	-	-	-	-	-	-	0.51	-	0.52	1.02
Disposals	-	-	-	-	-	-	-	(63.08)	-	-	(63.08)
Adjustments made during the year *	-	-	-	-	221.75	-	-	-	-	-	221.75
Balance as at 31 March 2017	**372.60**	**31.45**	**608.56**	**4,059.78**	**7,651.62**	**647.50**	**125.34**	**(27.51)**	**5.09**	**2.62**	**13,477.06**
Additions	-	-	-	-	-	-	-	-	0.68	-	0.68
Disposals	-	-	-	-	-	-	-	-	-	-	-
Adjustments made during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**372.60**	**31.45**	**608.56**	**4,059.78**	**7,651.62**	**647.50**	**125.34**	**(27.51)**	**5.77**	**2.62**	**13,477.74**
Accumulated Depreciation											
Balance as at 1 April 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge during the year	-	0.33	10.98	154.02	662.84	131.71	24.36	9.42	4.82	1.61	1,000.09
Disposals	-	-	-	-	-	-	-	(44.42)	-	-	(44.42)
Adjustments made during the year *	-	-	-	-	9.97	-	-	-	-	-	9.97
Balance as at 31 March 2017	**-**	**0.33**	**10.98**	**154.02**	**672.82**	**131.71**	**24.36**	**(35.00)**	**4.82**	**1.61**	**965.65**
Depreciation charge during the year	-	0.45	10.98	154.03	652.29	125.73	23.90	3.41	0.32	0.72	971.83
Disposals	-	-	-	-	-	-	-	-	-	-	-
Adjustments made during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**0.78**	**21.96**	**308.05**	**1,325.11**	**257.44**	**48.26**	**(31.59)**	**5.14**	**2.33**	**1,937.48**
Net carrying value											
Balance as at 1 April 2016	**372.60**	**31.45**	**608.56**	**4,059.78**	**7,429.87**	**647.50**	**125.34**	**35.06**	**5.09**	**2.10**	**13,317.36**
Balance as at 31 March 2017	372.60	31.12	597.58	3,905.76	6,978.81	515.79	100.98	7.50	0.27	1.01	12,511.42
Balance as at 31 March 2018	372.60	30.67	586.60	3,751.73	6,326.52	390.06	77.08	4.09	0.63	0.29	11,540.27

The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.Refer note below for the gross block value and the accumulated depreciation on 1 April 2016 under the previous GAAP.

Particulars	Land Freehold	Land Leasehold	Buildings-Office	Buildings-Factory	Plant and Machinery	Electrical Installations	Furniture & Fixture	Vechiles	Office Equipment	Computers	Total
Gross Block as at 1 April 2016	372.60	35.35	658.69	4,627.09	11,463.95	1,027.89	211.20	86.94	29.65	31.56	18,544.93
Accumulated depreciation as at 1 April 2016	-	3.90	50.13	567.31	4,034.08	380.39	85.86	51.88	24.56	29.45	5,227.56
Net Block as at 1 April 2016	**372.60**	**31.45**	**608.56**	**4,059.78**	**7,429.87**	**647.50**	**125.34**	**35.06**	**5.09**	**2.10**	**13,317.36**

* During the year ended 31.03.2016 the plant and machinery had been wrongly capitalised at lower amount i.e. excluding the excise duty. Therefore during the year the company has rectified the same and disclosed under other adjustements and the depreciation on that amount is charged and disclosed as a prior period item.

SHEKHAWATI
Pealing growth, Scaling success.

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

Note 4: Intangible Assets

(₹ In Lakhs)

Particulars	Accounting Software	Right to recieve power	Total
Gross Carrying Amount (as deemed cost)			
Balance as at 1 April 2016	**11.01**	**153.32**	**164.32**
Additions	-	-	-
Disposals	-	-	-
Adjustments made during the year	-	-	-
Balance as at 31 March 2017	**11.01**	**153.32**	**164.32**
Additions	1.20	-	1.20
Disposals	-	-	-
Adjustments made during the year	-	-	-
Balance as at 31 March 2018	**12.21**	**153.32**	**165.52**
Accumulated Depreciation			
Balance as at 1 April 2016	**-**	**-**	**-**
Depreciation charge during the year	1.58	25.37	26.95
Disposals	-	-	-
Adjustments made during the year	-	-	-
Balance as at 31 March 2017	**1.58**	**25.37**	**26.95**
Amortised during the year	1.64	25.37	27.01
Disposals	-	-	-
Adjustments made during the year	-	-	-
Balance as at 31 March 2018	**3.22**	**50.74**	**53.96**
Net carrying value			
Balance as at 1 April 2016	11.01	153.32	164.32
Balance as at 31 March 2017	9.43	127.95	137.38
Balance as at 31 March 2018	8.99	102.58	111.57

The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.Refer note below for the gross block value and the accumulated depreciation on 1 April 2016 under the previous GAAP.

Particulars	Accounting Software	Right to recieve power	Total
Gross Block as at 1 April 2016	15.82	253.67	269.49
Accumulated depreciation as at 1 April 2016	4.81	100.36	105.16
Net Block as at 1 April 2016	**11.01**	**153.32**	**164.32**

Note :

i) Accounting Software is amortised on Straight Line Method over a period of ten years.

ii) Right to receive power is amortised on Straight Line Method over a period of ten years."

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

(Rs in Lakhs)

Note 5 : Capital work in progress

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Factory Building	636.60	636.60	636.60
Total	**636.60**	**636.60**	**636.60**

Note 6 : Other financial assets
(Unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security deposits with government authorities	143.98	2.98	2.98
Total	**143.98**	**2.98**	**2.98**

Note 7 : Other non-current Assets
(Unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance with statutory/ government authorities	152.40	147.74	134.10
Total	**152.40**	**147.74**	**134.10**

Note 8 : Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
i) Valued at lower of cost or net realisable value			
Raw Materials and components	190.70	26.69	33.95
Work-in-process	96.36	172.14	10.07
Finished Goods	158.91	148.68	224.29
Stores and Spares	8.23	10.51	10.01
Packing Materials	18.14	19.80	18.10
ii) Valued at net realisable value			
Yarn Scrap	-	0.58	0.15
Total	**472.34**	**378.40**	**296.57**

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

(Rs in Lakhs)

Note 9 : Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good	1,063.55	1,546.52	7,140.20
Unsecured, considered doubtful	3,064.05	3,064.05	-
	4,127.60	**4,610.57**	**7,140.20**
Less : Provision for expected credit loss	180.45	9.05	920.81
Less : Provision for doubtful debts	3,064.05	3,064.05	-
Total	**883.10**	**1,537.47**	**6,219.39**

Trade Receivables stated above include debts due by:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Due from private limited Company in which relative of director of the Company is interested as director/ member	-	-	3.00

Note 10 : Cash and Cash Equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks in Current accounts	13.05	9.96	1.26
Cash on hand	7.34	3.40	18.14
Total	**20.39**	**13.36**	**19.40**

Note 11 : Bank Balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deposits with original maturity for more than 12 months	0.37	0.36	0.36
Deposits pledged with Bank against Guarantee as margin money	90.06	194.90	144.31
Total	**90.43**	**195.26**	**144.67**

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

(Rs in Lakhs)

Note 12 : Other financial assets
(Unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Loan to employees	15.21	3.19	2.85
Interest accrued on Fixed Deposits	7.30	4.26	18.12
Rent receivable	4.26	4.49	11.94
Other Receivables *	2,182.07	2,180.63	2,319.91
Less : Provision for Expected Credit Loss	1,877.08	1,260.52	840.94
	304.99	**920.11**	**1,478.97**
	331.76	**932.05**	**1,511.88**

Other Receivables includes :			
Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Advance given to a Private Limited Company in which relative of the director is a member or director	524.00	524.00	524.00

*Other receivables represents amount receivable against orders cancelled towards capital goods.

Note 13 : Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Recoverable in Cash or in Kind			
Unsecured, Considered good	4.76	3.40	33.79
Unsecured, Considered Doubtful	-	-	7.03
	4.76	**3.40**	**40.82**
Provision for doubtful advances	-	-	7.03
	4.76	**3.40**	**33.79**
Other loans and advances (Unsecured, considered good)			
Prepaid expenses	3.32	3.48	6.97
Balance with statutory/ government authorities	135.03	53.49	83.34
TUF Subsidy Receivable	63.30	175.52	244.12
SHIS Licence	-	-	0.95
Export Incentives Receivable	31.62	123.55	461.60
	233.27	**356.04**	**796.98**
Total	**238.03**	**359.44**	**830.77**

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

(Rs in Lakhs)

Note 14 : Income Tax Assets
(Unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance tax and TDS (net of provision)	119.38	53.72	25.99
Total	**119.38**	**53.72**	**25.99**

Note 15 : Equity Share Capital

a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Capital			
4,000 lakhs Equity Shares of ₹ 1 each	4,000.00	4,000.00	4,000.00
Issued, subscribed and fully paid up Capital			
3,447 lakhs (31.03.2017 : 3,447 lakhs and 01.04.2016 : 2,999.46 lakhs) Equity Shares of Rs 1 each fully paid up	3,447.00	3,447.00	2,999.46
Total Issued subscribed and fully paid up capital	**3,447.00**	**3,447.00**	**2,999.46**

b. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

(No. in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number	`	Number	`	Number	`
Face value per share		1		1		1
Shares outstanding at the beginning of the year	3,447.00	3,447.00	2,999.46	2,999.46	2,999.46	2,999.46
"Issued during the year : On conversion of Share warrants"	-	-	447.54	447.54	-	-
Shares outstanding at the end of the year	3,447.00	3,447.00	3,447.00	3,447.00	2,999.46	2,999.46

c. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share.

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

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

(Rs in Lakhs)

d. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. in lakhs	Percentage	No. in lakhs	Percentage	No. in lakhs	Percentage
Mukesh Ramniranjan Ruia	855.00	24.80%	855.00	24.80%	573.20	24.80%
Mukesh Ruia HUF	180.00	5.22%	180.00	5.22%	178.88	5.22%
SKI Buildcon Pvt. Ltd.	310.00	8.99%	310.00	8.99%	310.00	8.99%
Azura Projects Pvt. Ltd.	260.00	7.54%	260.00	7.54%	246.19	7.54%
Paath Financial Services Private Limited	260.00	7.54%	260.00	7.54%	-	-
Altius Buildcon Pvt. Ltd.	-	-	-	-	152.49	5.08%

Note 16 : Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a. Securities premium account			
Balance as per last financial statements	5,280.31	4,358.38	2,713.77
Add: Amount received during the year	-	921.93	1,644.61
Closing Balance	**5,280.31**	**5,280.31**	**4,358.38**
b. Capital Reserve account			
Balance as per last financial statements	423.05	198.90	-
Add : Share warrant money forfeited during the year (Refer Note below)	-	224.15	198.90
Closing Balance	**423.05**	**423.05**	**198.90**
c. General Reserves			
Balance as per last financial statements	9.19	9.19	9.19
Closing Balance	**9.19**	**9.19**	**9.19**
d. Other comprehesive Income			
Balance as per last financial statements	12.65	5.39	-
Add: Other comprehensive income for the year.	(7.08)	7.26	5.39
Closing Balance	**5.57**	**12.65**	**5.39**
e. Surplus/(Deficit) in the statement of profit and loss			
Balance as per last financial statements	(13,716.55)	(8,104.48)	3,149.39
Add: Profit/(loss) for the year	(1,359.76)	(5,612.07)	(11,253.86)
Closing Balance	**(15,076.32)**	**(13,716.55)**	**(8,104.48)**

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

(Rs in Lakhs)

f. Money received against share warrants			
Opening Balance	-	1,343.53	3,281.39
Amount received against 1798.89 lakhs Convertible Share Warrants	-	-	-
Add: Money received during the year	-	373.47	1,244.00
Less : Share warrants withdrawn by the allotted (Refer Note below)	-	347.53	738.90
Less : Converted 798.35 lakhs Convertible Share Warrants to equity shares at 3.06 per share	-	1,369.47	2,442.96
	-	**-**	**1,343.53**
GRAND TOTAL	**(9,358.20)**	**(7,991.36)**	**(2,189.09)**

a. During the year ended 31.03.2015, the Company had made a preferential issue of 1,798.89 lakhs Convertible Warrants at a premium of Rs 2.06 per warrant (Face value of ₹1 each) and in accordance with SEBI guidelines has received 25 % upfront money amounting to ₹1,376.15 lakhs. In the year 2015-16, in terms of the issue the Company had converted 798.35 lakhs share warrants into 798.35 lakhs fully paid equity shares of ₹ 1/- each after receipt of balance 75% amount of ₹1,832.22 lakhs and also out of the total share warrants allotted during the year 2015-16, in case 260 Lakhs convertible warrants one of the party has not exercised its option to convert the warrants and accordingly, the upfront subscription amount of ₹ 198.9 Lakhs on issue of these 260 Lakhs Convertible warrants have been forfeited and credited to Capital Reserve Account. Balance amount of ₹ 540 Lakhs were repayable to the party is disclosed under other financial liability. Further, in year 2016-17 from the balance of 740.54 Lakhs share warrants available the company has converted into 447.54 Lakhs fully paid equity shares of ₹ 1/- after receipt of balance 75% amount.

b. In case 293 Lakhs convertible warrants two parties has not exercised there option to convert the warrants and accordingly, the upfront subscription amount of ₹ 224.14 lakhs on issue of these 293.00 lakhs Convertible warrants have been forfeited and credited to Capital Reserve Account. Balance amount of ₹123.39 lakhs is repayable to the party is converted into loan and disclosed under Note 17.

c. The total amount so received from the above issue of shares has been utilized for the further expansion of the capital base and its working capital requirements of the Company in terms of preferential issue.

Note 17 : Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
Term loan from Banks (Refer Note 42)	9,565.97	9,706.71	9,981.76
Less: Current maturities of long term debt (Refer Note 41)	9,565.97	3,770.37	1,580.23
	-	**5,936.34**	**8,401.53**
Unsecured			
Loan From Director	108.80	85.31	-
	108.80	85.31	-
Total	**108.80**	**6,021.65**	**8,401.53**

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

Out of Term Loan from Banks (Secured)

i) Term loans from State Bank of India :

(a) ₹ 198.29 Lakhs (31.03.2017 : ₹198.29 Lakhs and 01.04.2016 : ₹198.29 Lakhs) was sanctioned during the financial year 2009-10 and carries interest @ Base rate +4.20% p.a. The loan is repayable in 78 monthly instalments starting from October 2010.

(b) ₹ 316 Lakhs (31.03.2017 : ₹316 Lakhs and 01.04.2016 : ₹316 Lakhs) was sanctioned during the financial year 2011-12 and carries interest @ Base rate + 4.20% p.a. The Loan is repayable in 80 monthly instalments starting from April 2012.

(c) ₹ 2,965 Lakhs (31.03.2017 : ₹2,965 Lakhs and 01.04.2016 : ₹2,965 Lakhs) was sanctioned during the financial year 2011-12 and carries interest @ Base rate + 3.45% p.a. The loan is repayable in 76 monthly instalments starting from October 2012.

(d) ₹ 2,106.96 Lakhs (31.03.2017 : ₹2,106.96 Lakhs and 01.04.2016 : 2,106.96 lakhs) was sanctioned during the financial year 2014-15 and carries interest @ Base rate + 2.70% p.a. The loan is repayable in 76 monthly instalments starting from October 2016.

(i) The above term loans are primarily secured by (i). Paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & Fixtures, Office Equipment's and all other fixed assets situated at Unit III, Village Naroli, Silvassa, D&N Haveli (UT). (ii). First exclusive equitable mortgage on Land & Building(3000 sq mtrs), Plant & Machinery, Furniture & Fixtures etc at factory located at unit II, Masat, Silvassa, D&N Haveli (UT). The loan is also collaterally secured by, (i) Second Charge on pari-passu basis over entire current assets of the company. (ii). Exclusive first charge on corporate office situated at Goregaon (E). (iii). First exclusive assignment on SBI Life Policy of 25 Lakhs.

(ii) Loan from Axis Bank amounting to ₹ 534.90 Lakhs (31.03.2017 : 534.90 Lakhs and 01.04.2016 : 534.90 Lakhs) was sanctioned during the financial year 2010-11 and carries interest @ Base rate +2.25% p.a The loan is repayable in 78 monthly instalments starting from January 2011. The loan is secured by way Equitable Mortgage of Land & Building & hypothecation of Plant & Machinery and at the fixed assets (Entire Land & building and Plant & machinery, present and future) situated at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) on pari-passu basis with other consortium members and Second pari-passu charge on entire fixed assets of the company (for land & building at Unit II, Village Masat, Silvassa, D&N Haveli (UT)) and on entire current assets of the company with other lenders.

(iii) Loan from Union Bank of India amounting to ₹ 2,157.64 Lakhs (31.03.2017 : ₹ 2,230.01 Lakhs and 01.04.2016 : ₹ 2,230.01 Lakhs) was sanctioned during the previous financial year and carries interest @ Base rate + 3% p.a. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & fixtures, Office Equipments,etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.

(iv) Loan from Allahabad Bank amounting to ₹ 1,365.85 Lakhs (31.03.2017 : ₹ 1,365.85 Lakhs and 01.04.2016 : ₹ 1,365.85 Lakhs) was sanctioned during the previous financial year and carries interest @ Base rate + 3% p.a. The loan is repayable in 72 monthly installments starting from July 2016. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & fixtures, Office Equipments,etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.

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

(v) Loan from Dena Bank amounting to ₹ 251.44 Lakhs (31.03.2017 : ₹ 264.74 Lakhs and 01.04.2016 : ₹ 264.74 Lakhs) was sanctioned during the previous financial year and carries interest @ Base rate +3% p.a. The loan is repayable in 72 monthly instalments starting from July 2016. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & fixtures, Office Equipments,etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.

All the above term loans are personally guaranteed by the Promoters of the Company Mr. Mukesh Ruia and Mr. Ramniranjan Ruia.

(Rs in Lakhs)

note 18 : Other Financial Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred liabilities on financial liabilities carried at amortised cost	26.20	29.78	-
Total	**26.20**	**29.78**	**-**

Note 19 : Provision

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Gratuity	26.09	22.30	14.52
Total	**26.09**	**22.30**	**14.52**

Note 20 : Tax Expense

(a) Amounts recognised in Statement of Profit and Loss

Particulars	2017-18	2016-17
Deferred tax expense		
Origination and reversal of temporary differences	3.49	(3.58)
Tax expense recognised in the statement of profit and loss	**3.49**	**(3.58)**

(b) Amounts recognised in other comprehensive income

Particulars	2017-18			2016-17		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(10.57)	3.49	(7.08)	10.84	(3.58)	7.26
	(10.57)	**3.49**	**(7.08)**	**10.84**	**(3.58)**	**7.26**

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

(Rs in Lakhs)

(c) Reconciliation of effective tax rate

Particulars	2017-18	2016-17
Profit before tax	**(1,356.27)**	**(5,615.65)**
Tax using the Company's domestic tax rate (Current year 27.55% and Previous Year 33.063%)	(373.69)	(1,856.70)
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	(160.34)	247.04
Effect of current year losses for which no deferred tax asset is recognised	534.03	1,609.67
Tax expense as per Statement of Profit & Loss	**-**	**-**
Effective tax rate	**0.00%**	**0.00%**

(d) Tax Losses

Particulars	2017-18	2016-17
Unused tax losses for which no deferred tax asset has been recognised	1,938.22	4,868.49
Potential tax benefit @ 27.55% (PY 33.063%)	534.03	1,609.67

Movement in deferred tax balances

Particulars	Net balance as at April 1, 2017	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31, 2018	Deferred tax liability	Deferred tax asset
Deferred tax (Asset)/Liabilities						
Property, plant and equipment & Intangible assets	1,197.10	114.90	-	1,312.00	1,312.00	-
Provision for Employee benefits	(6.89)	(2.31)	-	(9.20)	-	(9.20)
Others	(2.17)	-	-	(2.17)	-	(2.17)
Financial liabilities carried at amortised cost	(0.27)	(0.24)	-	(0.50)	-	(0.50)
Provision for expected credit loss	(419.76)	(272.70)	-	(692.46)	-	(692.46)
Indexation benefit on land	(145.39)	(81.07)	-	(226.46)	-	(226.46)
Unabsorbed depreciation	(622.62)	241.41	-	(381.21)	-	(381.21)
MAT Credit Entitlement	-	-	-	-	-	-
Deferred tax (Asset)/Liabilities	**(0.00)**	**(0.00)**	**-**	**(0.00)**	**1,312.00**	**(1,312.00)**

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

(Rs in Lakhs)

Particulars	Net balance as at April 1, 2016	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31, 2017	Deferred tax liability	Deferred tax asset
Deferred tax (Asset)/Liabilities						
Property, plant and equipment & Intangible assets	1,110.45	86.64	-	1,197.10	1,197.10	-
Provision for Employee benefits	(4.71)	(2.18)	-	(6.89)	-	(6.89)
Others	(2.28)	0.11	-	(2.17)	-	(2.17)
Financial liabilities carried at amortised cost	-	(0.27)	-	(0.27)	-	(0.27)
Provision for expected credit loss	(582.49)	162.73	-	(419.76)	-	(419.76)
Indexation benefit on land	(69.47)	(75.92)	-	(145.39)	-	(145.39)
Unabsorbed depreciation	(300.53)	(322.09)	-	(622.62)	-	(622.62)
MAT Credit Entitlement	(150.96)	150.96	-	-	-	-
Deferred tax (Asset)/Liabilities	**-**	**-**	**-**	**(0.00)**	**1,197.10**	**(1,197.10)**

Note 21 : Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
Working Capital Loan from Banks (Refer Note No. 42)	8,771.38	8,838.23	8,910.37
Devolved Letter of Credit from Bank (Refer Note No. 42)	789.28	789.28	897.00
Total	**9,560.66**	**9,627.51**	**9,807.37**

Working Capital Loan from Banks Includes :

1. Cash credit from State Bank of India amounting to ₹ 8,299.26 Lakhs (31.03.2017 : ₹8,366.12 Lakhs and 01.04.2016 : ₹8,404.07 Lakhs) includes standbyline of credit of ₹ 389.51 Lakhs (31.03.2017 : ₹389.51 Lakhs and 01.04.2016 : ₹389.51 Lakhs) and is secured primarily by first hypothecation charge on entire stocks, stores & spares and receivables of the company on pari passu basis with Working Capital consortium member. The loan is collaterally secured by extension of second equitable mortgage/ hypothecation charge on pari passu basis with working capital consortium member (Axis Bank) on entire fixed assets L&B at Unit III, Village Naroli, Silvassa, D&N Haveli (UT); Extension of second equitable mortgage/ hypothecation charge on pari passu basis with working capital consortium member (Axis Bank) on entire fixed assets L&B at Unit II, Village Masat, Silvassa, D&N Haveli (UT) and First Mortgage/hypothecation on office situated at Goregaon (E) exclusive for SBI. First exclusive assignment on SBI life policy of ₹ 25 Lakhs.

2. Cash credit from Axis Bank amounting to ₹ 472.11 Lakhs (31.03.2017 : ₹ 472.11 Lakhs and 01.04.2016 : ₹ 506.29 Lakhs) includes adhoc limit of ₹ 300 Lakhs (31.03.2017 : ₹ 300 Lakhs and 01.04.2016 : ₹ 300 Lakhs)

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

is secured by first parripassu charge over entire current assets of the company, present & future with other working capital consortium lenders and second parripassu charge over the entire fixed assets (movable and immovable) of the company present and future with other working capital lenders under the consortium located at Unit III, village Naroli, Silvassa, D&N Haveli (UT) and Unit II, Village Masat, Silvassa, D&N Haveli (UT). The cash credit is repayable on demand and carries interest @Base Rate + 1.75% p.a. The adhoc limit carries interest rate @ Base Rate + 2.25% p.a.

Devolved Letter of Credit from Bank includes :

Devolved Letter of Credit from bank represents amount of ₹ 789.28 Lakhs (31.03.2017 : ₹ 789.28 Lakhs and 01.04.2016 : ₹ 897 Lakhs) due to Axis Bank towards Letter of credit (LC) which have been devolved during the year. It carries interest rate @Base Rate + 6.50% p.a. or CC rate + 4% p.a. whichever is higher for the period of default. These are secured by goods procured under the LC and first parripassu charge over entire current assets of the company, present & future with other working capital consortium lenders and second parripassu charge over the entire fixed assets (movable and immovable) of the company present and future with other working capital lenders under the consortium located at Unit III, village Naroli, Silvassa, D&N Haveli (UT) and Unit II, Village Masat, Silvassa, D&N Haveli (UT).

All the above secured short term borrowings are personally guaranteed by the Promoters of the Company Mr. Mukesh Ruia and Mr. Ramniranjan Ruia.

(Rs in Lakhs)

Note 22 : Trade payables

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Due to Micro, Small and Medium Enterprises	-	-	-
Other than Micro and Small Enterprises	70.93	509.06	713.91
Total	**70.93**	**509.06**	**713.91**

Disclosures as required under Section 22 of MSMED Act, 2006 :

The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company which is as follows :

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	-	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-	-

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-

(Rs in Lakhs)

Note 23 : Other Financial Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long-term debt (Refer Note : 41)	9,565.97	3,770.37	1,580.23
Interest accrued and due on borrowings (Refer Note : 42)	1,132.21	1,132.21	1,132.42
Others			
Creditors for capital goods	-	156.98	224.55
Share warrant money repayable [Refer Note : 16 (f)]	-	-	540.00
Rent deposit	-	-	4.57
Provision for expenses	136.23	123.91	56.60
Deferred liabilities on financial liabilities carried at amortised cost	8.90	7.49	-
Others	0.71	3.31	0.71
Total	**10,844.02**	**5,194.27**	**3,539.08**

Note 24 : Other Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance received from customers	8.78	39.35	8.34
Statutory dues payable	4.22	4.28	8.68
Total	**13.00**	**43.63**	**17.02**

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

(Rs in Lakhs)

Note 25 : Provision

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Gratuity	1.74	1.97	0.24
Total	**1.74**	**1.97**	**0.24**

Note 26 : Revenue from operations

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sale of products	**13,693.11**	**8,602.78**
Other operating revenue		
Export Incentives received	8.49	35.25
Scrap Sales	5.16	12.59
Job Work	890.15	1,410.74
Unbilled Revenue	11.34	17.09
	14,608.25	**10,078.45**

Note 27 : Other Income

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest Income on		
- Fixed Deposits	12.21	13.50
- Others	1.82	0.36
Amortisation of deferred liabilitity on Financial Liabilities	7.85	5.93
Rent Income	-	8.67
Profit on sale of asset	-	2.89
TUF Subsidy Refund	48.10	-
Excise Duty Refund	53.67	-
Liabilities no longer required written back	20.59	-
Others	-	4.59
Gain on Foreign Exchange Fluctuation (Net)	9.74	5.97
Total	**153.98**	**41.91**

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

(Rs in Lakhs)

Note 28 : Cost of materials consumed

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Raw Materials		
Opening Stock	26.69	33.95
Add: Purchases	11,592.92	6,367.56
Less: Closing Stock	190.70	26.69
Total	**11,428.91**	**6,374.82**

Note 29 : Purchase of Stock-in-Trade

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Purchases of :		
- Yarn	142.81	-
- Fabric	-	132.34
	142.81	**132.34**

Note 30 : Changes in inventories of finished goods, work-in-progress

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Inventory		
Finished Goods	148.68	224.29
Work-In-Process	172.14	10.07
Yarn Scarp	0.58	0.15
	321.40	**234.51**
Closing Inventory		
Finished Goods	158.91	148.68
Work-In-Process	96.36	172.14
Yarn Scarp	-	0.58
	255.27	**321.40**
Total	**66.13**	**(86.89)**

Note 31 : Employee benefits expense

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salary, wages and bonus	652.92	656.18
Director remuneration	28.00	23.50
Contributions to provident and other funds	8.71	13.67
Staff welfare expenses	5.34	4.70
Total	**694.97**	**698.05**

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

(Rs in Lakhs)

Note 32 : Finance costs

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest to		
- Bank	-	3.45
- Others	6.88	25.88
Deferred liability on financial liabilities carried at amortised cost	7.16	5.12
Bank charges	1.81	8.11
Total	**15.85**	**42.56**

Note 33 : Other expenses

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Consumption of Stores and Spare parts	93.54	68.05
Packing Materials Consumed	575.43	486.86
Power and Fuel	808.56	1,031.33
Repairs to		
Plant and machinery	13.81	9.63
Building	17.31	17.39
Others	8.59	6.88
Printing & Stationery	6.35	5.39
Commision On Sales	72.60	33.60
Insurance	4.91	7.07
Export Shipping Expenses	10.46	57.46
Loading & Unloading charges	24.42	28.81
Legal and Professional Charges	42.42	15.97
Payment to Auditors	5.00	5.28
Security Charges	16.56	14.30
Excise Duty written off	3.30	184.85
Loss on sale of FMS/FPS/DEPB licence	3.70	7.72
Transportation Charges	47.59	34.77
Provision for Expected Credit Loss	787.95	120.63
Miscellaneous Expenses	45.28	50.38
Total	**2,587.78**	**2,186.37**

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

(Rs in Lakhs)

Payment to auditors

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
As Auditor:		
Audit fees	5.00	5.00
In other capacity:	**-**	**-**
Other services	-	0.28
Total	**5.00**	**5.28**

Note 34 : Exceptional Items

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sales Return	-	2,109.10
Provision for Doubful Debts	-	2,451.24
Total	**-**	**4,560.34**

Exceptional items includes :

i) During the previous year, in case of few old trade receivables, the company after the negotiations with them has accepted the goods returned and same has been sold to another party at the realisable value. In this process the company has incurred as loss of ₹ 2,109.10 Lakhs which is disclosed as Exceptional item.

ii) The Company has created provision amounting to ₹ 2,451.24 Lakhs (net of provision for expected credit loss amounting to ₹ 612.81 Lakhs)on the Trade Receivables that were doubtful to be recovered during the year ended 31.03.2017 which is disclosed under head exceptional items.

Note 35 : Earnings per equity share:

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
i) Weighted average number of Equity Share of ₹ 1 each		
a) Number of shares at the beginning of the year	3,447.00	2,999.46
b) Number of shares at the end of the period	3,447.00	3,447.00
c) Weighted average number of Share outstanding during the year	3,447.00	3,355.04
ii) Net profit after tax available for equity shareholders	(1,359.76)	(5,612.07)
iii) Basic Earnings per Share	(0.39)	(1.67)
iv) Dilutive Earnings per Share	(0.39)	(1.67)

Note: The company does not have any dilutive potential equity share. Consiquently the basic and dilutive earning per share of the company remains same.

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

Note 36 : The Company is consistently following the accounting of excise duty (up to 30.03.2017, since w.e.f. 1st July, 2017 Goods and Service Tax was introduced) on closing stock of finished goods on clearance of finished goods from the factory and such treatment has no impact on Statement of Profit & Loss for the year.

Note 37 : In the opinion of the Board the Current Assets (other than those doubtful & provided for) and Loans and Advances are approximately of the value stated and realizable in the ordinary course of business. The Provisions of all known liabilities is adequate and not in excess of the amount reasonably necessary.

(Rs in Lakhs)

Note 38 : Contingent Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Guarantee given by Bank on behalf of the Company	36.25	199.86	53.90
Income Tax Demand	335.65	-	-
Custom Duty against Export Obligation (Refer Note below)	140.70	270.58	479.66

Note: The Company has obtained license under Export Promotion Capital Goods Scheme (EPCG) for purchase of capital goods. Under the EPCG the Company needs to fulfil certain export obligations, failing which, it is liable for payment of custom duty. Obligations at the end of current financial year is ₹ 1160.98 Lakhs (31.03.2017 : 1,541.24 Lakhs, 01.04.2016 : 4,087.91 Lakhs) to be exported/adjusted within 6/8 years from the date of issue of respective license.

Note 39 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A - Defined benefit obligations - Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

I) Assumptions :

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

a) Financial Assumptions

Particulars	As at March 31, 2018	As at March 31, 2017
Expected rate of future salary increase	6.00%	6.00%
Discount Rate	7.87%	7.74%
Attrition Rate	2.00%	2.00%

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

b) Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2006-08)

(Rs in Lakhs)

II) Table showing change in present value of defined benefit obligation:

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Present value of obligation as at the beginning of the year:	24.26	14.75
Interest cost	1.88	1.17
Current service cost	13.15	6.63
Benefits paid	(0.89)	(9.13)
Actuarial (Gain) / loss on obligation - due to change in financial assumptions	(0.45)	0.69
Actuarial (Gain) / loss on obligation - due to experience	(10.12)	10.15
Closing Present value of obligation as at the end of the year	**27.83**	**24.26**

III) Amount recognized in the Balance Sheet:

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Present value of obligation as at the end of the year	27.83	24.26
Fair Value of plan assets as at the end of the year	-	-
Funded status	(27.83)	(24.26)
Unrecognized Past Service Cost	-	-
Unrecognized Transitional Liability	-	-
Net Assets/ (Liability) recognized in the Balance	(27.83)	(24.26)

IV) Expenses recognized in the Statement of Profit and Loss

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Current Service Cost	13.15	6.63
Past Service Cost	-	-
Interest Cost	1.88	1.17
Expected return on plan assets	-	-
Net Actuarial (Gain)/ loss recognized during the year	-	-
Total Expenses recognized in the Profit and Loss account	**15.02**	**7.80**

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

(Rs in Lakhs)

V) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Acturarial (Gain)/Loss on Obligation for the period	(10,57,413)	10,83,676
Return on Plan Assets, excluding interest income	-	-
Change in Asset ceiling	**-**	**-**
Net (Income) / Expense for the period recognised in OCI	(10,57,413)	10,83,676

VI) Balance Sheet Reconciliation:

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Opening Net Liability	24.26	14.75
Expenses recognized in Statement of Profit & Loss	15.02	7.80
Expenses recognized in OCI	(10.57)	10.84
Net Transfer In	-	-
(Net Transfer Out)	-	-
(Benefit directly paid by the employer)	(0.89)	(9.13)
Employer's Contribution	-	-
Net Liability Recognised in the Balance Sheet	27.83	24.26

VII) Maturity Analysis of the Benefit Payments : From the Employer:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Projected benefits payable in future years from the date of reporting		
2019	3.05	1.97
2020	0.48	0.43
2021	2.41	0.51
2022	0.70	1.46
2023	2.93	0.78
2024-2028	8.63	6.66
2028 onwards	91.02	89.83

VIII) Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

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

(Rs in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Change in Rate of Discounting		
Delta Effect of +1%	(3.11)	(3.03)
Delta Effect of -1%	3.85	3.77
Change in Rate of Salary Increase		
Delta Effect of +1%	3.88	3.80
Delta Effect of -1%	(3.18)	(3.10)
Change in Rate of Employee Turnover		
Delta Effect of +1%	0.38	0.33
Delta Effect of -1%	(0.52)	(0.46)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Note 40 : Related party disclosures as required under Indian Accounting Standard 18, "Related party disclosures" are given below:

a. List of related parties

Name of the Party	Relationship
Shri Mukesh Ruia	Chairman & Managing Director
Shri Ravi Jogi	Whole Time Director
Mukesh Ruia HUF	Relative of Chairman & Managing Director
Ruia Rayons Pvt Ltd	Enterprise over which the key managerial personnel and their relatives have significant influence
Vinayak Clothing Pvt Ltd	
Suresh Chandra Gattani	Chief Financial Officer (from 25.10.2015)
Shivratan Agarwal	Chief Financial Officer (upto 25.10.2015)
Meena Agal	Company Secretary

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

(Rs in Lakhs)

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year Ended March 31, 2018	Year Ended March 31, 2017
Shri Mukesh Ruia	Loan converted to application money towards Convertible Share Warrants	-	123.39
Shri Mukesh Ruia	Share warrants converted to Equity shares	-	871.51
Shri Mukesh Ruia	Directors Remuneration	17.50	13.00
Shri Mukesh Ruia	Loan taken	22.00	-
Mukesh Ruia HUF	Loan repaid	-	121.64
Shri Ravi Jogi	Directors Remuneration	10.50	10.50
Vinayak Clothing Pvt Ltd	Sale	2,098.05	-
Vinayak Clothing Pvt Ltd	Rent income	0.23	2.64
Vinayak Clothing Pvt Ltd	Commission on sale	12.50	-
Suresh Chandra Gattani	Remuneration	15.06	16.07
Meena Agal	Remuneration	6.74	6.37

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Shri Mukesh Ruia	Money received against share warrants	108.80	85.31	1,097.40
Mukesh Ruia HUF	Money received against share warrants	-	-	121.64
Ruia Rayons Pvt Ltd	Other Receivables	524.00	524.00	524.00
Ruia Rayons Pvt Ltd	Trade Receivables	-	-	3.00
Vinayak Clothing Pvt Ltd	Rent Receivable	-	4.32	4.32
Shri Ravi Jogi	Directors Remuneration payable	-	-	0.25
Suresh Chandra Gattani	Remuneration Payable	-	1.08	1.01
Meena Agal	Remuneration Payable	-	0.50	0.40

Note: Related Parties are as disclosed by the management and relied upon by the auditor

Note 41 : During the F.Y. 2015-16, the company had also defaulted in payment of its dues towards various banking facilities and accordingly State Bank of India, Union Bank of India and Axis Bank had declared accounts of the company as Non-performing assets (NPA). Further during the previous year, Allahabad bank and Dena bank has also declared the company accounts as NPA. Hence all term loans has been classified as current financial liabilities in fiancial statements.

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

Note 42 : During financial year 2015-16, the bank accounts of the compny had been classified as "Non-performing asset" (NPA) by State Bank of India, Union Bank of India and Axis Bank and further as on 31.03.2017 Allahabad bank and Dena Bank has also declared the company accounts as NPA. As on 31.03.2018, in respect of above loans disclosed under the head "Long term Borrowings" & "Short-term Borrowings" the total principal outstanding is ₹19,126.63 Lakhs (P.Y. ₹ 19,334.22 Lakhs) and Interest Outstanding is ₹1,132.21 Lakhs (P.Y. ₹1,132.21 Lakhs). Also, during the year the company has not provided for interest of ₹ 2,256.99 lakhs (P.Y. ₹2,373.73 Lakhs).

Note 43 : During the year and earlier years, the company has suffered heavy losses and its net worth has been substantially eroded. Also, the account of the company has been classified as "Non-performing assets" (NPA) by its banks. However, the Company is in the process of negotiation with the its bankers and is hopeful that the suitable resolution plan will be considered by the bank . Further the management also holds view that the Company will be able revive its normal business operations soon and realize its assets and discharge its liabilities in the normal course of business. In view of the above, the financial statements have been prepared on a going concern basis and no adjustments relating to recoverability and classification of the recorded assets & liabilities have been made.

Note 44 : During the year, as per the holding on operation sanctioned by the bank , the company has deposited with lead bank ₹ 55.00 Lakhs (P.Y. ₹ 275.00 Lakhs) in respect of loans outstanding and the same has been adjusted by the company against long term borrowings, which the banks may have adjsuted in a different manner.

Note 45 : The company has incurred losses during the current and previous periods therefore in view of present uncertainty regarding generation of sufficient future taxable income, net deferred tax asset at the year end including related credit for the year have not been recognized in these accounts on the prudent basis.

Note 46 : Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business Segment i.e. "Textile Business", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Note 47 : Consequent to the introduction of Goods and Services Tax (GST) with effect from July 1, 2017, Central Excise Duty, Value Added Tax (VAT), etc, have been replaced by GST. In accordance with Ind AS-18 "Revenue" and Schedule-III of Companies Act, 2013, GST is not included in total income from operation from July 1st, 2017. However, for the year ended March 31, 2017, excise duty is included in revenue from operations, hence not comaprable.

Note 48 : Financial instruments – Fair values and risk management

"The fair value of the financial assets are included at amounts at which the instruments 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 value:

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments

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

(b) 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 the expected losses of these receivables."

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

(₹ In Lakhs)

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying Value	Total Fair Value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets								
Trade receivables	9	883.10	-	-	-	-	883.10	883.10
Cash and Cash Equivalents	10	90.43	-	-	-	-	90.43	90.43
Bank Balances other than Cash and Cash Equivalents	11	20.39	-	-	-	-	20.39	20.39
Other Financial Assets (Current & Non-current)	6,12	475.74	-	-	-	-	475.74	475.74
Financial liabilities								
Borrowings (Current & Non-current)	17,21	9,669.46	-	-	-	-	9,669.46	9,669.46
Trade payables	22	70.93	-	-	-	-	70.93	70.93
Other Financial Liabilities (Current & Non-current)	18,23	10,870.22	-	-	-	-	10,870.22	10,870.22

The carrying value and fair value of financial instruments by categories as at 31 March 2017 were as follows:

(₹ In Lakhs)

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying Value	Total Fair Value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets								
Trade receivables	9	1,537.47	-	-	-	-	1,537.47	1,537.47
Cash and Cash Equivalents	10	195.26	-	-	-	-	195.26	195.26
Bank Balances other than Cash and Cash Equivalents	11	13.36	-	-	-	-	13.36	13.36
Other Financial Assets (Current & Non-current)	6,12	935.03	-	-	-	-	935.03	935.03
Financial liabilities								

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

Borrowings (Current & Non-current)	17,21	15,649.16	-	-	-	-	15,649.16	15,649.16
Trade payables	22	509.06	-	-	-	-	509.06	509.06
Other Financial Liabilities (Current & Non-current)	18,23	5,224.05	-	-	-	-	5,224.05	5,224.05

The carrying value and fair value of financial instruments by categories as at 1st April, 2016 were as follows:

(₹ In Lakhs)

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying Value	Total Fair Value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets								
Trade receivables	9	6,219.39	-	-	-	-	6,219.39	6,219.39
Cash and Cash Equivalents	10	144.67	-	-	-	-	144.67	144.67
Bank Balances other than Cash and Cash Equivalents	11	19.40	-	-	-	-	19.40	19.40
Other Financial Assets (Current & Non-current)	6,12	1,514.86	-	-	-	-	1,514.86	1,514.86
Financial liabilities								
Borrowings (Current & Non-current)	17,21	18,208.90	-	-	-	-	18,208.90	18,208.90
Trade payables	22	713.91	-	-	-	-	713.91	713.91
Other Financial Liabilities (Current & Non-current)	18,23	3,539.08	-	-	-	-	3,539.08	3,539.08

B. Fair Value Hierarchy.

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

Level 1: quoted (unadjusted) prices 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.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency

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

of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016 are as below:

(USD in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial assets			
Trade receivables	-	0.23	2.30
Other Financial Assets - Current	7.00	7.00	7.00
Net exposure for assets	**7.00**	**7.23**	**9.30**
Financial liabilities			
Other Financial Liabilities - Current		0.40	
Net exposure for liabilities	**-**	**0.40**	**-**
Net exposure (Assets - Liabilities)	**7.00**	**6.83**	**9.30**

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ In Lakhs)

Effect in INR (before tax)	Profit or loss	
Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
5% Movement in USD		
Strengthening	22.77	22.12
Weakening	(22.77)	(22.12)

(b) Particulars of hedged and unhedged foreign currency exposures as at the reporting date

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade Receivables	-	0.23	2.30
Less : Foreign currency forward contracts (Sell)	-	-	-
Unhedged Receivable	-	0.23	2.30

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

Other Financial Assets - Current	7.00	7.00	7.00
Less : Foreign currency forward contracts (Sell)	-	-	-
Unhedged Receivable	**7.00**	**7.00**	**7.00**
Other Financial Liabilities - Current	-	0.40	-
Less : Foreign currency forward contracts (Buy)	-	-	-
Unhedged Payable	**-**	**0.40**	**-**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Borrowing bearing variable interest rate	19,235.43	19,419.53	19,789.13
Total of Variable Rate Financial Liabilities	**19,235.43**	**19,419.53**	**19,789.13**

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Profit or loss	
INR	50 bp increase	50 bp decrease
31st March 2018		
Variable-rate loan instruments	(96.18)	96.18
Cash flow sensitivity (net)	**(96.18)**	**96.18**
31st March 2017		
Variable-rate loan instruments	(97.10)	97.10
Cash flow sensitivity (net)	**(97.10)**	**97.10**

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

Financial Risk Management

Risk management framework

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instuments covered below is resticted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business
ii) Actual or expected significant changes in the operating results of the counterparty
iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
iv) Significant imcrease in credit risk on other financial instruments of the same counterparty
v) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attemp to recover the receivable due, When recoverables are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade and other receivebles based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

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

Ageing of Accounts receivables : (₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Not Due	-	-	-
0 - 6 months	141.02	1,403.43	870.12
6 - 12 months	27.02	130.43	2,221.34
Beyond 12 months	3,959.56	3,076.71	4,048.73
Total	**4,127.60**	**4,610.57**	**7,140.19**

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

Movements in provision of doubtful debts and expected credit loss

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening provision	4,333.62	1,761.75
Add : Additional provision made	787.96	2,571.87
Closing provisions	**5,121.58**	**4,333.62**

Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities :

Maturity Analysis of Significant Financial Liabilities **(` In Lakhs)**

Particulars	On Demand	Upto 1 year	1-5 years	More than 5 years	Total
As at 31 March 2018					
Borrowings	19,126.63	-	108.80	-	19,235.43
Trade payables	70.93	-	-	-	70.93
Other Financial Liabilities	1,304.25	-	-	-	10,870.22
	20,501.81	**-**	**108.80**	**-**	**30,176.58**
As at 31 March 2017					
Borrowings	9,627.51	3,770.37	6,021.65	-	19,419.53
Trade payables	509.06	-	-	-	509.06
Other Financial Liabilities	29.78	1,423.90	-	-	1,453.68

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

	10,166.35	**5,194.27**	**6,021.65**	**-**	**21,382.27**
As at 31 March 2016					
Borrowings	11,437.96	1,580.23	6,770.94	-	19,789.13
Trade payables	713.91	-	-	-	713.91
Other Financial Liabilities	1,958.85	-	-	-	1,958.85
	14,110.72	**1,580.23**	**6,770.94**	**-**	**22,461.89**

Commodity Price Risk

The company is exposed to the risk of price fluctuations of Raw Material as well as Finished Goods. The company manage its commodity risk by maintaining adequate stock of Raw Material and Finished Goods through inventory management and proactive vendor development practices.

Note 49 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holde₹ The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

(₹ In Lakhs)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Total debts	20,367.64	20551.74	20921.55
Total equity	(5,911.20)	(4,544.36)	810.37
Total debts to equity ratio (Gearing ratio)	**1.41**	**1.28**	**0.96**

Note 50 : Prior year comparatives

Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

As per our report of even date
For Ajay Shobha & Co.
Chartered Accountants
Firm Registration No. 317031E
Sd/-
Ajay Kumar Gupta
Partner
Membership No. 53071

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board of Directors of
Shekhawati Poly- Yarn Limited

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole Time Director
(DIN : 06646110)

Sd/-
Suresh Chandra Gattani
Chief Financial Officer

Sd/-
Meena Agal
Company Secretary &Compliance Officer

Place: Mumbai
Date: 30th May, 2018

E-COMMUNICATION REGISTRATION FORM

To,
Sharex Dynamics (India) Pvt. Ltd.
Unit : Shekhawati Poly-Yarn Ltd.
Unit 1, Luthra Industrial Premises, Safed Pool,
Andheri – Kurla Road, Andheri (E),
Mumbai – 400072

Dear Sir/Madam,

Re.: Green Initiative in Corporate Governance

I agree to receive all Communication from the company in electronic mode. Please register my email id in your records for sending communication through email.

Folio No. :_____

DP ID:_____

Client ID :_____

PAN No. :_____

Name of 1st Registered Holder:_____

Name of Joint Holder:_____

Registered Address:_____

E-mail ID:_____

Date : _____ signature of first holder : _____

Important Notice :

1. On registration, all communication will be sent to the email id registered nthe folio/DP ID & Client ID

2. The form is also available on www.shekhawatiyarn.com

3. Shareholders are requested to keep the company informed as and when there is any change in the e-mail address. Unless the e-mail id is changed by you by sending another communication in writing, the company will continue to send notices/documents to you on the above mentioned email id.

SHEKHAWATI POLY-YARN LIMITED

Regd. Off:- Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak,
Dadra & Nagar, D & N.H. – 396 235 (Union Territory),India
CIN : L17120DN1990PLC000440

ATTENDANCE SLIP
27TH ANNUAL GENERAL MEETING SEPTEMBER 27, 2018 AT 11.30 A.M.

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

I/we certify that I/ We am/are the registered Member(s)/Proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company held at Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N. H. – 396 235 on September 27, 2018 at 11.30 A.M.

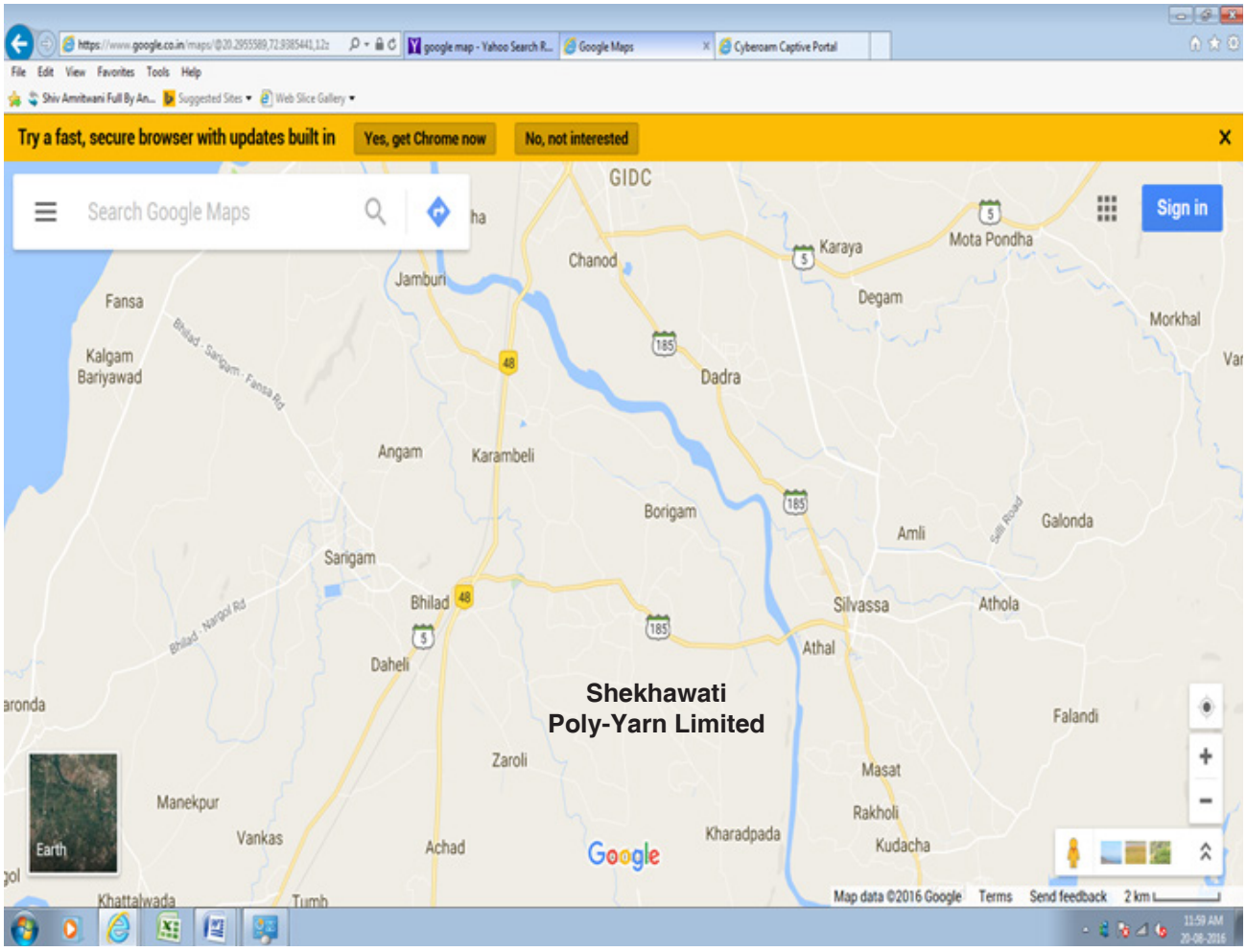
Signed this _____ day of _____2018

……..... .....
(Member's / Proxy's name (in Block Letters) **(Member's/ proxy's Signature)**

Note: -
1. Only Members / Proxy holder can attend the Meeting
2. Members/proxies are requested to bring the duly completed Attendance Slip with them, and hand it over at the entrance, affixing their signature on the slip.

Route Map to the AGM Venue-Shekhawati Poly-Yarn Limited

Venue : Plot No. 185/1, Naroli Village, Near Kandi Phatak, Silvassa, Dadra & Nagar haveli – 396 235.



Landmark : Near Kanadi Phatak

Distance from Bhilad Station : 8 km

Distance from Vapi Station : 20 km

Shekhawati Poly-Yarn Limited

Registered office: Unit No. III, Plot No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N.H. – 396 235
CIN: L17120DN1990PLC000440

Form No. MGT-11

Proxy form

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

Name of the Member(s) :_____

Registered Address : _____

E-mail ID :_____

Folio No. / Client ID No. :_____

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual general meeting of the company to be held on the September 27, 2018 at 11.30 a.m. at Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N.H. – 396 235 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2018.
2. Re-appointment of Mr. Mukesh Ruia as a Director liable to retirement by roation.
3. Re-appointment of Mr. Ravi S. Jogi as Whole Time Director for another term of 5 years.
4. Ratification of M/s. N. Ritesh & Associates, Cost Accountant as a cost Accountant and fix their remuneration.

Signed this _____ day of _____ 2018

Place:

Affix `1/- Revenue Stamp

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.



PLANT LOCATIONS

Unit II : 44 Govertnment Ind. Estate,
Masat, Samarvani,
Dadra & Nagar Haveli - 396230
(Union Territory), India
@ unit2@shekhawatiyarn.com

Unit III : Survey No. 185/1, Naroli Village,
Near Kanadi Phatak,
Dadra & Nagar Haveli - 396 235
(Union Territory), India
@ unit3@shekhawatiyarn.com

REGISTERED OFFICE:

Survey No. 185/1, Naroli Villeage,Near Kanadi Phatak,
Dadra & Nagar Haveli - 396 235
(Union Territory), India
91-260 2650666
@ unit3@shekhawatiyarn.com
www.shekhawatiyarn.com