



# SVC INDUSTRIES LIMITED

(Formerly known as SVC Superchem Ltd.)

**Regd. Off.:** 301, A-1, Shubham Centre, Near Holy Family Church, 491, Cardinal Gracious Road, Andheri (East), Mumbai 400 099.  
**Tel.:** +91-(22)-2832 4296 / 2821 5078 • **Email :** svcindustriestd@gmail.com • **Website:** www.svcindustriestd.com  
**CIN:** L23201MH1089PLC053232

To,

10<sup>th</sup> September, 2018

The BSE Limited  
P.J. Tower,  
Dalal Street,  
Mumbai – 400 019

Dear Sir,

Sub: Annual Report for the financial year 2017-2018


Pursuant to Regulation 34(1) of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are enclosing herewith Annual Report of the Company for the Financial Year 2017-2018. The same has been approved by the shareholders in the Annual General Meeting of the Company held on 8<sup>th</sup> September, 2018.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For SVC Industries Limited

  
Karuna Naik  
Company Secretary





**SVC  
INDUSTRIES  
LIMITED**

(Formerly known as SVC Superchem Ltd.)

**ANNUAL REPORT  
2017-2018**

## SVC INDUSTRIES LIMITED

### Corporate Information

#### BOARD OF DIRECTORS :

**Mr. Suresh V. Chaturvedi**, Promoter Director  
(DIN-00577689)

**Mr. I.G. Mehrotra**, Non – Executive & Independent Director  
(DIN – 00579544)

**Dr. P.P. Shastri**, Non-Executive & Independent Director  
(DIN- 02199254)

**Mr. Jaffar Imam**, Non- Executive & Independent Director  
(DIN- 00579549)

**Mr. G.S. Dahotre**, Non-Executive & Independent Director  
(DIN -00009789)

**Ms. Abha Ravi**, Non-Executive Director  
(DIN- 07127554)

#### BOARD COMMITTEES :

##### AUDIT COMMITTEE

**Mr. G.S. Dahotre** - Chairman

**Dr. P.P. Shastri** - Member

**Mr. I.G. Mehrotra** - Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE :

**Mr. Suresh V. Chaturvedi** - Chairman

**Mr. Jaffar Imam** - Member

**Mr. G.S. Dahotre** - Member

#### NOMINATION AND REMUNERATION COMMITTEE :

**Mr. G.S. Dahotre** - Chairman

**Mr. Jaffar Imam** - Member

**Mr. I.G. Mehrotra** - Member

#### CHIEF FINANCIAL OFFICER :

**Mr. Sanjay Agarwal**

#### COMPANY SECRETARY

**Ms. Karuna Naik**

#### STATUTORY AUDITORS :

**M/s. Chaturvedi SK & Fellows**

Chartered Accountants

402, Dev Plaza, S.V. Road, Andheri West,  
Mumbai - 400 058

#### REGISTERED OFFICE:

301-A, Shubham Centre-1, 3rd Floor,  
491, Cardinal Gracious Road,  
Andheri (East), Mumbai - 400 099.

#### SITE :

Chhata Barsana Road, Chhata,  
Dist. - Mathura,  
Uttar Pradesh - 281 401.

#### REGISTRAR AND TRANSFER AGENT :

Sharex Dynamic (India) Private Limited  
Unit-1, Luthra Ind. Premises, Safed Pool,  
Andheri - Kurla Road, Andheri (East),  
Mumbai - 400 072.

#### LISTING OF EQUITY SHARES :

BSE Limited,  
Phiroze Jeejeebhoy Tower,  
Mumbai - 400 001.

**BSE STOCK CODE** - 524488

#### INVESTOR EMAIL ID :

svcindustriesltd@gmail.com

#### CORPORATE IDENTITY NUMBER :

L23201MH1989PLC053232

#### SECRETARIAL AUDITOR

Ranjeet Kumar Sharma & Associates

#### WEBSITE :

www.svcindustriesltd.com

## NOTICE

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of **SVC Industries Limited (formerly known as SVC Superchem Limited)** will be held on 8<sup>th</sup> September, 2018 Saturday at 11:30a.m. at Indian Merchants' Chamber, Walchand Hirachand Hall, 4<sup>th</sup> Floor, LNM IMC Building, Churchgate, Mumbai- 400 020 to transact the following business: -

### ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Abha Ravi (DIN - 07127554), who retires by rotation and being eligible, offers herself for re-appointment.

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

**Suresh V. Chaturvedi**  
Director

Place: Mumbai  
Date: 7<sup>th</sup> July, 2018

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 31<sup>st</sup> August, 2018 to 10<sup>th</sup> September, 2018 (both days inclusive).
5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 09.00 a.m. and 5.00 p.m. upto the date of the Annual General Meeting.
6. The Members/ Proxies are requested to bring their attendance slip duly filled along with the copy of Annual Report to the Meeting.
7. Members are requested to notify to the Company any change in their addresses specifying full address in block letters with pin code of the post office and their Folio No. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. 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.
9. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for his appointment/ re-appointment.
10. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
11. Members who hold the shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
12. 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.
13. As part of the Green Initiative circulars issued by the Ministry of Corporate Affairs, the Notice and Annual Report of the Company are being sent to the shareholders on their respective mail addresses. However, shareholders requiring a physical copy of the Annual Report may write to the Company at its registered office at 301, 3rd Floor, Shubham Centre-1, 491, Cardinal Gracias Road, Andheri (East), Mumbai - 400099.
14. Electronic copy of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of the 27<sup>th</sup> Annual General Meeting and the Annual Report for 2017-18 will also be available on the company's website [www.svcindustriesltd.com](http://www.svcindustriesltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such

communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: svcindustriesltd@gmail.com.

16. Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 27<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (I) The voting period begins on 05<sup>th</sup> September, 2018 Wednesday (11.00 a.m.) and ends on 7<sup>th</sup> September, 2018 Friday (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 1<sup>st</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID.
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
18. Ranjeet Kumar & Associates, a practising Company Secretary (Certificate of Practice 13241) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
19. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
20. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter

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

21. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.svcIndustriesLtd.com](http://www.svcIndustriesLtd.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
22. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days except Saturdays and Sundays up to and including the date of the Annual General Meeting of the Company.

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

**Suresh V. Chaturvedi**  
Director

#### EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, set out the material facts relating to the business mentioned in the accompanying notice dated 7<sup>th</sup> July, 2018

#### **DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

##### **Re-appointment of Ms. Abha Ravi (Item No. 2)**

|  |  |
|--|--|
| Name of the Director                       | Ms. Abha Ravi  |
| Qualification                              | Diploma in Occupational Therapy with Masters in Arts, specializing in Political Science  |
| Date of Appointment                        | 25th March, 2015   |
| Profile and expertise                      | Instrumental in encouraging occupational therapists to think beyond just occupational performance and address other modes of occupational interaction such as occupational deprivation, competence, and justice. |
| Directorship held in other companies       | Nil  |
| Committee position held in other companies | Nil  |
| Shareholding (No. of equity shares)        | Nil  |

## **DIRECTORS' REPORT**

### **TO THE MEMBERS**

Your Directors present the 27<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2018.

### **FINANCIAL RESULTS: (Rs. in Lacs)**

| Particulars                                | 2017-18   | 2016-17 |
|--|-----------|---------|
| Revenue from operation                     | NIL       | NIL     |
| Other Income                               | 85.94     | NIL     |
| Total Income                               | 85.94     | NIL     |
| Expenditure                                | (114.85)  | NIL     |
| Profit / Loss Before Tax                   | (28.91)   | NIL     |
| Other comprehensive Income                 | (1012.85) | NIL     |
| Total Comprehensive Income<br>(Net of Tax) | (1041.76) | NIL     |

The Ministry of Corporate Affairs ('MCA') has notified the mandatory adoption of Indian Accounting Standards (Ind-AS) by all companies other than Insurance Companies, Banking companies and Non-Banking Finance companies.

### **PROJECT:**

Company's Plant under construction has been under shut down since September, 2000 and with the passage of time and in the absence of any operation since then, the corrosion is taking place in the Plant due to climatic and cyclonic conditions in the area. During the year, provision of Ind AS became applicable to the Company and thus the Company has decided to adopt for fair valuation of Property Plant & Equipments as at 01.04.2016. On the basis of valuation from reputed valuer the plant and equipments under construction of the Company were fair valued and a loss of Rs. 688.07 crore was provided on transition to Ind AS.

Further during the year the Company has approached various agencies for advice to utilise the plant under construction for alternative uses however Technical Advisor has given health assessment report of the plant and has categorially stated that if the Company tries to repair the equipment after some inspections, it will not be possible to guarantee overall safety & reliability of high pressure equipment for hazardous plant operation. He stated that it is not considered safe to operate the equipment in Company's plants & offsite facilities at this stage and concluded that Company's plant and equipments under construction are not considered fit for operation and hence should be discarded.

Based on above advice the Company has provided Impairment losses of Rs. 113.43 crore in line with provisions of Ind AS 36 Impairment of Assets and thus considering the scrap value of the plant under construction being realisable value for the asset. Company has appointed largest plant disposal & management consultant to auction the disposal of plant & equipments under construction by scraping subject to necessary approval from lenders. The impairment loss has been accounted in reserves of the company under other comprehensive income (Refer Nore No. 21). The Capital work in progress after impairment is transferred to respective heads of tangible fixed assets on 31.03.2018 and therefore no depreciation has been provided on the same. As on -

31.03.2018 the Company has received an advance of Rs. 401 lacs from one of the party interested in purchase of plant & equipments under construction by auction process.

### **DIVIDEND:**

Your Directors have not recommended any dividend on equity shares for the year as there is no profit in the year.

### **STATE OF COMPANY'S AFFAIRS:**

The Strategic Investor of the Company has received a proposal for setting up of Mega Food Park as provided under the Mega Food Park Scheme Guidelines issued by Ministry of Food Processing Industries, Government of India. Strategic Investor of the Company has received "In-principal" approval of the competent Authority for establishment of Mega Food Park at Village Bhadawal, Chhatta, Chatta-Barsana Road, District Mathura, Uttar Pradesh. The primary object these guidelines is to provide modern infrastructure facilities for the food processing along the value chain from the farm to the market. It will include creation of the processing infrastructure near the farm, transportation, logistic and centralized processing centers. This scheme aims to facilitate the establishment of a strong food processing industry backed by an efficient supply chain, which include collection centers, primary processing centers and cold chain infrastructure. The food processing units, under the scheme, would be located at a Central Processing Centre with need based common infrastructure required for processing, packaging, environmental protection systems, quality control labs, etc.

For the purpose of entering into new venture of Mega Food Park, the Company has taken approval of the shareholders vide postal ballot on 22nd February, 2018 to sale, lease, transfer its PTA plant, as it has not been in operation since Sept' 2000 due to various reasons beyond its control and has also changed its object clause vide postal ballot on 22nd February, 2018. Company is in the process of utilizing its infrastructure for some new Industry as advised by international consultants EY.

The Company has leased 57.42 acres of land for 75 years to its 100 % subsidiary for food park or other industry. The Company shall get Equity shares or any other consideration for the value of assets lease out. The Company shall sell the infrastructure built or constructed on the above leased land including administrative buildings, warehouses, weigh bridge, ETP, STP, Internal roads, Boundary wall, SWD, Underground water storage, Fire and Raw Water Sump, Etc. to SPV.

### **CHANGE OF NAME OF THE COMPANY**

With the consent of the Members through Special Resolution passed at the 26<sup>th</sup> Annual General Meeting held on 1<sup>st</sup> July, 2017, the name of the Company was changed from SVC Superchem Limited to SVC Industries Limited in order to emphasis focus of various activities apart from manufacturing of chemicals, which is the main line of Company's business.

A fresh Certificate of Incorporation consequent to change of name was given by Registrar of Companies, Mumbai on 13<sup>th</sup> August, 2017.

### **ORDER RECEIVED FROM BSE**

The Company has received letter from SEBI dated 7th August, 2017, SEBI vide its letter bearing no. SEBI / HO / ISD / OW / P / 2017/ 18183 as forwarded a list of 331 shell companies as identified

by Ministry of Corporate Affairs and has directed the Exchanges to identify the companies listed on their trading platform and to initiate some measures. Where trading in all such listed securities shall be placed in Stage VI of the Graded Surveillance Measure (GSM) with immediate effect. Therefore, as per the provisions of GSM framework, the securities were not be available for trading from 9th August, 2017. Trading in these securities are permitted only on first Monday of the month. The Company replied to SEBI through its letter dated 10th August, 2017.

Thereafter, the company received letter from BSE under SEBI directions w.r.t. Listed Shell Companies to submit required documents. The company filled respective documents to BSE.

The Company has again made the representation vide its letter dated 12th April, 2018 & 22nd May, 2018 to BSE Limited & SEBI requesting them to reconsider the decision narrating the flow of the events since the date of issue of notice by BSE Limited dated 10th August, 2017. BSE is yet to revert back.

**DETAILS OF SIGNIFICATION AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:**

In the year under review no material order has been passed by above said authorities impacting the going concerned status.

**SALE OR DISPOSAL OF THE PLANT**

Company's PTA plant has been closed since September, 2000 and with the passage of time, in spite of time to time maintenance by the Company and in the absence of any operation since, then, the corrosion is taking place in the plant due to climatic and cyclonic conditions in the area. Now because the capacity of our plant has economically reduced and technologically obsolete, the Company wants to utilize its infrastructure for some new Industry as advice by international consultant.

The Company has leased the available land for short term and /or long term period to its subsidiary and other unit for Food Park and other industry. The Company shall sell the infrastructure built or constructed on the above leased land including administrative buildings, warehouses, weigh bridge, ETP, STP, Internal roads, Boundary wall, SWD, Underground water storage, Fire and Raw Water Sump, Etc. to SPV at a fair valuation.

**INTERNAL FINANCIAL CONTROL (IFC):**

Your Company has a Management Assurance and Audit Department, which provides comprehensive audit coverage of functional areas and operations of the Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Audit Committee reviews and evaluates adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. Management Assurance and Audit is an independent and objective assurance and consulting activity designed to add value and improve the Company's operations. Management Assurance and Audit function is accountable to the Board of Directors through the Chairman of the Audit Committee. Management Assurance and audit also assist the management in identifying operational opportunities for revenue leakage, cost -

savings and revenue enhancements; ensures working within there gulatory and statutory framework and facilitate early detection and prevention of frauds.

The Company has internal control system commensurate with the size, scale and complexity of its operation. The Company has appointed Mr. S.K. Khandelwal, Chartered Accountants as the Internal Auditor at a remuneration of Rs. 60,000/- p.a. in compliance with section 138 of the Companies Act, 2013. The scope of audit and the outcome of the audit are reviewed by Audit Committee at regular intervals.

**FIXED DEPOSITS:**

We have not accepted any fixed deposit and as such no amount of principal or interest was outstanding as on the date of balance sheet.

**STATURORY AUDITORS:**

M/s. Chaturvedi SK & Fellow, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 1<sup>st</sup> July, 2017, for a term of five consecutive years i.e upto the date of Annual General Meeting in 2021-22.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

**AUDITOR'S REPORT:**

The observations by the Auditors in their report are self-explanatory and, in the opinion of the Board, do not require any further explanation.

**SHARE CAPITAL:**

At present we have only one class of shares i.e. equity shares of Rs. 10 each. Our authorized share capital is Rs. 170 Crores divided into 17 Crores equity shares of Rs. 10 each. The issued, subscribed and paid-up capital of the Company is Rs. 161.86 Crores as on March 31, 2018.

**EXTRACT OF THE ANNUAL RETURN:**

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

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

Your Company shall take sufficient care in the technical design of food park to optimize the energy consumption to the maximum. However the company makes all efforts towards conservation of energy, protection of environment & ensuring safety.

**FOREIGN EXCHANGE EARNINGS & OUTGO:**

The Company has not utilized any foreign exchange and has not earned any foreign exchange during the financial year ended 31<sup>st</sup> March, 2018.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Provision with respect to Corporate Social Responsibility is not



attracted to the Company as the company never commenced the production & has not earned any profit / income.

#### **DIRECTORS:**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Abha Ravi, Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Details about Ms. Abha Ravi is given in the Notice of the ensuing Annual General Meeting sent to the shareholders along with the Annual Report.

#### **DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY:**

A declaration by an Independent Directors have been received stating that they meet the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013. An independent director shall hold office for a maximum term upto five consecutive years on the Board of a Company.

#### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

During the year 6 Board Meetings and 4 Audit Committee Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **MEETING OF INDEPENDENT DIRECTOR:**

During the year 2017-18, a separate meeting of the Independent Directors was held on 9th August, 2017 without the presence of the non-Independent Directors, in accordance with the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

#### **AUDIT COMMITTEE:**

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

Your Company believes that its members are amongst its most important stakeholder. The Stakeholder Relationship Committee of the Company consists of Mr. Suresh V. Chaturvedi as Chairman, Mr. Jaffar Imam and Mr. G.S. Dahotre members. During the year, the Stakeholders Relationship Committee met for 27 times.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personal and their remuneration. The Nomination and Remuneration Committee consist of Mr. G.S. Dahotre as chairman, Mr. Jaffar-

Imam and Mr. I.G. Mehrotra as members. This Committee has been constituted as per terms or provision of the Companies Act and under regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year the Committee met once to appoint Company Secretary of the Company.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has implemented a Whistle Blower Policy pursuant to which Whistle Blower can raise concerns relating to Reportable Matters (as defined in the policy) such as breach of Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health and safety, environmental issues and wastage/ misappropriation of bank funds/assets, etc. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides for adequate safe guards against victimization of Whistle Blower, who can avail such mechanism and has direct access to the Chairman of the Audit Committee, in exceptional cases.

The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. None of the Whistle Blower has been denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are available on the website of the Company i.e. [www.svcindustriesltd.com](http://www.svcindustriesltd.com)

#### **CONTRACT / ARRANGEMENT WITH RELATED PARTIES:**

All related party transactions that were entered during the financial year were in ordinary course of the business of the company and were on arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company. The policy on materiality of Related Party Transactions is uploaded on the website of the company.

#### **RISK MANAGEMENT:**

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board is entrusted with the responsibility to assist in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place, capable of addressing those risks.

#### **INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls, with reference to financial statement. It has established an integrated framework for managing risks and internal controls. The internal financial controls have been documented and embedded in the business processes. Such controls have been assessed during the year under review and were operating effectively.

#### **MANAGERIAL REMUNERATION:**

In order to control expenses as advised by the shareholders in the earlier Annual General Meeting, the Company did not appoint any Managing Director / Whole-time Director or manager as required under section 197 of the Companies Act, 2013.



There is no employee covered pursuant to section 197 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence no particulars are given.

#### **SECRETARIAL AUDIT REPORT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ranjeet Kumar Sharma & Associates, a practicing Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is annexed herewith as "Annexure B".

#### **MANAGEMENT, DISCUSSION AND ANALYSIS:**

Separate section on Management, discussion and analysis forming part of the Directors' report is annexure as "Annexure C".

#### **FRAUD REPORTING:**

During the year under review the Company has not reported fraud of any nature to the Audit Committee or Board.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As required u/s 134 (5) of the Companies Act, 2013, the Directors confirm that.

- I. In the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2018, the applicable accounting standards have been followed along with explanation relating to material departures;
- II. They have selected such accounting policies and applied them consistently except for the non-provision of interest on all secured loans as mentioned in Note No. 12 forming part of the Balance Sheet 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 as on 31<sup>st</sup> March 2018;
- III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- IV. The Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2018 on a going concern basis.
- V. They have laid down 'internal financial controls' to be followed by the Company and that such internal financial control are adequate and were operating effectively.
- VI. 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.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

#### **CORPORATE GOVERNANCE:**

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance, in terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company regarding Compliance of the conditions of Corporate Governance which is annexed to the Directors' Report.

#### **RECONCILIATION OF SHARE CAPITAL AUDIT REPORT:**

As directed by the Securities and Exchange Board of India (Depositories and participants) Regulations, 1996, Reconciliation of Share Capital is being carried out at the specified periodicity by the practicing Company Secretary. The findings of the Reconciliation of Share Capital Audit are regularly taken at the Board Meeting, besides submitting it to the BSE Limited.

#### **CODE OF CONDUCT:**

The Board has adopted, the Code of Ethics and Business for the Non-Executive Directors as also for the employees and other members of Senior Management. The said code has been communicated to all the Directors and Members of the Senior Management. Board members and senior management personnel have affirmed compliance with the Code for the financial year 2017-18.

#### **CEO / CFO CERTIFICATION:**

As there is no CEO in the Company, CFO of the Company has certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31<sup>st</sup> March, 2018.

#### **INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The disclosures obtained under the code are submitted to the BSE Limited, from time to time. The Company regularly follows the system of Share Trading Window mechanism as per the Insider Regulation.

#### **DEMATERIALISATION OF SHARES:**

As part of its efforts to provide better investor services, your Company has admitted its equity in the Depository System of the National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) since 07.03.2000 and 23.03.2000 respectively and has offered investors the facility to hold the shares in electronic form and enter into script less trades.

Your Company has always paid utmost attention to improve investor's relationship. As on 31<sup>st</sup> March, 2018 approximately 87.38 % of the total shares of the Company has already been dematerialized.

**ACKNOWLEDGEMENT:**

Your Directors would like to place on record their sincere thanks for the co-operation and support received from various agencies of the Central and State Governments, all Shareholders and Creditors.

Your Directors also take this opportunity to place on record their appreciation of the dedication and sense of commitment shown by the officers and employees of the Company at all levels.

For and on behalf of the Board

**Suresh V. Chaturvedi**  
Director

Place: Mumbai.  
Date: 7<sup>th</sup> July, 2018

**Annexure – A**

**FORM NO. MGT - 9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2018

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

**I. REGISTRATION AND OTHER DETAILS:**

|   |  |
|---|--|
| CIN   | <b>L23201MH1989PLC053232</b>   |
| Registration Date   | <b>29/08/1989</b>  |
| Name of the Company   | <b>SVC INDUSTRIES LIMITED</b>  |
| Category / Sub-Category of the Company                                    | <b>Company Limited by Shares/<br/>Indian Non-Government<br/>Company</b>  |
| Address of the Registered office and contact                              | <b>301, Shubham Centre-1, 3rd<br/>Floor, Near Holy Family<br/>Church, 491, Cardinal<br/>Gracias Road, Andheri (East)<br/>Mumbai –400 099</b>   |
| Whether listed company<br>Yes / No  | <b>Yes</b>   |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | <b>M/s. Sharex Dynamic (India)<br/>Pvt Ltd Unit –1, Luthra Ind.<br/>Premises, Safed Pool,<br/>Andheri-Kurla Road, Andheri<br/>(East), Mumbai –400 072.<br/>Tele No.28515606/28515644</b> |

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

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

| S.No | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of company |
|------|---|----------------------------------|--------------------------------|
| 1    | Manufacture of Food Products                    | 2180                             | Nil *                          |

\* The Company has not commenced the commercial production

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

| S. No | Name and address of the Company            | CIN/ GLN                      | Holding/ Sub./ Associate | % of shares held | Applicable Section |
|-------|--|-------------------------------|--------------------------|------------------|--------------------|
| 1     | Akhil Marketing Private Limited            | U51900M<br>H1992PT<br>C064864 | Associate                | 4.94%            | 2 (6)              |
| 2     | Anaya Global Suppliers Private Ltd         | U51900M<br>H1989PT<br>C052894 | Associate                | 4.84%            | 2 (6)              |
| 3     | Chaturvedi Engineering & Trading Pvt. Ltd. | U28920M<br>H1987PT<br>C044265 | Associate                | 0.15 %           | 2 (6)              |
| 4     | SVC Growth Funds Private Limited           | U65990M<br>H1984PT<br>C034068 | Associate                | 7.59%            | 2 (6)              |
| 5     | Nandvan Mega Food Park Pvt. Ltd.           | U15549M<br>H2018PTC<br>304537 | Subsidiary               | 100%             | 2 (87)             |



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

**I) Category-wise Shareholding**

| 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 |                          |
| <b>A. PROMOTER'S</b>                                      |  |                |                 |                   |  |                |                 |                   |                          |
| <b>(1). INDIAN</b>  |  |                |                 |                   |  |                |                 |                   |                          |
| (a). individual   | 29158321   | 2088000        | 31246321        | 19.158            | 29158321   | 2088000        | 31246321        | 19.158            | 0                        |
| (b). Central Govt.  | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (c). State Govt(s).                                       | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (d). Bodies Corpp.  | 37608316   | 450000         | 38058316        | 23.335            | 37608316   | 450000         | 38058316        | 23.335            | 0                        |
| (e). FIINS/BANKS.   | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (f). Any Other  | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| <b>Sub-total (A) (1):-</b>                                | <b>66766637</b>  | <b>2538000</b> | <b>69304637</b> | <b>42.493</b>     | <b>66766637</b>                                      | <b>2538000</b> | <b>69304637</b> | <b>42.493</b>     | <b>0</b>                 |
| <b>(2). FOREIGN</b>                                       |  |                |                 |                   |  |                |                 |                   |                          |
| (a). Individual NRI / For Ind                             | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (b). Other Individual                                     | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (c). Bodies Corporates                                    | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (d). Banks / FI   | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (e). Qualified Foreign Investor                           | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (f). Any Other Specify                                    | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| <b>Sub-total (A) (2):-</b>                                | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0</b>          | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0</b>          | <b>0</b>                 |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>66766637</b>  | <b>2538000</b> | <b>69304637</b> | <b>42.493</b>     | <b>66766637</b>                                      | <b>2538000</b> | <b>69304637</b> | <b>42.493</b>     | <b>0</b>                 |
| <b>(B) (1). PUBLIC SHAREHOLDING</b>                       |  |                |                 |                   |  |                |                 |                   |                          |
| (a). Mutual Funds   | 0  | 39600          | 39600           | 0.024             | 0  | 39600          | 39600           | 0.024             | 0                        |
| (b). Banks / FI   | 250  | 0              | 250             | 0                 | 250  | 0              | 250             | 0                 | 0                        |
| (c). Central Govt.  | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (d). State Govt.  | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| (e). Venture Capital Funds                                | 0  | 0              | 1050            | 0.001             | 0  | 0              | 0               | 0                 | 0                        |
| (f). Insurance Companies                                  | 0  | 14800          | 14800           | 0.009             | 00   | 14800          | 14800           | 0.009             | 0                        |
| (g). FIs  | 0  | 0              | 0               | 0                 | 00   | 00             | 0               | 00                | 0                        |
| (h). Foreign Venture Capital Funds                        | 0  | 0              | 0               | 0                 | 0  | 00             | 0               | 0                 | 0                        |
| (i). Others (specify)                                     | 0  | 0              | 0               | 0                 | 0  | 0              | 0               | 0                 | 0                        |
| <b>Sub-total (B)(1):-</b>                                 | <b>250</b>   | <b>54400</b>   | <b>54650</b>    | <b>0.033</b>      | <b>250</b>   | <b>54400</b>   | <b>54650</b>    | <b>0.033</b>      | <b>0</b>                 |



**2. Non -Institutions**

**(a). BODIES CORP.**

|                |          |         |          |        |          |         |          |        |        |
|----------------|----------|---------|----------|--------|----------|---------|----------|--------|--------|
| (i). Indian    | 16975957 | 1625100 | 18601057 | 11.405 | 16812500 | 1625100 | 18437600 | 11.305 | -0.100 |
| (ii). Overseas | 0        | 0       | 0        | 0      | 0        | 0       | 0        | 0      | 0      |

**(b). Individuals**

|   |          |          |          |        |          |          |          |        |        |
|---|----------|----------|----------|--------|----------|----------|----------|--------|--------|
| (I) Individual shareholders holding nominal share capital upto Rs.1 lakh          | 25008343 | 15222767 | 40231110 | 24.667 | 24814910 | 15177067 | 39991977 | 24.521 | -0.146 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 32989983 | 565250   | 33555233 | 20.574 | 33454534 | 565250   | 34019784 | 20.859 | 0.285  |

**(c). Other (specify)**

|  |                  |                 |                  |               |                  |                 |                  |               |              |
|--|------------------|-----------------|------------------|---------------|------------------|-----------------|------------------|---------------|--------------|
| Non Resident Indians                                   | 659202           | 597500          | 1254902          | 0.769         | 666404           | 594100          | 1260504          | 0.773         | 0.004        |
| Overseas Corporate Bodies                              | 0                | 19700           | 19700            | 0.012         | 0                | 19700           | 19700            | 0.012         | 0            |
| Foreign Nationals                                      | 0                | 0               | 0                | 0             | 0                | 0               | 0                | 0             | 0            |
| Clearing Members                                       | 74063            | 0               | 74063            | 0.045         | 6500             | 0               | 6500             | 0.004         | -0.041       |
| Trusts   | 0                | 0               | 0                | 0             | 0                | 0               | 0                | 0             | 0            |
| Foreign Bodies -D R                                    | 0                | 0               | 0                | 0             | 0                | 0               | 0                | 0             | 0            |
| <b>Sub-total (B)(2):-</b>                              | <b>75707548</b>  | <b>18028517</b> | <b>93736065</b>  | <b>57.472</b> | <b>75754848</b>  | <b>17981217</b> | <b>93736065</b>  | <b>57.474</b> | <b>0.002</b> |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>    | <b>75707798</b>  | <b>18082917</b> | <b>93790715</b>  | <b>57.505</b> | <b>75755098</b>  | <b>18035617</b> | <b>93790715</b>  | <b>57.507</b> | <b>0.002</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> | <b>0</b>         | <b>0</b>        | <b>0</b>         | <b>0.000</b>  | <b>0.000</b>     | <b>0.000</b>    | <b>0.000</b>     | <b>0.000</b>  | <b>0.000</b> |
| <b>Grand Total (A+B+C)</b>                             | <b>142474435</b> | <b>20620917</b> | <b>163095352</b> | <b>100.00</b> | <b>142521735</b> | <b>20573617</b> | <b>163095352</b> | <b>100.00</b> | <b>0.002</b> |

**(ii) Shareholding of Promoters**

| SR No. | Shareholder's Name                     | Shareholding at the beginning of the year 01/04/2017 |                                  |  | Share holding at the end of the Year 31/03/2018 |                                  |  | % change 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      | SVC Growth Fund Pvt Ltd                | 12377553   | 7.589                            | 0  | 12377553  | 7.589                            | 0  | 0   |
| 2      | Krishna Advisor Pvt Ltd                | 9495500  | 5.822                            | 0  | 9495500   | 5.822                            | 0  | 0   |
| 3      | Advait Chaturvedi                      | 8595800  | 5.27                             | 0.623  | 8595800   | 5.27                             | 0.623  | 0   |
| 4      | Ambuj Chaturvedi                       | 8595800  | 5.27                             | 0  | 8595800   | 5.27                             | 0  | 0   |
| 5      | Akhil Marketing Pvt Ltd                | 8050000  | 4.936                            | 0  | 8050000   | 4.936                            | 0  | 0   |
| 6      | Krishna Suppliers Pvt Ltd              | 7885263  | 4.835                            | 0  | 7885263   | 4.835                            | 0  | 0   |
| 7      | Alka Chaturvedi                        | 7862721  | 4.821                            | 0  | 7862721   | 4.821                            | 0  | 0   |
| 8      | Suresh V. Chaturvedi                   | 4192000  | 2.57                             | 0.044  | 4192000   | 2.57                             | 0.044  | 0   |
| 9      | Suresh Chaturvedi (HUF)                | 2000000  | 1.226                            | 0.613  | 2000000   | 1.226                            | 0.613  | 0   |
| 10     | Chaturvedi Engineering & Trade Pvt Ltd | 250000   | 0.153                            | 0  | 250000  | 0.153                            | 0  | 0   |



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

| SR. No. | Shareholder's Name | Shareholding at the beginning of the year 01/04/2017                       |                                  |      | Shareholding at the end of the Year 31/03/2018 |        |               | % of total Shares of the company |
|---------|--------------------|--|----------------------------------|------|--|--------|---------------|----------------------------------|
|         |                    | No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018) | % of total Shares of the company | Date | Increasing / Decreasing in shareholding        | Reason | No. of Shares |                                  |
| Nil     | Nil                | Nil  | Nil                              | Nil  | Nil  | Nil    | Nil           | Nil                              |

(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 (01-04-2017) / end of the year (31-03-2018) | % of total Shares of the company | Date       | Increasing / Decreasing in shareholding | Reason    | No. of Shares | % of total Shares of the company |
|-------|------------------------------------|--|----------------------------------|------------|---|-----------|---------------|----------------------------------|
| 1     | LEO PLASTO CHEM PVT LTD            | 6579865  | 4.034                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 6579865       | 4.034                            |
| 2     | GANESH COMPUTRONICS PVT LTD        | 4000000  | 2.453                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 4000000       | 2.453                            |
| 3     | RANJEET CHATURVEDI                 | 2500000  | 1.533                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 2500000       | 1.533                            |
| 4     | CLEVER FABRIC FASHIONS PVT LTD     | 1929462  | 1.183                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 1929462       | 1.183                            |
| 5     | ANITA CHATURVEDI                   | 1799962  | 1.104                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 1799962       | 1.104                            |
| 6     | P N DHOOT INVESTMENT CO PVT LTD    | 1463200  | 0.897                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 1463200       | 0.897                            |
| 7     | GANGES LEASING AND FINANCE COMPANY | 1444480  | 0.886                            | 01-04-2017 |   |           |               |                                  |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   | No change | 1444480       | 0.886                            |
| 8     | SHASHI PURUSHOTTAM MAHESHWARI      | 818436   | 0.502                            | 01-04-2017 |   |           |               |                                  |
|       |                                    |  |                                  | 07-04-2017 | 3803                                    | Buy       | 822239        | 0.504                            |
|       |                                    |  |                                  | 14-04-2017 | 4200                                    | Buy       | 826439        | 0.507                            |
|       |                                    |  |                                  | 21-04-2017 | 12650                                   | Buy       | 839089        | 0.514                            |
|       |                                    |  |                                  | 28-04-2017 | 22504                                   | Buy       | 861593        | 0.528                            |
|       |                                    |  |                                  | 05-05-2017 | 4578                                    | Buy       | 866171        | 0.531                            |
|       |                                    |  |                                  | 12-05-2017 | 6200                                    | Buy       | 872371        | 0.535                            |
|       |                                    |  |                                  | 19-05-2017 | 13100                                   | Buy       | 885471        | 0.543                            |
|       |                                    |  |                                  | 26-05-2017 | 210000                                  | Buy       | 1095471       | 0.672                            |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   |           | 1095471       | 0.672                            |
| 9     | RAJESHKUMAR VALLABHDAS SHAH        | 808000   | 0.495                            | 01-04-2017 |   |           |               |                                  |
|       |                                    |  |                                  | 18-08-2017 | 42990                                   | Buy       | 850990        | 0.522                            |
|       |                                    |  |                                  | 23-02-2018 | 4066                                    | Buy       | 855056        | 0.524                            |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   |           | 855056        | 0.524                            |
| 10    | VIJAYKUMAR BABULAL SHAH            | 747182   | 0.458                            | 01-04-2017 |   |           |               |                                  |
|       |                                    |  |                                  | 05-05-2017 | 6570                                    | Buy       | 753752        | 0.462                            |
|       | - Closing Balance                  |  |                                  | 31-03-2018 |   |           | 753752        | 0.462                            |

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

| Name of the Director |  | Shareholding at the beginning of the year 01/04/2017 |                                  | Cumulative Shareholding during the year 31/03/2018 |                                  |
|----------------------|--|--|----------------------------------|--|----------------------------------|
| Sr. no               | Suresh V. Chaturvedi   | No. of shares  | % of total shares of the company | No. of shares                                      | % of total shares of the company |
|                      | At the beginning of the year   | 41,92,000  | 2.570                            | 41,92,000  | 2.570                            |
|                      | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 00.00  | 00.00                            | 00.00  | 00.00                            |
|                      | At the End of the year   | 41,92,000  | 2.570                            | 41,92,000  | 2.570                            |

**V. INDEBTEDNESS**

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

| Particulars  | Secured Loans excluding deposits<br>(Rs in Lacs) | Unsecured Loans<br>(Rs in Lacs) | Deposits<br>(Rs in Lacs) | Total Indebtedness<br>(Rs in Lacs) |
|--|--|---------------------------------|--------------------------|------------------------------------|
| <b>Indebtedness at the beginning of the financial year</b> |  |                                 |                          |                                    |
| i) Principal Amount  | 14543.20   | 46469.03                        | 00.00                    | 61012.23                           |
| ii) Interest due but not paid                              | 00.00  | 00.00                           | 00.00                    | 00.00                              |
| iii) Interest accrued but not due                          | 00.00  | 00.00                           | 00.00                    | 00.00                              |
| <b>Total (i+ii+iii)</b>                                    | 14543.20   | 46469.03                        | 00.00                    | 61012.23                           |
| <b>Change in Indebtedness during the financial year</b>    |  |                                 |                          |                                    |
| <b>Principal</b>   |  |                                 |                          |                                    |
| • Addition   | 8786.68  | 00.00                           | 00.00                    | 8786.68                            |
| • Deletion   | 00.00  | (19648.08)                      | 00.00                    | (19648.08)                         |
| • Revaluation  | (5359.20)  | (25745.10)                      | 00.00                    | (31104.30)                         |
| <b>Interest</b>  |  |                                 |                          |                                    |
| • Addition   | 00.00  | 00.00                           | 00.00                    | ---                                |
| • Reduction  | 00.00  | 00.00                           | 00.00                    | 00.00                              |
| <b>Net Change</b>  | 3427.48  | (45393.18)                      | 0                        | (41965.70)                         |
| <b>Indebtedness at the end of the financial year</b>       |  |                                 |                          |                                    |
| i) Principal Amount  | 17970.68   | 1075.85                         |                          | 19046.53                           |
| ii) Interest due but not paid                              |  |                                 |                          |                                    |
| iii) Interest accrued but not due                          |  |                                 |                          |                                    |
| <b>Total (i+ii+iii)</b>                                    | 17970.68   | 1075.85                         |                          | 19046.53                           |

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

| Sl. no. | Particulars of Remuneration  | Name of MD/WTD/Manager |       |       |       | Amount |
|---------|--|------------------------|-------|-------|-------|--------|
|         |  | Nil                    | Nil   | Nil   | Nil   |        |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 | 00.00                  | 00.00 | 00.00 | 00.00 | 00.00  |



**B. Remuneration to other directors:**

| Sl. no. | Particulars of Remuneration   | Name of Directors    |             |              |               |                  |           | Total Amount |
|---------|---|----------------------|-------------|--------------|---------------|------------------|-----------|--------------|
|         |   | Suresh V. Chaturvedi | Jaffar Imam | G.S. Dahotre | I.G. Mehrotra | Dr. P.P. Shastri | Abha Ravi |              |
| 1       | Non-Executive and Independent Directors<br>• Fee for attending board / committee meetings | 25,000               | 30,000      | 30,000       | 30,000        | 25,000           | 30,000    | 1,70,000     |
|         | Total (1)   | 25,000               | 30,000      | 30,000       | 30,000        | 25,000           | 30,000    | 1,70,000     |
| 2       | Other Non-Executive Directors   | 00.00                | 00.00       | 00.00        | 00.00         | 00.00            | 00.00     | 00.00        |
|         | Total (2)   | 00.00                | 00.00       | 00.00        | 00.00         | 00.00            | 00.00     | 00.00        |
|         | Total (1+2)   | 25,000               | 30,000      | 30,000       | 30,000        | 25,000           | 30,000    | 1,70,000     |
|         | Total Managerial Remuneration   | 25,000               | 30,000      | 30,000       | 30,000        | 25,000           | 30,000    | 1,70,000     |
|         | Overall Ceiling as per the Act  | N.A.                 | N.A.        | N.A.         | N.A.          | N.A.             | N.A.      | N.A.         |

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

| Sl. no. | Particulars of Remuneration   | Key Managerial Personnel (Rs in Lacs) |                   |       |       |
|---------|---|---------------------------------------|-------------------|-------|-------|
|         |   | CEO                                   | Company Secretary | CFO   | Total |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 00                                    | 2.52              | 3.89  | 6.41  |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961   | 00                                    | 00.00             | 1.76  | 1.76  |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961                              | 00                                    | 00.00             | 00.00 | 00.00 |
| 2.      | Others, please specify  | 00.00                                 | 00.00             | 00.00 | 00.00 |
|         | Total   | 00.00                                 | 2.52              | 05.65 | 8.17  |

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

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                               |                                    |
| Penalty                             | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Punishment                          | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Compounding                         | 00                           | 00                | Nil  | 00                            | N.A.                               |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                               |                                    |
| Penalty                             | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Punishment                          | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Compounding                         | 00                           | 00                | Nil  | 00                            | N.A.                               |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                               |                                    |
| Penalty                             | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Punishment                          | 00                           | 00                | Nil  | 00                            | N.A.                               |
| Compounding                         | 00                           | 00                | Nil  | 00                            | N.A.                               |



**ANNEXURE –“B”**  
Form No. MR-3

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 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,  
SVC Industries Limited,  
301, Shubham Centre,  
491 Cardinal Gracious Road,  
Andheri (East),  
Mumbai – 400 099.

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

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 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 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - a) Company does not have Managing Director / Manager / CEO / Whole-time Director during the period of Audit.
  - b) The Company has defaulted on dues aggregating to Rs. 56.10 Crores.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any shares during the year under review;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities which were listed during the year under review;
- 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; - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.

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

- (vi) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015).
- (vii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at

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

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

With the approval of the shareholders vide postal ballot on 22nd February, 2018 the Company has abandoned its PTA project, as it has not been in operation since Sept' 2000 due to various reasons beyond its control and has deteriorated / corroded / depreciated as unused / uncompleted. Company is in the process of utilizing its infrastructure for some new Industry as advised by international consultants EY and accordingly Company's name has been changed from SVC Industries Limited to SVC Industries Limited with the approval of all Govt. authorities / SEBI / Stock Exchange etc. wherever required. The Board in its meeting held on 07.12.2017 have decided to abandon the project subject to necessary approval from lenders and shareholders, hence expenditure and miscellaneous income accruing after 30.09.2017 have been charged to profit and loss account instead of treating them as construction cost.

For **Ranjeet Kumar Sharma & Associates**  
Company Secretaries

Ranjeet Sharma  
Proprietor  
C.P.No.: 13241

Place: Mumbai  
Date: 7th July 2018

#### ANNEXURE –“C”

### REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

#### OPPORTUNITY AND THREAT

Company's Plant under construction has been under shut down since September, 2000 and with the passage of time and in the absence of any operation since then, the corrosion is taking place in the Plant due to climatic and cyclonic conditions in the area. During the year, provision of Ind AS became applicable to the Company and thus the Company has decided to adopt for fair valuation of Property Plant & Equipments as at 01.04.2016. On the basis of valuation from reputed valuer the plant and equipments under construction of the Company were fair valued and a loss of Rs. 688.07 crore was provided on transition to Ind AS .

Further during the year the Company has approached various agencies for advice to utilise the plant under construction for alternative uses however Technical Advisor has given health assessment report of the plant and has categorically stated that if the Company tries to repair the equipment after some inspections, it will not be possible to guarantee overall safety & reliability of high pressure equipment for hazardous plant operation. He stated that it is not considered safe to operate the equipment in Company's plants & offsite facilities at this stage and concluded that Company's plant and equipments under construction are not considered fit for operation and hence should be discarded.

Based on above advice the Company has provided Impairment losses of Rs. 113.43 crore in line with provisions of Ind AS 36 Impairment of Assets and thus considering the scrap value of the plant under construction being realisable value for the asset. Company has appointed largest plant disposal & management -

consultant to auction the disposal of plant & equipments under construction by scraping subject to necessary approval from lenders. The impairment loss has been accounted in reserves of the company under other comprehensive income (Refer Note No. 21). The Capital work in progress after impairment is transferred to respective heads of tangible fixed assets on 31.03.2018 and therefore no depreciation has been provided on the same. As on 31.03.2018 the Company has received an advance of Rs. 401 lacs from one of the party interested in purchase of plant & equipments under construction by auction process.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an appropriate system of internal control to ensure that there exist a proper control over all the transactions and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorized use or disposal.

#### MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Relation with the employees remained cordial in general throughout the year. As on 31<sup>st</sup> March, 2018 employee strength has been reduced to bare minimum requirement.

For and on behalf of the Board

**Suresh V. Chaturvedi**  
Director

Place: Mumbai.  
Date: 7<sup>th</sup> July, 2018

### REPORT ON CORPORATE GOVERNANCE

The Company has complied fully with all the mandatory requirements of Corporate Governance in all material aspects pursuant to Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2018 is given below: -

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company firmly believes in transparency in its dealings and lays emphasis on integrity and regulatory compliance, which aims to maximize employee and shareholder value. The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through Service, Values & Commitment. As shareholders across the globe evince keen interest in the practice and performance of Companies, Corporate Governance has emerged on the centre stage. The Company is committed to good governance practices that create long term sustainable shareholder value.

#### 2. BOARD OF DIRECTORS

- a) Composition : [as on 31<sup>st</sup> March, 2018]  
The strength of the Board is six Directors. The Board comprises of Non-Executive and Independent Directors as under:

- (i) 4 Non-Executive Independent Directors,  
(ii) 1 Non-Executive Director  
(iii) 1 Promoter Director.

- b) Attendance of each Director at the Board Meeting , AGM and other Directorships/Memberships of Committees:

The Non-Executive Directors bring independent judgments in the Board's deliberations and decisions.

During the period under report, 6 Board Meetings were held on 3<sup>rd</sup> May, 2017, 1<sup>st</sup> July, 2017, 9<sup>th</sup> August, 2017, 7<sup>th</sup> December, 2017, 11<sup>th</sup> January, 2018 and 14<sup>th</sup> February, 2018

| Name of Directors        | Category of Directorship         | No. of Board Meetings attended | Attendance at the last AGM | Other Directorship | Membership/ Chairmanship of Committees of Board.  |
|--------------------------|----------------------------------|--------------------------------|----------------------------|--------------------|---|
| Mr. Suresh V. Chaturvedi | Promoter Director, Non-Executive | 5 / 6                          | Present                    | 3                  | Chairman of Stakeholders Relationship Committee   |
| Mr. G. S. Dahotre        | Independent Non-Executive        | 6 / 6                          | Present                    | Nil                | Chairman of Audit Committee, Member of Stakeholders Relationship Committee, Nomination and Remuneration Committee |
| Mr. Jaffar Imam          | Independent Non-Executive        | 6 / 6                          | Present                    | Nil                | Member of Nomination and Remuneration Committee and Stakeholders Relationship Committee                           |
| Mr. I. G. Mehrotra       | Independent Non-Executive        | 6 / 6                          | Present                    | 1                  | Member of Audit Committee, Nomination and Remuneration Committee  |
| Dr. P.P. Shastri         | Independent Non-Executive        | 5 / 6                          | Present                    | 1                  | Member of Audit Committee   |
| Ms. Abha Ravi            | Non-Executive Director           | 6 / 6                          | Present                    | Nil                | Nil   |

As at 31st March, 2018, in compliance with the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company's Board of Directors comprises of six directors headed by Mr. Suresh Chaturvedi, Non-executive Director, acting as Chairman, out of which four are independent directors and 1 Non-Executive Woman Director. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole time director in any listed company, such director is not serving as Independent Director in more than three listed companies. The Company issued letter of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company ([www.svcindustriesltd.com](http://www.svcindustriesltd.com)).

### 3. AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of three Non-Executive Independent Directors. The Terms of Reference of the Committee are in consonance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Committee comprises of three members, these are Mr. G. S. Dahotre, Chairman, Mr. I.G. Mehrotra and Dr. P.P. Shastri.

The role of the committee shall, inter-alia, includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

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

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

- Changes, if any, in accounting policies and practices and reasons for the same

- Major accounting entries involving estimates based on the exercise of judgment by management

- Significant adjustments made in the financial statements arising out of audit findings

- Compliance with listing and other legal requirements relating to financial statements

- Disclosure of any related party transactions

- Modified opinion in the draft audit report

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

- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a

public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. 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;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xx. Carrying out any other function as it is mentioned in the reference of the Audit Committee.

During the period under report, 4 meetings of the Audit Committee were held on 3<sup>rd</sup> May, 2017, 9<sup>th</sup> August, 2017, 7<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018. The attendance of each member of the Committee at the meeting is as under:-

| Name of Directors | Status                      | No. of meetings attended |
|-------------------|-----------------------------|--------------------------|
| Mr. G. S. Dahotre | Independent, Non -Executive | 4 / 4                    |
| Mr. I.G. Mehrotra | Independent, Non -Executive | 4 / 4                    |
| Dr. P.P. Shastri  | Independent, Non -Executive | 3 / 4                    |

#### 4. STAKEHOLDER RELATIONSHIP COMMITTEE

In accordance with the requirement of Regulation 20 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Company has constituted Stakeholder Relationship Committee of the Board of Directors to specifically look into the redressal of grievances of the investors. The Committee deals with grievances relating to transfer of shares, non – receipt of Balances Sheet or dividend, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer and transmission of share, issuing duplicate share certificate and name deletion to a Stakeholder Relationship Committee.

Stakeholder Relationship Committee comprises of three members, these are Mr. Suresh Chaturvedi, Chairman, Mr. Jaffar Imam and G.S. Dahotre, Members.

During the year ended 31<sup>st</sup> March, 2018, the Stakeholders Relationship Committee held its meeting for 27 times. The details of the members and their attendance are as follows:-

| Name of Directors        | No. of meetings attended |
|--------------------------|--------------------------|
| Mr. Suresh V. Chaturvedi | 27                       |
| Mr. G. S. Dahotre        | NIL                      |
| Mr. Jaffar Imam          | 27                       |

During the year no complaint was received from stakeholders and investors. The Company has acted upon all valid request for share transfer received during 2017-18 and no such share transfer is pending.

#### 5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company consists of Mr. G.S. Dahotre Chairman, Mr. Jaffar Imam- Director and Mr. I.G. Mehrotra – Director, members. The meeting of Nomination and Remuneration Committee was held on 2<sup>nd</sup> June, 2018 to recommend the appointment of Ms. Karuna Naik as the Company Secretary to the Company.

The role of the committee shall, inter-alia, includes the following:

- a. 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;
- b. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- c. Devising a policy on Board of Directors
- d. 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. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### 6. CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles

and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence. A copy of the Code has been put on the Company's website ([www.svcindustriesltd.com](http://www.svcindustriesltd.com)). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's CFO is published in this Report.

## 7. GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company as follows:

| Financial Year | Date                        | Time       | Venue   |
|----------------|-----------------------------|------------|---|
| 2014-2015      | 29 <sup>th</sup> Sept, 2015 | 11.30 a.m  | Indian Merchant Chambers (IMC), IMC Bldg., Churchgate, Mumbai – 400 020 |
| 2015-2016      | 28 <sup>th</sup> Sept, 2016 | 03:00 a.m. |   |
| 2016-2017      | 1 <sup>st</sup> July, 2017  | 11.30 p.m  |   |

## 8. REMUNERATION OF DIRECTORS

- a) The details of sitting fees paid to Non-Executive Directors during the financial year ended 31<sup>st</sup> March, 2018 (excluding reimbursement of travel and other expenses) are given below:

| Name of Directors         | Sitting fees    |
|---------------------------|-----------------|
| Shri Suresh V. Chaturvedi | 25,000          |
| Shri Jaffar Imam          | 30,000          |
| Shri G.S. Dahotre         | 30,000          |
| Shri I.G Mehrotra         | 30,000          |
| Dr. P.P. Shastri          | 25,000          |
| Ms. Abha Ravi             | 30,000          |
| <b>TOTAL</b>              | <b>1,70,000</b> |

## 9. DISCLOSURES

- (a) During the year, there were no transactions of material nature with the Directors or the Management or relatives of the Directors of the Company, except as shown in note no. 23 regarding related party disclosures.
- (b) The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all other requirement under any other Acts and Regulations.
- (a) The equity shares of Company are listed at BSE Limited and the Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during last three years.

## 9. MEANS OF COMMUNICATION

- a) Financial Results: The quarterly, half-yearly and annual financial results of the Company are widely published in the leading newspapers such as Business Standard (English edition) and Pudhari (Marathi edition). The financial results -

are also filed with BSE Limited immediately after they are approved by the Board for dissemination. The financial results are posted on the website of the Company at [www.svcindustriesltd.com](http://www.svcindustriesltd.com) immediately after sharing with BSE Limited.

- b) Annual Reports: Annual Reports were emailed/posted to members and other entitled to receive them.
- c) BSE Corporate compliance listing Centre: The shareholding pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report, financial Results and listing compliances are filed electronically on the listing Centre.

## 10. GENERAL SHAREHOLDERS' INFORMATION:

- Annual General Meeting:**
  - Date and time: Saturday, 8th Sep, 2018 at 11.30 p.m.
  - Venue: Indian Merchants' Chamber, Walchand Hirachand Hall 4<sup>th</sup> Floor, LNM IMC Bldg Churchgate, Mumbai – 400 020
- Book Closure dates:** 31<sup>st</sup> August, 2018 to 10<sup>th</sup> September, 2018 (both days inclusive)
- Equity Shares listed on Stock Ex:** BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 021.
- Registrar & Transfer** M/s Sharex Dynamic (India) Private Limited
- Agents:** Unit-1, Luthra Indus. Premises, Safed Pool, Andheri – Kurla Road, Andheri (East), Mumbai – 400 072.
- Stock Code:** 524488
- Market Price Data:**

Upper and lower price of f Company's Equity Shares at Bombay Stock Exchange.

| Month(s)     | Share Price |      | Month (s)   | Share Price |      |
|--------------|-------------|------|-------------|-------------|------|
|              | High        | Low  |             | High        | Low  |
| April., 2017 | 0.96        | 0.74 | Oct., 2017  | -           | -    |
| May., 2017   | 0.82        | 0.73 | Nov., 2017  | -           | -    |
| June., 2017  | 0.76        | 0.58 | Dec., 2017  | -           | -    |
| July, 2017   | 1.86        | 0.70 | Jan., 2018  | -           | -    |
| Aug., 2017   | 0.79        | 0.72 | Feb., 2018  | 0.76        | 0.73 |
| Sept, 2017   | 0.76        | 0.76 | March, 2018 | 0.76        | 0.73 |

- Shareholding Pattern as on 31<sup>st</sup> March, 2018

| Category           | No. of Shares held  | % of Shareholding |
|--------------------|---------------------|-------------------|
| Promoters          | 6,93,04,637         | 42.49             |
| Mutual Funds & UTI | 39,600              | 00.02             |
| Banks              | 15,050              | 00.00             |
| Corporate Bodies   | 3,09,42,782         | 18.96             |
| Indian Public      | 6,15,06,579         | 37.75             |
| NRIs / OCBs        | 12,60,304           | 00.77             |
| Others             | 26,400              | 00.01             |
| <b>Total</b>       | <b>16,30,95,352</b> | <b>100.00</b>     |



• Distribution of Shareholdings as on 31<sup>st</sup> March, 2018

| Share/Debenture holding of Nominal Value Rs. | Share/Debenture holders |       | Shares / Debentures      |       |
|--|-------------------------|-------|--------------------------|-------|
|  | Number % to the total   |       | No. of shares % to Total |       |
| UPTO 1000                                    | 12627                   | 15.35 | 997809                   | 00.61 |
| 1001 to 2000                                 | 25449                   | 30.93 | 4929510                  | 03.02 |
| 20001 to 5000                                | 31734                   | 38.57 | 12278323                 | 07.53 |
| 5001 to 10000                                | 6397                    | 07.77 | 5432143                  | 03.33 |
| 10001 to 50000                               | 4590                    | 05.58 | 11582097                 | 07.10 |
| 50001 to 100000                              | 758                     | 00.92 | 6010270                  | 03.69 |
| 100001 to 1000000                            | 650                     | 00.79 | 17382011                 | 10.66 |
| 1000001 to Above                             | 73                      | 00.09 | 104483189                | 64.06 |
| Total  | 82278                   | 100%  | 163095352                | 100%  |

• **Share Transfer System**

Transfers of shares in physical form are lodged with the Company or Transfer Agents. Statements of transfer prepared by Registrar and transfer agent are reviewed by the Shareholders Relationship Committee and if in order, the transfers are approved once in fortnight. The shares duly transferred are sent to the transferee, which completes the transaction.

• **Dematerialization of Shares and liquidity**

The Company has signed Agreements with both the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited and the Shares of the company are available for de-materialization and are being traded in dematerialized form by shareholders w.e.f. 7.3.2000 and 23.3.2000. Shareholders of the Company are advised to avail the facility of electronic shares through dematerialization of physical scrip by opening an account with any of the recognized Depository Participants.

• **Site Location**

**SVC Industries Ltd.**  
Chhata – Barsana Road, Chhata,  
Dist. Mathura, [U.P.] 281401.

• **Investor's Correspondence**

(I) For transfer/ dematerialization of Shares M/s. Sharex Dynamic (India) Pvt Ltd  
Unit-1, Luthra Indus. Premises, Safed Pool, Andheri – Kurla Road, Andheri (East), Mumbai – 400 072.  
Tele: 28515606/28515644  
Email: sharexindia@vsnl.com

Note: Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.

(ii) Any query on Annual Report Secretarial Department  
SVC Industries Ltd.  
301, 3<sup>rd</sup> Floor, Shubham Centre-1,  
491, Cardinal Gracias Road, Andheri (East), Mumbai – 400 099  
Email: svcindustriestd@gmail.com  
Phone: 022-28324296

**11. Postal Ballot:**

During the year 2017-18, the Company has conducted Postal Ballots in accordance with Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Company has sent the Postal Ballot Notice(s) together with Postal Ballot Form to the Members of the Company for seeking their approval to the businesses listed therein. The Company has also provided its Members with an e-voting facility through Central Depository Services (India) Limited (CSDL), in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, in order to enable them to exercise their voting rights by way of electronic means on the resolution(s) proposed through Postal Ballot(s).

The Company has complied with the procedure for Postal Ballot in terms of the provision of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

M/s. Ranjeet Kumar Sharma & Associates, a Practicing Company Secretary, Mumbai, was appointed as a scrutinizer for scrutinizing voting (both physical and e-voting) in a fair and transparent manner for the postal ballots conducted by the Company during the year. The details of the resolutions passed by way of postal ballots along with the voting pattern in respect of the Special Resolutions passed are mentioned below:

I. The Board of Directors approved the Postal Ballot notice dated January 11, 2018, containing the below mentioned resolutions for the approval of the Members, which was passed with the requisite majority on February 22, 2018. Details are as under:

| Details of special Resolution       | No. of votes polled | Votes cast in favour |        | Votes cast against |       |
|-------------------------------------|---------------------|----------------------|--------|--------------------|-------|
|                                     |                     | No of votes          | %      | No. of votes       | %     |
| Transfer or Disposal of Undertaking | 89320941            | 88912955             | 99.543 | 407986             | 0.457 |
| Change in object clause             | 89320341            | 89308206             | 99.986 | 12135              | 0.014 |

**CEO/ CFO Certification**

To,  
The Board of Directors,  
SVC Industries Limited

The Chief Finance Officer of your Company certify to the Board of Directors that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - 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) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- © We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee.
- 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 I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**FOR SVC Industries Limited**

**Sanjay Agarwal**  
Chief Finance Officer

Place: Mumbai.  
Date: 2<sup>nd</sup> June, 2018

**UNDER REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members of  
SVC Industries Limited

I, Sanjay Agarwal, CFO of SVC Industries Limited hereby declare that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct of the Company.

**FOR SVC Industries Limited**

**Mr. Sanjay Agarwal**  
Chief Finance Officer

Place: Mumbai.  
Date: 7<sup>th</sup> July, 2018

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
SVC INDUSTRIES LIMITED  
(Formerly known as SVC Superchem Limited)**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of SVC INDUSTRIES LIMITED (Formerly known as SVC Superchem Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statement").

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 Standard (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 of 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 standalone 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 standalone 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the

auditor considers internal financial control relevant to the Company's preparation of the standalone 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 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 standalone 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 standalone Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of change in equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
  - e) On the basis of the written representations received from the directors as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 12a to 12e, 23, 25 and 29 to the standalone Ind AS financial statements;
- (ii) There are no foreseeable losses on any long term contract including derivative contract as required under applicable law or accounting standards;
- (iii) According to records of the company, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules made there under.

### For CHATURVEDI SK & FELLOWS

Chartered Accountants  
Firm Registration No. 112627W

**Srikant Chaturvedi**  
Partner  
Membership No. 070019

Place: Mumbai.  
Date: 02/06/2018

### ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date on the financial statements of SVC INDUSTRIES LIMITED (Formerly known as SVC Superchem Limited) for the year ended 31st March 2018.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies except as mentioned in Note No. 24 of notes forming part of financial statement, were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company for 236.83 acres and in the name of some of the present and earlier directors for 24.14 acres.



2. According to the information given to us, physical verification of inventory was conducted by the management during the year at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories.
3. The Company has not granted any loans, secured and unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii)(a), (b) and (c) of the Order are not applicable.
4. The Company has not given loans, investments, guarantees and security. Accordingly, Paragraph 3(iv) of the Order is not applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. The provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder are not applicable.
6. Maintenance of cost records under Section 148(1) of the Act as prescribed by the Central Government is not applicable to the Company as the Company is yet to start commercial production.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, Service-tax, Goods and Service tax and other material statutory dues applicable to the Company with the appropriate authorities.
- (b) The disputed statutory dues aggregating to Rs. 22.71 lakhs that have not been deposited on account of disputed matters pending before appropriate authorities. Out of the above, a sum of Rs. 2.63 lakh has been deposited under protest. The details of disputed statutory dues are as under:
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us, the Company has not paid managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. 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.
13. According to the information and explanations given to us and based on our examination of records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanations given to us, the Company is not required to register under Section 45-IA of the Reserve Bank of India Act 1934.

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
Firm Registration No. 112627W

**Srikant Chaturvedi**  
Partner  
Membership No. 070019

Place: Mumbai.  
Date: 02/06/2018

| Nature of dues             | Period    | Amount Rs. in Lakhs | Forum where dispute is pending |
|----------------------------|-----------|---------------------|--------------------------------|
| UP Value Added Tax         | 2007-08   | 0.82                | Appellate Tribunal, Agra       |
| UP Value Added Tax         | 2008-09   | 1.81                | Appellate Tribunal, Agra       |
| Provident Fund / Demurrage | 1995-2003 | 20.08               | Allahabad High Court           |
|                            |           | 22.71               |                                |

8. Due to non-commencement of commercial operations for more than a decade causing non-servicing of its debts, the Company has defaulted on the dues of State Bank of India (NCD of Rs. 15.00 Crore), Canara Bank (NCD of Rs. 14.72 Crore) & PICUP (Loan of Rs. 26.38 Crore) for aggregate amount of Rs. 56.10 Crore. Company is in negotiations for settlement of their dues.
9. According to the information and explanation provided to us, Company has not raised 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.

## Annexure B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (f) 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 SVC INDUSTRIES LIMITED (Formerly known as SVC Superchem Limited) ('the Company') as of 31st March, 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 the establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

### Opinion

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

### For CHATURVEDI SK & FELLOWS

Chartered Accountants  
Firm Registration No. 112627W

**Srikant Chaturvedi**  
Partner  
Membership No. 070019

Place: Mumbai.  
Date: 02/06/2018

## AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To the Members  
SVC Industries Limited  
(Formerly known as SVC Superchem Limited)

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement with SVC Industries Limited (Formerly known as SVC Superchem Limited) ('the Company').
2. We have examined the Compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2018, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and para C and D of Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

## MANAGEMENTS' RESPONSIBILITY

3. 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 Listing Regulations.

## AUDITORS' RESPONSIBILITY

4. Our responsibility is limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account 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.
6. 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.
7. 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

8. 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.

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

## For CHATURVEDI SK & FELLOWS

Chartered Accountants  
Firm Registration No. 112627W

**Srikant Chaturvedi**  
Partner  
Membership No. 070019

Place: Mumbai.  
Date: 02/06/2018

**SVC INDUSTRIES LIMITED**  
(Formely Known as SVC Superchem Limited)  
**BALANCE SHEET AS AT 31st MARCH, 2018**

(Rs. in Lacs)

|                                     | Notes<br>No. | As at<br>31st March, 2018 | As at<br>31st March, 2017 | As at<br>1st April, 2016 |
|-------------------------------------|--------------|---------------------------|---------------------------|--------------------------|
| <b>ASSETS</b>                       |              |                           |                           |                          |
| <b>Non-Current Assets</b>           |              |                           |                           |                          |
| Property, Plant and Equipment       | 3            | 49,664.47                 | 38,244.61                 | 38,256.24                |
| Capital work-in-progress            | 3            | -                         | 22,689.00                 | 22,514.07                |
| Financial Assets                    |              |                           |                           |                          |
| Other Financial Assets              | 4            | 6.61                      | 9.62                      | 9.62                     |
| Other non-current assets            | 5            | 2,140.81                  | 2,150.68                  | 2,153.25                 |
| <b>Total Non-Current Assets</b>     |              | <u>51,811.89</u>          | <u>63,093.91</u>          | <u>62,933.18</u>         |
| <b>Current Assets</b>               |              |                           |                           |                          |
| Inventories                         | 6            | 0.25                      | 165.60                    | 165.53                   |
| Financial Assets                    |              |                           |                           |                          |
| Cash and Cash equivalents           | 7            | 6.32                      | 26.21                     | 27.97                    |
| Other Financial Assets              | 8            | 0.86                      | 0.22                      | 0.92                     |
| Other current assets                | 9            | 0.19                      | 3.52                      | 4.05                     |
| <b>Total Current Assets</b>         |              | <u>7.62</u>               | <u>195.55</u>             | <u>198.47</u>            |
| <b>Total Assets</b>                 |              | <u>51,819.51</u>          | <u>63,289.46</u>          | <u>63,131.65</u>         |
| <b>EQUITY AND LIABILITIES</b>       |              |                           |                           |                          |
| <b>Equity</b>                       |              |                           |                           |                          |
| Equity Share Capital                | 10           | 16,186.37                 | 16,186.37                 | 16,186.37                |
| Other Equity                        | 11           | 16,100.13                 | 17,141.89                 | 17,141.89                |
| <b>Total Equity</b>                 |              | <u>32,286.50</u>          | <u>33,328.26</u>          | <u>33,328.26</u>         |
| <b>Liabilities</b>                  |              |                           |                           |                          |
| <b>Non-Current Liabilities</b>      |              |                           |                           |                          |
| Financial Liabilities               |              |                           |                           |                          |
| Borrowings                          | 12           | 19,046.53                 | 29,907.93                 | 29,740.04                |
| Other financial liabilities         | 13           | 27.09                     | 10.76                     | 17.27                    |
| Provisions                          | 14           | 14.16                     | 14.54                     | 13.96                    |
|                                     |              | <u>19,087.78</u>          | <u>29,933.23</u>          | <u>29,771.27</u>         |
| <b>Current Liabilities</b>          |              |                           |                           |                          |
| Financial Liabilities               |              |                           |                           |                          |
| Trade Payables                      | 15           | 15.52                     | 15.03                     | 16.04                    |
| Other financial liabilities         | 16           | 426.06                    | 12.47                     | 15.65                    |
| Other non-financial liabilities     | 17           | 3.65                      | 0.47                      | 0.43                     |
|                                     |              | <u>445.23</u>             | <u>27.97</u>              | <u>32.12</u>             |
| <b>Total Equity and Liabilities</b> |              | <u>51,819.51</u>          | <u>63,289.46</u>          | <u>63,131.65</u>         |

Notes forming part of the financial statements 1 to 35

As per our report of even date

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants

ICAI FRN: 112627W

**SRIKANT CHATURVEDI**

Partner

ICAI M.No. 070019

**SURESH V. CHATURVEDI**

**JAFFAR IMAM**

**I. G. MEHROTRA**

**G. S. DAHOTRE**

**P.P. SHASTRI**

: Promoter Director

: Director

: Director

: Director

: Director

Place : Mumbai  
Date : 2<sup>nd</sup> June, 2018

**SANJAY AGARWAL**  
Chief Financial Officer

**KARUNA NAIK**  
Company Secretary

**SVC INDUSTRIES LIMITED**  
(Formerly Known as SVC Superchem Limited)  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2018**

(Rs. in Lacs)

|  | Note No. | For the Current Year<br>ended 31/03/2018 | For the Previous<br>Year ended<br>31/03/2017 |
|--|----------|--|--|
| <b>INCOME :</b>  |          |  |  |
| Revenue from operations  |          | -  | -  |
| Other income   | 18       | 85.94                                    | -  |
| <b>Total revenue</b>   |          | <b>85.94</b>                             | <b>-</b>                                     |
| <b>EXPENDITURE:</b>  |          |  |  |
| Cost of materials consumed   |          | -  | -  |
| Changes in inventories of finished goods, work-in-progress                   |          | -  | -  |
| Employee benefits expense  | 19       | 35.65                                    | -  |
| Finance costs  |          | -  | -  |
| Depreciation   | 3        | 6.01                                     | -  |
| <u>Other expenses</u>  |          |  |  |
| Manufacturing and other operating expenses                                   |          | -  | -  |
| Administration and other charges   | 20       | 73.19                                    | -  |
| Selling and distribution expenses  |          | -  | -  |
|  |          | <b>114.85</b>                            | <b>-</b>                                     |
| <b>Profit / (Loss) before exceptional and extra-ordinary items and tax</b>   |          | <b>(28.91)</b>                           | <b>-</b>                                     |
| Add/(Less): Exceptional items  |          | -  | -  |
| <b>Profit / (Loss) before extra-ordinary items and tax</b>                   |          | <b>(28.91)</b>                           | <b>-</b>                                     |
| Add/(Less): Extra-ordinary items   |          | -  | -  |
| <b>Profit / (Loss) before tax</b>  |          | <b>(28.91)</b>                           | <b>-</b>                                     |
| Less: Tax expenses   |          | -  | -  |
| Current tax  |          | -  | -  |
| <b>Profit / (Loss) for the period</b>  |          | <b>(28.91)</b>                           | <b>-</b>                                     |
| <b>Other Comprehensive Income</b>  |          |  |  |
| Items that will not be classified into profit or loss                        |          | -  | -  |
| Income tax relating to items that will not be classified into Profit or loss | 21       | (1,012.85)                               | -  |
| Items that will be classified into profit or loss                            |          | -  | -  |
| Income tax relating to items that will be classified into Profit or loss     |          | -  | -  |
| <b>Other Comprehensive income for the year</b>                               |          | <b>(1,012.85)</b>                        | <b>-</b>                                     |
| <b>Total comprehensive income for the year</b>                               |          | <b>(1,041.76)</b>                        | <b>-</b>                                     |
| <b>Earnings / (Loss) per Share (Rs.)</b>                                     |          |  |  |
| -Basic   | 22       | (0.02)                                   | -  |
| -Diluted   |          | (0.02)                                   | -  |
| Notes forming part of the financial statements                               | 1-35     |  |  |

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
ICAI FRN: 112627W

**SRIKANT CHATURVEDI**  
Partner  
ICAI M.No. 070019

**SURESH V. CHATURVEDI** : Promoter Director  
**JAFFAR IMAM** : Director  
**I. G. MEHROTRA** : Director  
**G. S. DAHOTRE** : Director  
**P.P. SHASTRI** : Director

Place : Mumbai  
Date : 2<sup>nd</sup> June, 2018

**SANJAY AGARWAL**  
Chief Financial Officer

**KARUNA NAIK**  
Company Secretary

**SVC INDUSTRIES LIMITED**  
(Formerly Known as SVC Superchem Limited)  
**Cash Flow Statement for the year 2017-2018**

(Rs. in Lacs)

|   | 2017-18 | 2017-18         | 2016-17 | 2016-17         |
|---|---------|-----------------|---------|-----------------|
| <b>A. Cash flow from operating activities</b>           |         |                 |         |                 |
| Net profit before tax and extra-ordinary items          |         | (28.91)         |         | -               |
| Adjustments for non cash expenses :-                    |         |                 |         |                 |
| Depreciation  | 6.01    | 6.01            | -       | -               |
| Operating profit before working capital changes         |         | <b>(22.90)</b>  |         | -               |
| <b>Changes in Assets &amp; Liabilities</b>              |         |                 |         |                 |
| Changes in Financial Assets                             | 2.37    |                 | 0.70    |                 |
| Changes in Financial Liabilities                        | 430.03  |                 | (10.11) |                 |
| Changes in Non Financial Assets                         | 13.55   |                 | 3.02    |                 |
| Changes in Non Financial Liabilities                    | 3.18    | 449.13          | 0.04    | (6.35)          |
| <b>Net Cash generated from operative activities</b>     |         | <b>426.23</b>   |         | <b>(6.35)</b>   |
| <b>B. Cash flow from investing activities</b>           |         |                 |         |                 |
| Reduction (Additions) to Fixed assets                   |         | (1.50)          |         | 11.63           |
| Reduction (Additions) to Capital work-in-progress       |         | (76.99)         |         | (174.93)        |
| <b>Net Cash used in investing activities</b>            |         | <b>(78.49)</b>  |         | <b>(163.30)</b> |
| <b>C. Cash flow from financing activities</b>           |         |                 |         |                 |
| Unsecured Loans received                                |         | (367.63)        |         | 167.89          |
| <b>Net cash used in financing activities</b>            |         | <b>(367.63)</b> |         | <b>167.89</b>   |
| Net increase / (Decreased) in Cash and Cash Equivalents |         | (19.89)         |         | (1.76)          |
| Opening Balance of Cash and Cash Equivalents            |         | 26.21           |         | 27.97           |
| <b>Closing Balance of Cash and Cash Equivalents</b>     |         | <b>6.32</b>     |         | <b>26.21</b>    |

[Figures in bracket represent cash out flow]

As per our report of even date

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
ICAI FRN: 112627W

**SRIKANT CHATURVEDI**  
Partner  
ICAI M.No. 070019

**SURESH V. CHATURVEDI** : Promoter Director  
**JAFFAR IMAM** : Director  
**I. G. MEHROTRA** : Director  
**G. S. DAHOTRE** : Director  
**P.P. SHASTRI** : Director

Place : Mumbai  
Date : 2<sup>nd</sup> June, 2018

**SANJAY AGARWAL**  
Chief Financial Officer

**KARUNA NAIK**  
Company Secretary



**SVC INDUSTRIES LIMITED**  
(Formerly Known as SVC Superchem Limited)

**Statement of Change in Equity as at March 31, 2018**

| A. Equity share capital          |                                   |                                  |                                      |                                  | (Rs. In Lacs) |
|----------------------------------|-----------------------------------|----------------------------------|--------------------------------------|----------------------------------|---------------|
| Balance as at<br>1st April, 2016 | Change in equity share<br>capital | Balance as at<br>31st March 2017 | Change in<br>equity share<br>capital | Balance as at<br>31st March 2018 |               |
| 16186.37                         | -                                 | 16,186.37                        |                                      | 16,186.37                        |               |

| B. Other Equity   | Attributable to equity shareholders of the company |                     |                                 |                 |                  |            | (Rs. In Lacs) |
|---|--|---------------------|---------------------------------|-----------------|------------------|------------|---------------|
|   | Capital<br>Reserve                                 | Security<br>Premium | Ind AS<br>Transition<br>Reserve | General Reserve | Retained Earning | Total      |               |
| As at 1st April 2016                                      | 60.00  | 16,490.01           | 503.97                          | 42.43           | 45.48            | 17,141.89  |               |
| Addition during the year                                  | -  | -                   |                                 | -               | -                | -          |               |
| Profit for the period                                     | -  | -                   |                                 | -               | -                | -          |               |
| Amortised during the period                               | -  | -                   |                                 | -               | -                | -          |               |
| As at 31st March 2017                                     | 60.00  | 16,490.01           | 503.97                          | 42.43           | 45.48            | 17,141.89  |               |
| Loss for the year including other<br>comprehensive income | -  | -                   | -                               | -               | (1,041.76)       | (1,041.76) |               |
| As at 31st March 2018                                     | 60.00  | 16,490.01           | 503.97                          | 42.43           | (996.28)         | 16,100.13  |               |

As per our report of even date

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
ICAI FRN: 112627W

**SRIKANT CHATURVEDI**

Partner  
ICAI M.No. 070019

**SURESH V. CHATURVEDI** : Promoter Director  
**JAFFAR IMAM** : Director  
**I. G. MEHROTRA** : Director  
**G. S. DAHOTRE** : Director  
**P.P. SHASTRI** : Director

Place : Mumbai  
Date : 2<sup>nd</sup> June, 2018

**SANJAY AGARWAL**  
Chief Financial Officer

**KARUNA NAIK**  
Company Secretary

**SVC Industries Limited**  
**(Formerly known as SVC Superchem Limited)**

**Notes forming part of the financial statement for the year ended 31st March, 2018**

**1 CORPORATE INFORMATION**

SVC Industries Limited (Formerly known as SVC Superchem Ltd) 'the Company' was incorporated in India on 29th August 1989. It had set up a PTA plant at village Chhata in district Mathura in the State of UP. The plant, after successful trial run, had been put under shut down since September 2000 due to various reasons beyond control of the Company. Company has now abandoned its PTA project and is in process of utilizing its infrastructure for new industrial activities.

**2 SIGNIFICANT ACCOUNTING POLICIES:**

**2.1 Basis of Preparation of Financial Statement :**

These financial statements have been prepared in accordance with IND AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (" Indian GAAP"). In accordance with the notification issued by the Ministry of corporate affairs, the company has adopted Indian Accounting Standards (referred to as IND AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2016. The adoption was carried out in accordance with IND AS 101, First time adoption of Indian Accounting Standards. Accordingly, previous year's figures have been restated according to IND AS and the company has presented a reconciliation of impact of transition from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to INDAS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the Comprehensive net income for the year ended March 31, 2017.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use. The financial statements have been prepared on accrual basis under historical cost convention except for certain assets and liabilities which have been measured at fair value amount.

**2.2 Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires that the management of the company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans and fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

**2.3 Property, Plant and Equipments:**

Property, Plant and Equipments are stated at cost net of input tax credits. All expenditure pertaining to project under

construction and other preoperative expenses and losses including trial run expenses and interest cost (net of income accrued) incurred during the construction period, unless otherwise stated, are capitalized till the commencement of commercial production / till the date assets are put to use.

**2.4 Depreciation and Amortizations:**

Depreciation on Fixed Assets except Capital work-in-progress has been provided on Straight Line method by considering revised useful life as specified in part 'C' of schedule II to the companies Act 2013.

**2.5 Impairment of Non-financial Assets - property, plant and equipment:**

An asset is impaired when the carrying cost of the asset exceeds its recoverable value. An Impairment Loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment Loss recognized in earlier accounting periods is reversed if there has been a change in the estimate of recoverable amount as specified in Ind AS 36 on 'Impairment of Assets'.

The carrying amount of assets is reviewed periodically at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**2.6 Financial Instruments:**

**i) Financial Assets**

**a. Initial Recognition and Measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**b. Subsequent Measurement**

**i) Financial assets carried at amortized cost**

A financial assets is measured at amortized cost if it is held within business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

**iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classifying in any of the above categories are measured at FVTPL.



**c) Impairment of Financial Assets**

In accordance with IND AS 109, the Company uses ' Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The company applies simplified approach for trade receivables. Simplified approach recognizes impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

For other assets, the company uses 12 month expected credit loss (ECL) to provide for impairment loss where there is no significant increase in significant risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii) Financial Liabilities**

**A) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B) Subsequent measurement**

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derecognition of Financial Instruments**

Financial assets is derecognised on expiry of the contractual rights to the cash flows from financial assets expires or transfer of the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability ( or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired or completes its life.

**2.7 Income-Tax :**

No provision for the deferred tax liability/ asset arising out of time difference has been made, since the deferred tax liability/ asset arise from transactions which affect neither accounting profit nor taxable profit/ loss.

**2.8 Foreign Exchange Transaction:**

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing at the time of the transactions.
- ii) Foreign Currency transactions remaining unsettled at the end of the year are re-stated in rupee value at the year end rates.
- iii) Changes in liability arising out of such re-statement pertaining to acquisition of fixed assets is treated as an adjustment to the carrying cost of such fixed assets.

**2.9 Inventories:**

Inventories are valued on first-in-first-out basis, at cost.

**2.10 GST Credit:**

GST credit is accounted by recording the capital assets/raw material, stores and spares acquired during the year net of Input Tax Credit. GST credit is adjusted against sale of scrap. Unutilized portion of cenvat credit is transferred to Input Tax Credit of GST.

**2.11 Employee Benefits :**

**i) Defined Contribution Plans:**

Retirement benefit in the form of Provident Fund and Pension Fund are defined contribution scheme and the contributions are charged to the the respective accounts of the year when the contributions to the respective funds are due. There are no other short term obligations other than the contribution payable against the funds.

**ii) Defined Benefit Plans**

Provision for Gratuity and Leave Encashment payable on retirement to the employees are made on the basis of actual period of their services and at prescribed rates irrespective of their illegibility due to short tenure of their services. Company has not made any provisions or Investment as per IND AS-19 due to closure of plant activity but has made provisions as state above.

**2.12 Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in terms of IND AS-23 on "Borrowing cost". A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use.

**2.13 Related Party Transaction:**

Related party transaction as identified by the management within the meaning of IND AS-24 regarding "Related Party Disclosure" are provided as per Note No. 33.

**2.14 Lease Transactions :**

The lease rent payable during the project construction period, in terms of the lease agreement entered into by the Company and the "Lessor", is charged to "Capital Work in progress" under the head pre-operative expenses.

**2.15 Provisions, Contingent liabilities & Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be a outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes, Contingent Assets are neither recognised nor disclosed in the financial statement.

**2.16 Segment Reporting**

The company has not commenced commercial activities hence segment reporting is not applicable to the company.

## 2.17 First Time Adoption of IND AS

The standalone financial statements of SVC Industries Limited (Formerly known as SVC Superchem Limited) for the year ended March 31, 2018 have been prepared in accordance with IND AS. For the purposes of transition to IND AS, the Company has followed the guidance prescribed in IND-AS 101 " First Time Adoption of Indian Accounting Standards" with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to IND-AS has resulted in changes in the presentation of financial statements, disclosures in notes thereto and accounting policies and principals. All applicable IND AS have been applied consistently and retrospectively wherever required. The figures for the previous period have

been restated, regrouped and reclassified where ever required to comply with the requirement of IND AS and Schedule III. The impact of transition has been credited to Ind. AS Transition Reserve as at April 1st, 2016.

In preparing these financial statements, the company has availed certain exemptions and exceptions in accordance with IND AS 101 as explained below:

### i) Property, Plant and Equipment exemption:

The Company has elected to measure items of plant and equipment (part of capital work in progress) and intangible assets at fair value on transition date.

### Note No. 3 Property Plant and equipment

(Rs. In Lacs)

| Particulars                        | Gross Block      |                             |                   |                  |                   |                                 | Depreciation/Amortisation |                  |                      |                                    |  |  | Net Block                          |                  |                  |                  |
|------------------------------------|------------------|-----------------------------|-------------------|------------------|-------------------|---------------------------------|---------------------------|------------------|----------------------|------------------------------------|--|--|------------------------------------|------------------|------------------|------------------|
|                                    | As at 01.04.2016 | Impact of Ind AS Transition | Additions 2016-17 | As at 31.03.2017 | Additions 2017-18 | Deductions/ Adjustments 2017-18 | As at 31.03.2018          | As at 01.04.2016 | Depreciation 2016-17 | Cumulative Depreciation 31.03.2017 | Depreciation 01-04-2017 to 30-09-2017 (included in pre-operative expenses) | Depreciation 01-10-2017 to 31-03-2018 (charged to P&L account) | Cumulative Depreciation 31.03.2018 | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
| a) Property Plant and equipment    |                  |                             |                   |                  |                   |                                 |                           |                  |                      |                                    |  |  |                                    |                  |                  |                  |
| Land                               | 208.09           | 37,890.27                   | -                 | 38,098.36        | -                 | -                               | 38,098.36                 | -                | -                    | -                                  | -  | -  | -                                  | 38,098.36        | 38,098.36        | 38,098.36        |
| Plant And Machinery                | 1,123.76         | (1.92)                      | -                 | 1,121.84         | 1.50              | 8,145.06                        | 9,268.40                  | 1,121.35         | 0.49                 | 1,121.84                           | 0.24   | 0.24   | 1,122.32                           | 8,146.08         | -                | 0.49             |
| Buildings                          | 242.34           | -                           | -                 | 242.34           | -                 | 3,285.31                        | 3,527.65                  | 86.06            | 11.28                | 97.34                              | 5.64   | 5.64   | 108.62                             | 3,419.03         | 145.00           | 156.28           |
| Furniture & Fixtures               | 70.49            | -                           | -                 | 70.49            | -                 | -                               | 70.49                     | 69.82            | 0.12                 | 69.94                              | 0.05   | 0.06   | 70.05                              | 0.44             | 0.55             | 0.67             |
| Office Equipments                  | 53.41            | -                           | -                 | 53.41            | -                 | -                               | 53.41                     | 52.97            | 0.28                 | 53.25                              | 0.04   | 0.04   | 53.33                              | 0.08             | 0.16             | 0.44             |
| Vehicles                           | 0.64             | -                           | 0.55              | 1.19             | -                 | -                               | 1.19                      | 0.64             | 0.01                 | 0.65                               | 0.03   | 0.03   | 0.71                               | 0.48             | 0.54             | -                |
| Computers                          | 19.85            | -                           | -                 | 19.85            | -                 | -                               | 19.85                     | 19.85            | -                    | 19.85                              | -  | -  | 19.85                              | -                | -                | -                |
| Total Property Plant and equipment | 1,718.58         | 37,888.35                   | 0.55              | 39,607.48        | 1.50              | 11,430.37                       | 51,039.35                 | 1,350.69         | 12.18                | 1,362.87                           | 6.00   | 6.01   | 1,374.88                           | 49,664.47        | 38,244.61        | 38,256.24        |
| B) Capital Work in Progress        | 91,320.82        | (68,806.75)                 | 174.93            | 22,689.00        | 82.98             | (22,771.98)                     | -                         | -                | -                    | -                                  | -  | -  | -                                  | 22,689.00        | -                | 22,514.07        |

### Note No.4

(Rs. in lacs)

As at 31/03/2018      As at 31/03/2017      As at 01/04/2016

#### Other Financial Assets

Unsecured Considered Good

#### Loans & Advances at amortised cost

|                   |             |             |             |
|-------------------|-------------|-------------|-------------|
| Security Deposits | 6.61        | 9.62        | 9.62        |
| <b>Total</b>      | <b>6.61</b> | <b>9.62</b> | <b>9.62</b> |

### Note No.5

(Rs. in lacs)

As at 31/03/2018      As at 31/03/2017      As at 01/04/2016

#### Other Non-Current Assets Unsecured Considered Good

|                                  |                 |                 |                 |
|----------------------------------|-----------------|-----------------|-----------------|
| Goods & Service Tax (GST) credit | 2,140.68        | 2,147.64        | 2,147.64        |
| Capital Advance                  | 0.13            | 3.04            | 5.61            |
|                                  | 0.13            | 0.13            | 5.61            |
| <b>Total</b>                     | <b>2,140.81</b> | <b>2,150.68</b> | <b>2,153.25</b> |

### Note No.6

(Rs. in lacs)

As at 31/03/2018      As at 31/03/2017      As at 01/04/2016

#### Inventories

|                   |             |               |               |
|-------------------|-------------|---------------|---------------|
| Spares (Imported) | -           | 165.00        | 165.01        |
| Consumables (HSD) | 0.25        | 0.60          | 0.52          |
| <b>Total</b>      | <b>0.25</b> | <b>165.60</b> | <b>165.53</b> |

### Note No.7

(Rs. in lacs)

As at 31/03/2018      As at 31/03/2017      As at 01/04/2016

#### Cash & Cash Equivalents

|                                       |             |              |              |
|---------------------------------------|-------------|--------------|--------------|
| Balances with banks -Current accounts | 4.09        | 24.95        | 27.07        |
| Cash on hand                          | 2.23        | 1.26         | 0.90         |
| <b>Total</b>                          | <b>6.32</b> | <b>26.21</b> | <b>27.97</b> |



**Note No.8**

|   | (Rs. in lacs)       |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Financial Assets</b>                                 |                     |                     |                     |
| Unsecured Considered Good<br>Loans & Advances to<br>employees | 0.86                | 0.22                | 0.92                |
| <b>Total</b>  | <u>0.86</u>         | <u>0.22</u>         | <u>0.92</u>         |

**Note No.9**

|  | (Rs. in lacs)       |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Current Assets</b>                  |                     |                     |                     |
| Balance with Government<br>Authorities (TDS) | 0.19                | 3.52                | 4.05                |
| <b>Total</b>                                 | <u>0.19</u>         | <u>3.52</u>         | <u>4.05</u>         |

**Note No.10**

|  | (Rs. in lacs)       |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>EQUITY SHARE CAPITAL</b>                    |                     |                     |                     |
| Authorised<br>Equity Shares of Rs.10 each      | 17,000.00           | 17,000.00           | 17,000.00           |
| <b>Total</b>                                   | <u>17,000.00</u>    | <u>17,000.00</u>    | <u>17,000.00</u>    |
| <b>Issued Subscribed and<br/>fully Paid-up</b> |                     |                     |                     |
| Equity Shares of Rs. 10<br>each                | 16,309.54           | 16,309.54           | 16,309.54           |
| Less: Call in arrear (Others)                  | (123.17)            | (123.17)            | (123.17)            |
| <b>Total</b>                                   | <u>16,186.37</u>    | <u>16,186.37</u>    | <u>16,186.37</u>    |

**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

|   | As at<br>31/03/2018 |               | As at<br>31/03/2017 |               | As at<br>01/04/2016 |               |
|---|---------------------|---------------|---------------------|---------------|---------------------|---------------|
|   | No. of Shares       | No. of Shares | No. of Shares       | No. of Shares | No. of Shares       | No. of Shares |
| <b>Equity Shares</b>                            |                     |               |                     |               |                     |               |
| At the beginning of the<br>period               | 163095352           | 163095352     | 163095352           | 163095352     | 163095352           | 163095352     |
| Issued during the period                        |                     |               |                     |               |                     |               |
| <b>Outstanding at the end of<br/>the period</b> | 163095352           | 163095352     | 163095352           | 163095352     | 163095352           | 163095352     |

**b) Details of shareholders holding more than 5% shares in the company**

| Name of Share<br>holders        | As at<br>31/03/2018 |             | As at<br>31/03/2017 |             | As at<br>31/03/2016 |             |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
|                                 | % H.                | N. O. S.    | % H.                | N. O. S.    | % H.                | N. O. S.    |
| SVC Growth Fund<br>Pvt. Ltd.    | 7.59%               | 1,23,77,553 | 7.59%               | 1,23,77,553 | 7.59%               | 1,23,77,553 |
| Krishna Advisors -<br>Pvt. Ltd. | 5.82%               | 94,95,500   | 5.82%               | 94,95,500   | 5.82%               | 94,95,500   |
| Advait Chaturvedi               | 5.27%               | 85,95,800   | 5.27%               | 85,95,800   | 5.27%               | 85,95,800   |
| Ambuj Chaturvedi                | 5.27%               | 85,95,800   | 5.27%               | 85,95,800   | 5.27%               | 85,95,800   |

c) The holders of the equity shares are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

d) Call in arrear is due on 2,73,713 Equity shares which are partly paid and held by others read with Note No. 27.

**Note No.11**

|   | (Rs. in lacs)       |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Equity</b>   |                     |                     |                     |
| Securities Premium Account  |                     |                     |                     |
| Opening Balance   | 16,742.97           | 16,742.97           | 16,742.97           |
| Addition during the year  | 16,742.97           | 16,742.97           | 16,742.97           |
| Less: Calls in arrears (Others)   | 252.96              | 252.96              | 252.96              |
| Closing Balance   | <u>16,490.01</u>    | <u>16,490.01</u>    | <u>16,490.01</u>    |
| <b>General Reserve</b>  | 42.43               | 42.43               | 42.43               |
| <b>Capital Reserve</b>  | 60.00               | 60.00               | 60.00               |
| <b>Ind AS Transition Reserve<br/>(Refer Note No. 32A)</b>                       | 503.97              | 503.97              | 503.97              |
| <b>Profit &amp; Loss Account<br/>(Including Other Comprehensive<br/>Income)</b> |                     |                     |                     |
| Opening Balance   | 45.48               | 45.48               | 45.48               |
| Loss for the year including other<br>comprehensive income                       | (1,041.76)          | --                  | --                  |
| Closing Balance   | <u>(996.28)</u>     | <u>45.48</u>        | <u>45.48</u>        |
| <b>Total</b>  | <u>16,100.13</u>    | <u>17,141.89</u>    | <u>17,141.89</u>    |

**Note No.12**

|   | (Rs. in lacs)       |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>BORROWINGS</b>                               |                     |                     |                     |
| <b>Secured - At Amortized Cost</b>              |                     |                     |                     |
| Non-Convertible Debentures                      | 2,972.21            | 2,972.21            | 2,972.21            |
| Loan from State Financial<br>Institutions       | 2,637.99            | 2,638.99            | 2,638.99            |
| Loan acquired by Investor<br>(Refer Note below) | 12,360.48           | 3,572.80            | 3,572.80            |
| <b>Total</b>                                    | <u>17,970.68</u>    | <u>9,184.00</u>     | <u>9,184.00</u>     |

**UNSECURED LOANS**

|   |                  |                  |                  |
|---|------------------|------------------|------------------|
| Loan acquired by investor (Refer<br>note below) | -                | 17,101.59        | 16,843.50        |
| Loans from Related Parties                      | 1,075.85         | 3,560.53         | 3,712.54         |
| Loans from Others                               | -                | 61.81            | -                |
| <b>Total</b>                                    | <u>1,075.85</u>  | <u>20,723.93</u> | <u>20,556.04</u> |
| <b>Total</b>                                    | <u>19,046.53</u> | <u>29,907.93</u> | <u>29,740.04</u> |

## Note

(I) The Company has entered into an agreement with a Strategic Investor to take over the loans from its all existing lenders directly or indirectly through other agencies and has agreed to pay as per Strategic Investment Agreement within 24 months from the date of 100% loans take-over by the Investor. The modification of charge in favour of Strategic Investor for the loans acquired by the Strategic Investor has been done. Company has obtained substantial relief of Rs. 311.04 crore from Strategic Investor from the originally agreed terms. The relief received from Strategic Investor is considered as reduction in fair value of the liability on the transition date, i.e. 1st April 2016. The reconciliation of effect of transition to Ind AS is given in Note No. 32A.

Further, in view of the advice from the technical consultant (Refer Note No. 24) to abandon the PTA project and discard its plant and machinery due to safety concern, the Company has negotiated and secured further reduction of Rs. 105.92 crore in the amount payable to the Strategic Investor. This reduction in liability is subject to right to recompense in case of failure of the Company to repay the dues within mutually agreed time frame. The reduction in liability agreed upon by the Strategic Investor has been shown under Other Comprehensive Income (Refer Note No. 21).

(ii) Non-Convertible Debentures include Series I debentures of the value of Rs. 2200.00 lacs and Series III debentures of the value of Rs. 772.21 lacs. These debentures were redeemable at par in one or more instalments on various dates between February, 1999 and October, 2007 and are overdue for payment. Series I debentures of the value of Rs. 2200 lacs are secured by (i) first charge by way of English mortgage ranking pari-pasu of the immovable properties situated at specified plot of land at village Palas, District Roha, in the state of Maharashtra, and (ii) extension of first charge ranking pari-pasu on movable properties situated at village Chhata, District Mathura in the state of Uttar Pradesh. These debentures are further secured by first charge on all the movable assets of the Company both present and future (excluding current assets and specific assets charged to others) situated at aforesaid locations and ranking on a pari-pasu basis with others. The debentures are further secured by personal guarantee of a Promoter Director.

Series III debentures of the value of Rs. 772.21 lacs are secured by first charge by way of English mortgage ranking pari-pasu of the immovable properties situated at specified plot of land at village Palas, District Roha, in the state of Maharashtra, and first charge ranking pari-pasu on movable assets situated at village Chhata, District Mathura in UP.

(iii) Loans from financial institutions amounting to Rs. 2637.99 lacs (Previous year- Rs. 2638.99 lacs) along with loans acquired/settled/repaid by Strategic Investor are secured by way of Equitable Mortgage on immovable properties situated at Chhata, District Mathura in the State of Uttar Pradesh and are further secured by way of hypothecation of movable properties of the Company both present and future (other than current assets and specific assets charged to others) ranking on a pari-pasu basis and are further secured by personal guarantee of a Promoter Director.

Above loans from financial institution are inclusive of advance of Rs. 407.90 lacs given by the said institution to an Equipment Vendor for the supply of specific plants at Company's site to be leased on commissioning to the Company. The above outstanding is included in the Term Loan in view of a CDR proposal to that effect followed by in-principle confirmation from the said Financial Institution to that restructuring scheme.

(iv) Secured Loan from Strategic Investor includes dues of banks and Financial Institution which were acquired and repaid by the Strategic Investor. These loans are secured by way of hypothecation/ charge on the immovable properties of the company excluding assets specifically charged to others and is further secured by personal guarantee of a Promoter Director.

Loans includes NCD acquired by strategic investor of the face value of Rs. 7153.43 lacs on account of NCD redemption. Non-Convertible Debentures were redeemable at par in one or more instalments on various dates with redemptions commencing from February, 1999 being the earliest redemption and October, 2007 being the last redemption date. These NCDs are part of the settlement with the Strategic Investor as mentioned above in clause (I).

(v) A Promoter Director of the Company, his family members and investment companies, have pledged 20.88 lacs shares owned by them to Banks and Financial Institutions as collateral security.

### Note No.13

|                                    | (Rs. in lacs)       |                     |                     |
|------------------------------------|---------------------|---------------------|---------------------|
|                                    | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Financial Liabilities</b> |                     |                     |                     |
| Creditors for Capital Assets       | 27.09               | 10.76               | 17.27               |
| <b>Total</b>                       | <u>27.09</u>        | <u>10.76</u>        | <u>17.27</u>        |

### Note No.14

|                                | (Rs. in lacs)       |                     |                     |
|--------------------------------|---------------------|---------------------|---------------------|
|                                | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Provisions</b>              |                     |                     |                     |
| Provisions for Gratuity        | 11.77               | 11.93               | 11.26               |
| Provision for Leave Encashment | 2.39                | 2.61                | 2.70                |
| <b>Total</b>                   | <u>14.16</u>        | <u>14.54</u>        | <u>13.96</u>        |

### Note No.15

|                        | (Rs. in lacs)       |                     |                     |
|------------------------|---------------------|---------------------|---------------------|
|                        | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Trade Payables</b>  |                     |                     |                     |
| For goods and services | 15.52               | 15.03               | 16.04               |
| Payable to others      | --                  | --                  | --                  |
| <b>Total</b>           | <u>15.52</u>        | <u>15.03</u>        | <u>16.04</u>        |

### Note No.16

|                                    | (Rs. in lacs)       |                     |                     |
|------------------------------------|---------------------|---------------------|---------------------|
|                                    | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Financial Liabilities</b> |                     |                     |                     |
| Other payables                     |                     |                     |                     |
| Due to Employees                   | 15.86               | 12.47               | 15.65               |
| Advance                            | 410.20              | --                  | --                  |
| <b>Total</b>                       | <u>426.06</u>       | <u>12.47</u>        | <u>15.65</u>        |

**Note No.17**

|  | (Rs. in lacs)       |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | As at<br>31/03/2018 | As at<br>31/03/2017 | As at<br>01/04/2016 |
| <b>Other Non-Financial Liabilities</b> |                     |                     |                     |
| Statutory Liabilities                  | 3.65                | 0.47                | 0.43                |
| <b>Total</b>                           | <u>3.65</u>         | <u>0.47</u>         | <u>0.43</u>         |

**Note No.18**

|                                 | (Rs. in lacs)                               |   |
|---------------------------------|---|---|
|                                 | For the Current<br>Year ended<br>31/03/2018 | For the Current<br>Year ended<br>31/03/2017 |
| <b>Other Income</b>             |   |   |
| Net Interest and other expenses | 1.04  | -   |
| Sale of old and used goods      | 84.90                                       | -   |
| <b>Total</b>                    | <u>85.94</u>                                | <u>-</u>                                    |

**Note No.19**

|                                  | (Rs. in lacs)                               |   |
|----------------------------------|---|---|
|                                  | For the Current<br>Year ended<br>31/03/2018 | For the Current<br>Year ended<br>31/03/2017 |
| <b>Employee Benefits Expense</b> |   |   |
| Salary & Allowances              | 34.32                                       | -   |
| Staff Welfare expenses           | 1.33  | -   |
| <b>Total</b>                     | <u>35.65</u>                                | <u>-</u>                                    |

**Note No.20**

|   | (Rs. in lacs)                               |   |
|---|---|---|
|   | For the Current<br>Year ended<br>31/03/2018 | For the Current<br>Year ended<br>31/03/2017 |
| <b>Administration and other charges</b> |   |   |
| Rent, Rates & Taxes                     | 4.40  | -   |
| Repairs & Maintenance                   | 12.54                                       | -   |
| Power & Fuel                            | 2.51  | -   |
| Insurance                               | 3.20  | -   |
| Postage & Telephone                     | 0.86  | -   |
| Printing & Stationery                   | 1.22  | -   |
| Traveling & Conveyance                  | 15.82                                       | -   |
| Professional Charges                    | 5.94  | -   |
| Audit Fees                              | 2.50  | -   |
| Miscellaneous Expenses                  | 24.20                                       | -   |
| <b>Total</b>                            | <u>73.19</u>                                | <u>-</u>                                    |

**Note No.21**

|   | (Rs. in lacs)                               |   |
|---|---|---|
|   | For the Current<br>Year ended<br>31/03/2018 | For the Current<br>Year ended<br>31/03/2017 |
| <b>Other Comprehensive Income</b>   |   |   |
| <b>Items that will not be classified into profit or loss</b>  |   |   |
| Impairment loss on Plant and Machinery under construction and other assets (Refer Note No. 24 and 29 (f)) | (11,506.62)                                 | -   |
| Reduction in liabilities (Refer Note No. 12)  | 10,493.77                                   | -   |
| <b>Total</b>  | <u>(1,012.85)</u>                           | <u>-</u>                                    |

**Note No.22**

|   | (Rs. in lacs)                               |   |
|---|---|---|
|   | For the Current<br>Year ended<br>31/03/2018 | For the Current<br>Year ended<br>31/03/2017 |
| <b>Earnings Per Share:</b>                                      |   |   |
| Profit / (Loss for the year)                                    | (28.91)                                     | -   |
| Weighted average no. of ordinary shares for Basic & Diluted FPS | 16,30,95,352                                | 16,30,95,352                                |
| Basic & Diluted earnings per share (in Rs.)                     | (0.02)                                      | -   |

23. Some of the lenders have approached DRT for recovery of their dues. Certain bankers and Financial Institutions have settled / assigned their claims to certain Asset reconstruction Company, Foreign bank and other Investment Companies including one strategic investor with whom company has entered into complete strategic investment settlement agreement. Company has replaced those lenders in its books of accounts by incorporating the name of strategic investor who has funded the OTS with them. PICUP being one of the Secured Creditors has issued notice for taking possession of assets of the Company. Company has obtained stay order from honourable Allahabad High Court against the PICUP's notice of possession. Company is also in negotiation with PICUP for settlement of its dues.

24. Company's PTA Plant under construction at Chhata in UP has been under shut down since September, 2000. Corrosion has taken place in the Plant due to climatic and cyclonic conditions in the area and due to lack of operation in the plant. Meanwhile, provisions of Ind AS became applicable to the Company with Transition Date being 01.04.2016. Company has elected to adopt Fair Value for measurement of Property Plant & Equipment. A reputed firm of valuers has assessed the Fair Value of plant and equipment under construction in PTA project of the Company at Chhata at Rs. 22514 lacs as on 01.04.2016. Loss of Rs. 68807 lacs arising from such Fair Value adoption has been adjusted in Ind AS Transition Reserve (Refer Note No. 32A).

The Company also sought advice of the experts on possible alternative uses of the plant under construction at Chhata. However Technical Expert, after doing health assessment of the plant, has categorically stated that if the Company tries to repair the equipment after some inspections, it will not be possible to guarantee overall safety & reliability of high pressure equipment for hazardous plant operation. Technical expert did not consider it safe to operate the equipment in Company's plants & offsite facilities and concluded that Company's plant and equipment under construction were not fit for operation and hence should be discarded.

Based on above advice, the Company has provided Impairment loss of Rs. 11343 lacs during the year in line with provisions of Ind AS 36- Impairment of Assets, considering scrap value of the discarded plant as realisable value of the asset. This being a technical matter, loss estimate is done by the management and relied upon by the auditors. Company has appointed largest plant disposal & management consultant to sell and dispose the plant & equipment as scrap subject to necessary approval from lenders. The impairment loss has been accounted under other comprehensive income (Refer Note No. 21). Other items of Capital work in progress have been capitalised and transferred to respective accounts of fixed assets on 31.03.2018. The Company has received an advance of Rs. 401 lacs from one party interested in purchase of some of the plant & equipments under sale.

25. In respect of financial liabilities of the company towards outstanding debentures and secured loans from state financial institution, the Company is in negotiations for settlement of their dues. A reliable estimate cannot be made of the amount likely to be paid in satisfaction of above obligations. Following the provision of Ind AS 37 no provision has been made for additional amounts on account of interest and other charges which may be payable to the lenders.

26. Prior to this year the company has been capitalising the expenses (net of any miscellaneous income) incurred as pre-operative expenses in capital work in progress. Expenses up to 30th September 2017 have been accounted on the same basis and have been capitalised into capital work in progress. On deciding to abandon and scrap the project in progress, the revenue transactions with effect from 1st October 2017 have been recognised in the profit and loss statement.

27. Calls in arrears include unpaid Allotment Money related to Debentures which have been converted into Equity Shares as per the terms of their issue. The Company, in exercise of its lien on such shares, has not issued the share certificates to the defaulting Debenture holders. The Company's lien on such shares will extend to the forfeiture of such shares if considered necessary by the Company Board in due course of time.

|                               | As at<br>31/03/2018 | As at<br>31/03/2017 |
|-------------------------------|---------------------|---------------------|
| <b>28. Payment to Auditor</b> |                     |                     |
| Statutory Audit Fee           | 2.00                | 1.00                |
| Limited Review Fee            | 1.50                | --                  |
| <b>Total</b>                  | <u>3.50</u>         | <u>1.00</u>         |

29. Contingent Liabilities not provided for in the Accounts are as follows :

- a) Claims against the Company not acknowledged as debt, as certified by the management, including matter under litigation as on 31st March, 2018 Rs. 835.26 lacs (P.Y.Rs.835.26 lacs).
- b) During the financial year 2015-16 company had received a letter dated 11.01.2016 from Central Bank for their fee including interest of Rs. 506.09 lacs for acting as Debenture trustee. Company has not provided for this demand as the matter is pending before Debt Recovery Tribunal (DRT).
- c) Commercial Tax authorities have levied penalty for the years 2007-08 and 2008-09 of Rs.1,62,528/- and Rs.3,61,540/- respectively regarding use of concession form on procurement of HSD taken / used. Company has preferred appeal before the appellant authority for the stay and waiver of the penalty. The appeal has been decided partially in favour of company by giving 50% relief. Now, company has filed appeal before Tribunal for waiver of balance amount of Penalty. Company has however deposited the disputed amount under protest pending its appeal before the Tribunal. The final hearing has taken place and the order is awaited.
- d) The Company had received show cause notice in the year 2003-04 from the Government authorities demanding duty of Rs. 95.57 lacs on imported spares kept in Govt. approved Bonded warehouse beyond permissible time limit. The authorities vide their order dated 30.05.2016 dropped the proceedings and instructed the competent officer to take charge of the imported spares, dispose them through auction and use the amount towards ground rent and detention

charges. During the year, the Company has written off the imported spares shown in inventory amounting to Rs. 165 lacs and written back provision for duty demand.

30. Income Tax Assessment / intimation U/S 143 (1) of the company have been completed up to Assessment Year 2016-17. There is no disputed demand outstanding and payable as on date of Balance sheet.

31. There are no dues to Micro, Small and Medium Enterprises which are outstanding as at the Balance Sheet date and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

### 32. OTHER NOTES

#### A. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. The Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101- First Time Adoption of Indian Accounting Standards. Reconciliation and description of the effect of transition from previous GAAP to INDAS on net worth are provided below:

#### I. Reconciliation of Net worth from Previous GAAP to Ind AS as on April 1, 2016

| Sr. No. | Particulars   | Amount      | Amount           |
|---------|---|-------------|------------------|
| a.      | Reserve as per Previous GAAP  |             | 16,637.92        |
| b.      | Adjustments on account of application of Ind AS shown under Ind AS transition Reserve |             |                  |
|         | Fair Valuations as deemed cost for Property, Plants & Equipments & WIP                | (30,918.40) |                  |
|         | Fair Valuations for Financial Assets  | (388.59)    |                  |
|         | Fair Valuations for Financial Liabilities   | 31,810.96   | 503.97           |
| c.      | <b>Reserves as per Ind AS (a+b)</b>   |             | <b>17,141.89</b> |

- a. Fair valuation as deemed cost for Property, Plant and Equipment: The Company have considered fair value for property, viz land admeasuring over 261 acres, situated in Mathura, UP, with impact of Rs. 378.90 crore and unused under construction PTA Plant closed and non operative since 2000 with impact of (-) Rs. 688.07 crore in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the Ind AS Transition Reserve.

b. Fair valuation for Financial Assets : The Company has valued Financial assets at fair value. Impact of fair value changes as on the date of transition, is recognised in Ind AS Transition Reserve.

c. Fair valuation for Financial Liabilities : The Company has valued Financial Liabilities at fair value. Impact of fair value changes as on the date of transition, is recognised in Ind AS Transition Reserve. The substantial relief of Rs. 311.04 crore received from strategic investor has been considered for fair valuation of borrowings.

B. During the year the company has set up 100% subsidiary with a capital of Rs. 1.00 lac. The subsidiary company has not started any operations during the year and no bank account was opened till 31.03.2018.

33. Related Parties Disclosure in respect of Related Parties pursuant to Ind AS 24 are given below:

A) List of related party with whom transactions have taken place and relationship :-

**Subsidiary Company**

i) Nandvan Food Park Private Limited

**Associate Company**

- i) Akhil Marketing Private Limited
- ii) Krishna Advisors Private Limited
- iii) Krishna Suppliers Private Limited
- iv) SVC Growth Fund Private Limited

**Key Management Personnel**

**Non Wholetime Director**

Sh. Suresh V. Chaturvedi - Promoter Director  
Sh. G S Dahotre-Director  
Sh. Jaffar Imam- Director  
Sh. I G Mehrotra-Director  
Sh. P P Shastri- Director  
Ms Abha Ravi- Director

B. Transaction during the Accounting year with related parties

| Nature of Transaction                                      | Associates Company | Key Man. Personnel | Total      |
|--|--------------------|--------------------|------------|
| <b>Loans</b>   |                    |                    |            |
| Opening Balance 01.04.17                                   | 3,560.54           |                    | 3,560.54   |
|  | (3,712.54)         |                    | (3,712.54) |
| Received / transfer from other liabilities during the year | 98.38              |                    | 98.38      |
|  | (18.00)            |                    | (18.00)    |
| Paid during the year                                       | 54.41              |                    | 54.41      |
|  | (170.00)           |                    | (170.00)   |
| Liability taken over by strategic investor                 | 2,528.66           |                    | 2,528.66   |
|  | (0.00)             |                    | (0.00)     |
| Closing Balance - 31.03.18                                 | 1,075.85           |                    | 1,075.85   |
|  | (3,560.54)         |                    | (3,560.54) |
| Expenditure  |                    | 1.70               | 1.70       |
| Sitting Fees   |                    | (1.40)             | (1.40)     |

a) No amount in respect of related parties have been written off / written back during the Accounting Period.

b) Related party relationship have been identified by the management based on Ind AS 24 and relied upon by the Auditors.

34. Pre-operative expenses subject to Note No. 26 hereinabove in respect of ongoing project up to 30th September 2017 are included under the head Capital Work-in-Progress.

|  | 2017-18<br>(upto 30-09-2017) | 2016-17       |
|--|------------------------------|---------------|
| Payment to / for Employees                           | 30.56                        | 68.60         |
| Rent. Rates & Taxes                                  | 4.97                         | 7.88          |
| Repairs & Maintenance                                | 11.02                        | 27.78         |
| Power & Fuel   | 2.63                         | 12.51         |
| Insurance  | 0.24                         | 4.98          |
| Postage & Telephone                                  | 3.17                         | 1.75          |
| Exchange fluctuation                                 | -                            | (5.18)        |
| Printing & Stationary                                | 1.22                         | 4.20          |
| Traveling & Conveyance                               | 11.43                        | 24.01         |
| Professional charges                                 | 2.24                         | 11.16         |
| Audit Fees   | 1.00                         | 1.00          |
| Miscellaneous Expenses                               | 9.54                         | 22.73         |
| Stores & Spares Consumed                             | -                            | 0.04          |
| Depreciation (b)                                     | 6.00                         | 12.18         |
|  | <u>84.02</u>                 | <u>193.64</u> |
| Less: Net Interest and other expenses                | (1.04)                       | (6.65)        |
| Sale of old and used goods                           | --                           | (12.06)       |
| Pre-operative expenses transferred to Capital W.I.P. | <u>82.98</u>                 | <u>174.93</u> |

35. Previous year figures have been regrouped, reworked, rearranged and reclassified wherever necessary. Figures in brackets indicate the corresponding figures for the previous year.

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
ICAI FRN: 112627W

**SRIKANT CHATURVEDI**

Partner  
ICAI M.No. 070019

Place : Mumbai  
Date : 2<sup>nd</sup> June, 2018

**SURESH V. CHATURVEDI** : Promoter Director  
**JAFFAR IMAM** : Director  
**I. G. MEHROTRA** : Director  
**G. S. DAHOTRE** : Director  
**P.P. SHASTRI** : Director

**SANJAY AGARWAL**  
Chief Financial Officer

**KARUNA NAIK**  
Company Secretary



**SVC INDUSTRIES LIMITED**

CIN: L23201MH1989PLC053232

301-A, Shubham Centre-1, 491, Cardinal Gracious Road, Andheri (East), Mumbai - 400 099.

Tel.: 28324296 E-mail: svcindustriesltd@gmail.com

**ATTENDANCE SLIP FOR 27<sup>th</sup> ANNUAL GENERAL MEETING**

Members attending for 27<sup>th</sup> Annual General Meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall,

I hereby record my presence at the Annual General Meeting of the Company at Indian Merchants` Chamber, Walchand Hirachand Hall, 4th Floor, LNM IMC Building, Churchgate, Mumbai- 400 020, on Saturday, 8<sup>th</sup> September, 2018 at 11.30 A.M.

Name of the Shareholder.

Address of Shareholder

Contact details:

Email ID:

FOLIO NO.

D.P. ID No.

CLIENT ID No.

No. of Shares held:

\* Applicable for member holding shares in electronic form

I hereby record my presence at the Annual General Meeting of the Company at Indian Merchants` Chamber, Walchand Hirachand Hall, 4th Floor, LNM IMC Building, Churchgate, Mumbai- 400 020, on Saturday, 8<sup>th</sup> September, 2018 at 11.30 A.M.

.....  
Full name of the proxy (in block letters) Signature





# SVC Industries Limited

## Proxy Form – MGT-11

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

CIN: L23201MH1989PLC053232

Name of the Company: SVC Industries Limited

Registered Office: 301-A, Shubham Centre-1, 491, Cardinal Gracious Road, Andheri (East), Mumbai – 400 099

Website: www.svcindustriesltd.com

Name of the Member (s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: ..... DP ID No.\* ..... Client ID No.\* .....

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of SVC Superchem Limited, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on the 8<sup>th</sup> September, 2018 at 11.30 A.M. at the Indian Merchants' Chamber, Walchand Hirachand Hall, 4<sup>th</sup> Floor, LNM IMC Building, Churchgate, Mumbai- 400 020 and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

### ORDINARY RESOLUTION:

Resolution No.1: Adoption of Financial Statements for the year ended 31<sup>st</sup> March, 2018

Resolution No. 2: Re-appointment of Mrs. Abha Ravi as Director liable to retire by rotation.

Signed this \_\_\_\_\_ day of September, 2018

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.

Affix  
revenue  
stamp  
of Re.1/



## SVC Industries Limited

Registered office: 301, Shubham Centre-1, 491 Cardinal Gracious Road, Andheri (East), Mumbai-400 099  
[CIN No: L23201MH1989PLC053232] [E-Mail: svcindsutriesltd@gmail.com]  
[Website: www.svcindustriesltd.com [Tel Nos: 022 28324296]

### BALLOT FORM

(To be returned to Scrutinizer appointed by SVC Industries Limited)

1. Name(s) of Member(s) :

(including joint-holders, if any)

2. Registered Folio No. /

DP ID No. / Client ID No.:

(\*Applicable to Members holding shares  
in dematerialised form)

3. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice of the Annual General Meeting dated 7<sup>th</sup> July, 2018 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

| Item No. | Description  | Type of resolution (Ordinary / Special) | I / We assent to the resolution (For) | I / We dissent to the Resolution (Against) |
|----------|--|---|---------------------------------------|--|
| 1        | Adoption of Financial Statements for the year ended 31st March, 2018     | Ordinary                                |                                       |  |
| 2        | Re-appointment of Ms. Abha Ravi as Director liable to retire by rotation | Ordinary                                |                                       |  |

Place :

Date :

\_\_\_\_\_  
Signature of Member / Beneficial Owner

#E-mail:..... #Tel No.:.....

#### **ELECTRONIC VOTING PARTICULARS**

| <b>EVEN<br/>(E-Voting Event Number)</b> | <b>USER ID</b> | <b>PASSWORD/PIN</b> |
|---|----------------|---------------------|
|   |                |                     |

**NOTE :** Kindly read the instructions printed overleaf before filling the form. Last date for receipt of postal Ballot Forms by Scrutinizer is 7<sup>th</sup> September, 2018

## INSTRUCTIONS

1. Those members, who do not have access to e-voting facility provided by the Company for the AGM in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, may send their assent or dissent in writing on the Postal Ballot Form. Accordingly, this Postal Ballot Form is being provided to facilitate voting provided under Section 108 of the Companies Act, 2013 at 27<sup>th</sup> AGM of the Company.
2. A Member desiring to exercise his/her vote by Postal Ballot Form should complete this Postal Ballot form, sign and send it to the Scrutinizer as per instruction given in point 6 below at the address Mr.Ranjeet Kumar Sharma, C/o. Sharex Dynamic (India) Private Limited, SVC Industries Limited, Unit -1, Luthra Industrial Premises, 1st Floor, 44-E, M. Vasanti Marg, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072 E-mail: investor@sharexindia.com. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if deposited in person or sent by courier at the expenses of the Members will also be accepted.
3. The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company and the address at which the Postal Ballot Form is to be sent.
4. The Postal Ballot form should be completed and signed by the Members. In the case of joint shareholding, this form should be completed and signed by the first named holder and in his absence, by the joint holder (s) of shares. Unsigned Postal Ballot forms will be rejected. The signature on the Postal Ballot Form must tally with the specimen signature registered with the Registrar.
5. Where the Postal Ballot Form has been signed by an Authorized Representative of a body corporate, a certified copy of the relevant authorizations to vote on the Postal Ballot should accompany with the Postal Ballot Form. A member may sign the Form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than 5.00 p.m. on 7th September 2018. Any Postal Ballot Form received after this time and date will be treated as if the reply from the Member has not been received.
7. A Member may request for a duplicate Postal Ballot Form, if so required. However the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the time and date specified at Item No.6 above.
8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Member on 1<sup>st</sup> September, 2018 which is the cut- off date fixed for this purpose.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage pre-paid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.
10. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Member (s).
11. A Member need not use all the votes nor does he need to cast all the votes in the same way.
12. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
13. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
14. The date of AGM will be the deemed date of passing resolution (s) through e-voting/ Postal Ballot. It may also be noted that, in terms of Section 114 of the Act, the Resolutions contained in the AGM Notice will be deemed to have been passed through the e-voting and Postal Ballot Form unless the Poll is taken at the AGM. Accordingly, the results shall be declared in terms of Rules 20 or 21 of the Companies (Management and Administration) Rules 2014, as the case may be.
15. The right of e-voting and Postal Ballot Form shall not be exercised by a Proxy.



# ROUTE MAP OF AGM VENUE

Eros  
Talkies

Towards  
Fountain

Towards Marine Drive

Indian  
Merchant  
Chambers

Ambassador  
Hotel

Churchgate  
Station



**SVC INDUSTRIES LIMITED**

(Formerly known as SVC Superchem Ltd.)

CIN: L23201MH1989PLC053232

301-A, Shubham Centre-1,  
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E-mail: [svcindustriesltd@gmail.com](mailto:svcindustriesltd@gmail.com)