

AADI INDUSTRIES LIMITED

23rd ANNUAL REPORT

2016-2017

CHAIRMAN & MANAGING DIRECTOR

MR. RUSHABH SHAH

DIRECTORS

MR. SADANAND KOTNIS

MR. KAVITA JAMSUTKAR

AUDITORS

M/S. K.S. SUBRAMANYAM & CO.

Chartered Accountants

Mumbai

BANKERS

DENA BANK

REGISTERED OFFICE

320/7, Siddhivinayak Society,

Hingwala Lane, Pant Nagar,

Ghatkopar (East),

Mumbai - 400 075

REGISTRAR & SHARE TRANSFER

AGENT

SHAREX DYNAMIC (INDIA) PVT. LIMITED

Unit 1, Luthra Indl Estate, Andheri-Kurla Road,

Andheri (East),

Mumbai 400 072

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the members of **AADI Industries Limited** will be held at 11.00 a.m. on Saturday, 23rd September 2017, at 320/7 Siddhivinayak Co-operative Housing Society, Hingwala Lane, Pant Nagar, Ghatkopar (East), Mumbai – 400 075 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2017, viz. Balance Sheet as at 31st March 2017, Profit & Loss Accounts and Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rushabh Shah (DIN: 01944390), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and rules, circulars, notifications made/ issued thereunder, including any amendment, modification, variation or re-enactment thereof, the appointment of M/s K. S. Subramanyam & Co., Chartered Accountants (Firm Registration No. 018630) as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on September 30, 2014, for a term of 5 years i.e. from the conclusion of the Twentieth Annual General Meeting until the conclusion of the Twenty fifth Annual General Meeting, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company including fixing of their remuneration.”

By Order of the Board of Directors

Rushabh Shah
Chairman & Managing Director
DIN: 01944390

Place: Mumbai
Date: 14th August, 2017

Registered Office:

320/7 Siddhivinayak Co-operative Housing Society,
Hingwala Lane, Pant Nagar,
Ghatkopar (East), Mumbai – 400 075

CIN: U25203MH1994PLC206053

Tel No.: **022 25012768**

Website: www.aadiindustries.com **Email:** aadi.industries@hotmail.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The duly filled proxy form in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for commencement of the Annual General Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
5. The Register of Members and Transfer Books of the Company will be closed from Monday 18th September, 2017 to Monday 25th September, 2017 (both days inclusive).
6. Members holding shares of the Company as on Monday, 18th September, 2017 ("Cut off date"), shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

7. Brief profile of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se, etc. as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges and Secretarial Standards, are annexed to the Explanatory Statement.
8. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2016-17 are being sent by e-mail to those Members who have registered their e-mail address with the Company's Registrars and Share Transfer Agent (in respect of shares held in physical form) or with their Depository Participants (DPs) (in respect of shares held in electronic form) and made available to the Company by NSDL and CDSL.
9. Members are advised to register/update their address, e-mail addresses and bank mandates (i.e. bank account number, name of the bank and the branch, 9 digit MICR Bank/ Branch code and account type) to their DPs in case of shares held in electronic forms and to the Company's RTA in case of shares held in physical form for receiving all communications, including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. Members are requested to hand over the enclosed Attendance Slip, duly filled in and signed in accordance with their specimen signature(s) registered with the Company for admission to the AGM hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
11. Information and other instructions relating to voting by electronic means:
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed in this notice by electronic means and the business may be transacted through e-Voting Services the said resolutions will not be decided on a show of hands at the AGM.
 - b. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) ("remote e-voting") will be provided by Central Depository Services Limited(CDSL)
 - c. 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.
 - d. 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.
 - e. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.
 - f. The remote e-voting period commences on Tuesday, 19th September, 2017 (10.00 am) and ends on Friday, 22nd September, 2017 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 18th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked

by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

12. The process and manner for remote e-voting are as under:

- i. The voting period begins on Tuesday, 19th September, 2017 (10.00 am) and ends on Friday, 22nd September, 2017 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on "Shareholders" tab.
- v. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- vi. Now Enter User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- ix. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>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.</p>
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> <p>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 (v).</p>

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. 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.

- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xiii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - xiv. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xvi. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xvii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xviii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - xix. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xx. **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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - xxi. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xxii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
 - xxiii. The shareholders can also access the Annual Report 2016-17 of the Company circulated to the Members of the Company and other information about the Company on Company’s website, i.e., www.aadiindustries.com or on BSE’s web-site: www.bseindia.com.
 - xxiv. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Monday, 18th September, 2017, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com s
13. 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.

14. The Company has appointed a Practicing Company Secretary, as scrutinizer (the 'Scrutinizer') for conducting the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
15. 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.
16. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.aadiindustries.com and on the website of CDSL 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.

BRIEF RESUME OF THE PERSONS PROPOSED TO BE RE-APPOINTED AS THE DIRECTORS OF THE COMPANY AT THE 23rd ANNUAL GENERAL MEETING IN ACCORDANCE WITH SECRETARIAL STANDARDS [‘SS - 2’]:

Name of the Director	Mr. Rushabh Shah
Age	37
Date of Appointment on the Board	07/11/2007
Qualifications	B.Com
Shareholding in the Company	2,486,429
Nature of Expertise & Experience	Has over 15 years experience in the field of Plastic Industries and expertise and knowledge in Finance and Accounts.
Terms and Conditions of Appointment/re-appointment	3 Years
Details of Remuneration sought to be paid	NA
Remuneration last drawn	NA
Number of Meetings attended during the year	NA
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	NA
Name of the other Companies in which also holds Directorship	Aadi Polyflex Private Limited

By Order of the Board of Directors

**Rushabh Shah
Chairman & Managing Director
DIN: 01944390**

Place: Mumbai
Date: 14th August, 2017

DIRECTORS' REPORT

To
The Members,
Aadi Industries Limited

Your Directors present the 21st Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

1. FINANCIAL STATEMENTS & RESULTS:

a. Financial Results

The Company's performance during the year ended 31st March, 2017 as compared to the previous financial year, is summarized below:

(In Rs.)

Particulars	2016-17	2015-16
Gross Income	-	-
Total Expenditure	14,77,550	68,41,368
Net Profit/Loss before Exceptional, prior period Items & Tax	(14,77,550)	(68,41,368)
Tax Expense (Current Tax + Deferred Tax+Short Provision for Tax during earlier years)	-	(1,54,43,147)
Net Profit/Loss After Tax	-	(1,54,43,147)

b. Operations:

The Company is in the business of trading and manufacturing of plastic and plastic products.

There was no change in nature of the business of the Company, during the year under review.

During the year under review, the Company has not carried out any activities.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

d. DIVIDEND:

Considering the loss incurred in the current financial year and accumulated losses,

your directors do not to recommend any dividend for the financial year under review.

e. TRANSFER TO RESERVES:

In view of loss incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

f. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

i. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS :

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Auditors of the Company for inefficiency or inadequacy of such controls.

j. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The Company has not entered into any transactions / contracts / arrangements by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year.

k. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The Company has not given any loans, guarantees, or made investments or provided securities during the financial year.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Rushabh Shah retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their approval.

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received and taken on record the declarations received from both the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met Five times during the financial year ended 31st March 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2017, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors 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 at 31st March, 2017 and of the loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

1. Ms. Kavita Suresh Jamsutkar, Chairman,
2. Mr. Sadanand Purushottam Kotnis, Director and
3. Mr. Rushabh Shah, , Director

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under:

I Selection of Directors And Key Managerial Personnel

In case of Executive Directors and Key Managerial Personnel, the selection can be made in either of the ways given below:

- a) by way of recruitment from outside;
- b) from within the Company hierarchy; or
- c) Upon recommendation by the Chairman or other Directors.

The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive Directors the selection can be made in either of the ways given below:

- a) By way of selection from the data bank of Independent Directors maintained by the Government.
- b) Upon recommendation by Chairman or other Directors.

II Qualifications, Experience And Positive Attributes Of Directors

- a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the job description to the Committee shall be provided and along with justifications that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment.
- c) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

III Board Diversity and Independence of Directors

While making appointment of directors, following principles shall be observed by the Board, as far as practicable:

- a) There shall be a proper mix of Executive and Non-Executive Directors and Independent and non-independent directors on the Board. The Company shall always be in compliance of the provisions of Section 149 of the Companies Act, 2013 in this regard.
- b) There shall be a workable mix of directors drawn from various disciplines like technical, finance, commercial, legal etc.
- c) While appointing a director to fill in a casual vacancy caused by death, resignation etc. of a director, an effort shall be made, as far as possible, to appoint such a person in his place who has the relevant experience in the fields or disciplines in which the outgoing director had with relevant expertise as requisite to Business of the Company.
- d) No preference on the basis of gender, religion or cast shall be given while considering the appointment of directors.
- e) While appointing independent directors, the criteria for the independent directors, as laid down in Section 149 (6) of the Companies Act, 2013 shall be

followed.

d. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. Rushabh Shah, Chairman,
2. Mr. Sadanand Purushottam Kotnis , Independent Director and
3. Ms. Kavita Suresh Jamsutkar, Independent Director.

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee

e. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee, comprising of Mr. Rushabh Shah as its Chairman and, Mr. Sadanand Purushottam Kotnis and Ms. Kavita Suresh Jamsutkar as the Committee Members Respectively.

f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right / option to report their concern / grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the Company's website at: www.aadiindustries.com.

g. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to

manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

h. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

Nomination and Remuneration Committee of the Board had prepared and sent, through its Chairman, feedback forms for evaluation of the Board, Independent Directors and the Chairman. The Independent Directors at their meeting considered and evaluated the Board's performance, performance of the Chairman. The Board subsequently evaluated performance of the Board, the Committees and Independent Directors; without participation of the concerned Director.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 24th March, 2017 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee is as below:

- Ethics and values,
- knowledge and proficiency,
- diligence,
- Behavioral traits and
- Efforts for personal development

Similarly, performance evaluation of the Chairman was carried out by the Independent Directors.

i. INTERNAL CONTROL SYSTEMS:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

4. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2017:

The company was unable to appoint a secretarial auditor for the period under review

c. RATIFICATION OF APPOINTMENT OF AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, at the Annual General Meeting held on 27th September, 2014, the shareholders approved the appointment of M/s K. S. Subramanyam & Co., Chartered Accountants, as Statutory Auditors of the Company for a term of 5 years subject to ratification of appointment by shareholders at every Annual General Meeting. The Company has received a confirmation from the said Auditors that they are eligible to hold the office as Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure I which forms part of this Report.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the fact that the Company has not undertaken any activities during the year under review.

During the year under review, the Company has neither earned nor used any foreign exchange.

6. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

RUSHABH SHAH
MANAGING DIRECTOR
DIN: 01944390

SADANAND KOTNIS
DIRECTOR
DIN: 05230970

Date: 14/08/2017

Place: Mumbai

Registered Office

320/7, Siddhivinayak Co-Operative Housing Society,
Hingwala Lane, Pant Nagar,
Ghatkopar (East),
Mumbai - 400 075

CIN: U25203MH1994PLC206053

TEL No. 022-25012706 / 2768

Mail. shareholders@aadiindustries.com website www.aadiindustries.com

EXTRACT OF ANNUAL RETURN
As on financial year ended 31-03-2017
[Pursuant to Section 92(3) of the Companies act, 2013 read with
[The Companies (Management and Administration) Rules, 2014] **FORM NO. MGT-9**

A.REGISTRATION AND OTHER DETAILS:										
CIN:-		U25203MH1994PLC206053								
Registration Date:										
Name of the Company:		Aadi Industries Ltd.								
Category / Sub-Category of the Company		Listed Public Company								
Address of the Registered office and contact details:		320/7, Siddhivinayak Co-operative Housing Society , Hingwala Lane, Pant Nagar, Ghatkopar (East), Mumbai – 400 075								
Whether listed company		Yes								
Name, Address and Contact details of Registrar and Transfer Agent, if any		Sharex Dynamics (India) Private Limited Luthra Industrial Estate, Andheri Kurla Road, Andheri (East), Mumbai 400 072 Tel. No. : 02228515606 Fax No. : 02222641349								
B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:										
Sr. No.	Name and Description of main products / services				NIC Code of the Product/ service%		% to total turnover of the company			
a.	Plastic and Plastic Products				2220		-			
b.										
C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES										
Sr. No.	Name and address of the company				CIN/ GLN		Holding/ Subsidiary/ Associate		% of shares held	
a	-				-		-		-	
D. SHARE HOLDING PATTERN										
i) Category-wise Share Holding										
Category of Shareholders		No. of Shares held at the beginning of the year 01-04-2016				No. of Shares held at the end of the year 31-03-2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S										
(1). INDIAN			0				0		0	
			0				0		0	
(a). individual	2486429	0	2486429	24.864	2486429	0	2486429	24.864	0	
(b). Central Govt.		0				0			0	
(c). State Govt(s).		0				0			0	
(d). Bodies Corpp.		0				0			0	
(e). FIINS / BANKS.		0				0			0	
(f). Any Other		0				0			0	
Sub-total (A) (1):-	2486429	0	2486429	24.864	2486429	0	2486429	24.864	0	
(2). FOREIGN										
(a). Individual NRI /		0				0			0	
(b). Other Individual		0				0			0	
(c). Bodies Corporates		0				0			0	
(d). Banks / FII		0				0			0	
(e). Qualified Foreign		0				0			0	
(f). Any Other Specify		0				0			0	
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0	
Total shareholding	2486429	0	2486429	24.864	2486429	0	2486429	24.864	0	
(B) (1). PUBLIC SHAREHOLDING										
(a). Mutual Funds		0				0			0.000	
(b). Banks / FI	0	22000	22000	0.220	0	22000	22000	0.220	0.000	
(c). Central Govt.		0				0			0.000	
(d). State Govt.		0				0			0.000	
(e). Venture Capital		0				0			0.000	
(f). Insurance		0				0			0.000	
(g). FIIs		0				0			0.000	
(h). Foreign Venture		0				0			0.000	
(i). Others (specify)		0				0			0.000	
Sub-total (B)(1):-	0	22000	22000	0.22	0	22000	22000	0.22	0	
2. Non-Institutions										
(a). BODIES CORP.										
(i). Indian	312484	26100	338584	3.386	164256	26100	190356	1.904	-1.482	
(ii). Overseas		0				0			0.000	
(b). Individuals										
(i) Individual	1763472	529800	2293272	22.933	1793450	528209	2321659	23.217	0.284	
(ii) Individual	4618912	223600	4842512	48.425	4613039	223600	4836639	48.366	-0.059	
(c). Other (specify)										
Non Resident Indians	17203	0	17203	0.172	17203	0	17203	0.172	0	
Overseas Corporate		0				0			0	
Foreign Nationals		0				0			0	

Clearing Members		0			125714	0	125714	1.257	1.257
Trusts		0				0			0
Foreign Bodies - D R		0				0			0
Sub-total (B)(2):-	6712071	779500	7491571	74.916	6713662	777909	7491571	74.916	0
Total Public	6712071	801500	7513571	75.136	6713662	799909	7513571	75.136	0
C. Shares held by		0				0			0.000
Grand Total (A+B+C)	9198500	801500	10000000	100.00	9200091	799909	10000000	100.00	0

Sr.No	Shareholder's Name	Shareholding at the beginning of the year			ShareHolding at the end of 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	% changes in share holding during the year
1	RUSHABH SHAH	2486429	24.864	0	2486429	24.864	0	0

Change in Promoter's Shareholding(Please specify,if there is no change)

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

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

Sr.No	Name	No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/D ecreasing in shareholding	Reason	No.Of shares	% of total Shares of the company
1	MINESH DEVENDRA SHAH	387691	3.877	01-04-2016				
	-Closing Balance			31-03-2017		No Change	387691	3.877
2	SHEFALI VIPUL DOSHI	234353	2.344	01-04-2016				
				05-08-2016	9214	Buy	243567	2.436
				19-08-2016	1611	Buy	245178	2.452
				14-10-2016	1822	Buy	247000	2.47
				28-10-2016	2223	Buy	249223	2.492
				11-11-2016	200	Buy	249423	2.494
				18-11-2016	75	Buy	249498	2.495
				25-11-2016	500	Buy	249998	2.5
				31-12-2016	923	Buy	250921	2.509
				06-01-2017	100	Buy	251021	2.51
				13-01-2017	50	Buy	251071	2.511
				03-02-2017	200	Buy	251271	2.513
				10-02-2017	26303	Buy	277574	2.776
				17-02-2017	323	Buy	277897	2.779
	-Closing Balance			31-03-2017			277897	2.779
3	PRAFULL P MARCHANDE	186916	1.869	01-04-2016				
	-Closing Balance			31-03-2017		No Change	186916	1.869
4	PRITI MANOJ RUPAREL	159417	1.594	01-04-2016				
	-Closing Balance			31-03-2017		No Change	159417	1.594
5	ASHOK SHANTILAL SHAH	152391	1.524	01-04-2016				
	-Closing Balance			31-03-2017		No Change	152391	1.524
6	JAMSUTKAR KISHORE SURESH	147825	1.478	01-04-2016				
	-Closing Balance			31-03-2017		No Change	147825	1.478
7	APURVA ASHWIN DESAI .	30000	0.3	21-10-2016				
				28-10-2016	2732	Buy	32732	0.327
				04-11-2016	78915	Buy	111647	1.116
				11-11-2016	500	Buy	112147	1.121
	-Closing Balance			31-03-2017			112147	1.121
8	SOMESH H MULANI	100751	1.008	01-04-2016				
	-Closing Balance			31-03-2017		No Change	100751	1.008
9	DEEPAK SURESHCHANDRA SANGHAVI	100000	1	01-04-2016				
	-Closing Balance			31-03-2017		No Change	100000	1

10	VIPUL PRAVINCHANDRA DOSHI(HUF).	69370	0.694	01-04-2016				
				22-04-2016	24357	Buy	93727	0.937
				29-04-2016	508	Buy	94235	0.942
				06-05-2016	4847	Buy	99082	0.991
				29-07-2016	9143	Buy	108225	1.082
				05-08-2016	-9225	Sold	99000	0.99
	-Closing Balance			31-03-2017			99000	0.99
11	HEMANT SARVAIYA	112443	1.124	01-04-2016				
				29-04-2016	-5647	Sold	106796	1.068
				06-05-2016	-205	Sold	106591	1.066
				13-05-2016	-1010	Sold	105581	1.056
				20-05-2016	-2580	Sold	103001	1.03
				17-06-2016	-2	Sold	102999	1.03
				15-07-2016	-2550	Sold	100449	1.004
				22-07-2016	-2401	Sold	98048	0.98
				29-07-2016	-42106	Sold	55942	0.559
				30-09-2016	-7980	Sold	47962	0.48
	-Closing Balance			31-03-2017			47962	0.48
12	DAVE PIYUSH BATUKBHAI	196000	1.96	01-04-2016				
	-Closing Balance			29-04-2016	-196000	Sold	0	0

Shareholding of Directors and Key Managerial Personnel:

Sr.No	Name	Shareholding at the beginning of the year			Cumulative Shareholding at the end of the year			
		No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
	RUSHABH SHAH	2486429	24.86	-	-	-	2486429	24.86

INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	11,90,99,193.000	0	119099193.000
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	11,90,99,193.000	0	119099193.000
Change in Indebtedness during the financial year				
• Addition				
• Reduction	0	3,10,61,735.000	0	31061735.000
Net Change	0	3,10,61,735.000	0	31061735.000
Indebtedness at the end of the financial year				
i) Principal Amount	0	8,80,37,458.000	0	88037458.000
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	0	8,80,37,458.000	0	88037458.000

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

	Particulars of Remuneration	Name of Directors Manager	Total Amount
	1. Independent Directors		
	• Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
	2. Other Non-Executive Directors		
	• Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sr No.	Particulars of Remuneration	Key Managerial Personnel			
		CFO	Company Secretary	CFO	Total
1	Gross salary				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	Others, please specify				
	Total				

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Authority [RD / NCLT/ COURT]
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

MANYAM & K.S. ASSOCIATES

Chartered Accountant

4, Ground Floor, Pawan Palace, Near RNP Park,
Bhayandar (East), Thane – 401 110.

INDEPENDENT AUDITORS' REPORT

To
The Members of
AADI INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AADI INDUSTRIES LIMITED**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

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

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by section 143(3) of the Act, we report that:
 - a. We have sought & 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 appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigation which would impact its financial position in its financial statements.
 - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016 as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of account maintained for the purpose of preparation of the financial statements and as produced to us by the management.

For M/s. Manyam & K. S. Associates
Chartered Accountant

K. S. Subrahmanyam
PROPRIETOR
M. No.: 018630

Place: Mumbai
Date: 29/05/2017

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of **AADI INDUSTRIES LIMITED** ('the Company') on the Financial Statements for the year ended 31st March 2017, we report that:

- (i) In respect of the Company's fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) The company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, designed to cover all the fixed assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the company.
- (ii) The company does not have any inventories. Hence clause (ii) of paragraph 3 of the order is not applicable.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Consequently, requirement of clauses (iiia), (iiib) and (iiic) of paragraph 3 of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, compliances with the provisions of Section 185 and 186 of Companies Act 2013 is not applicable to the company since it has not given any loans, made any investment and given any guarantees and securities.
- (v) During the year under consideration, the company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the rules framed there under.

- (vi) As explained to us the Central Government has not prescribed any maintenance of cost record under section 148 (1) of the companies Act 2013 to the company. Hence clause (vi) of paragraph 3 of the order is not applicable.
- (vii) In our opinion and according to the information and explanation given to us in respect of statutory and other dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues as applicable to it. However the company has yet to TDS Rs.4,93,075/- applicable to it which is outstanding for the period more than six months from the date they become applicable.
 - (b) According to the information and explanations given to me and the records of the company examined by me, there are no disputed dues in respect of any statutory dues
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution but *has defaulted in repayment of dues to bank*. The company did not have any outstanding dues to any debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, on an overall basis the term loans have been applied for the purpose for which they were raised. The company has not raised any money by initial public offer or further public offer.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) To the best of our knowledge, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information given to us all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

- (xv) To the best of our knowledge and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or the persons connected to him. Accordingly paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. Manyam & K. S. Associates
Chartered Accountant

K. S. Subrahmanyam
PROPRIETOR
M. No.: 018630

Place: Mumbai
Date: 29/05/2017

ANNEXURE B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **AADI INDUSTRIES LIMITED** ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s. Manyam & K. S. Associates
Chartered Accountant

K. S. Subrahmanyam
PROPRIETOR
M. No.: 018630

Place: Mumbai
Date: 29/05/2017

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

GENERAL INFORMATION :

Aadi Industries Limited ('the Company') was incorporated on 21st April, 1994 under The Companies Act, 1956. The company is in the Business of trading and manufacturing of plastic and plastic products.

1 SIGNIFICANT ACCOUNTING POLICIES:

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis and are in compliance with pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956(Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

ii) USE OF ESTIMATES:

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

iii) TANGIBLE FIXED ASSETS AND DEPRECIATION:

TANGIBLE FIXED ASSETS:

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

CAPITAL WORK IN PROGRESS:

Expenses incurred towards acquisition of fixed assets which have not been installed or not put to use before the year end are disclosed under capital work in progress and no depreciation has been provided on that.

DEPRECIATION:

Depreciation is provided on pro rata basis on the Written Down Value method over the remaining useful lives of the assets in the manner prescribed by Schedule II of the Companies Act, 2013, as against the past practice of computing the depreciation at rates with reference to the life of assets subject to the minimum rates provided by Schedule XIV of the Companies Act, 2013.

Useful lives of assets are determined by the management by the internal technical assessments except in case where such assessment suggest a life significantly different from those prescribed by Schedule II - Part 'C', where the useful life is as assessed and certified by a technical expert.

Fixed Assets, individually costing less than five thousand, are fully depreciated in the year of purchase.

Continuous process plants are classified based on technical assessment and depreciation is provided accordingly.

iv) INTANGIBLE FIXED ASSETS AND AMORTISATION:

Intangible assets are recognized when it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. However there are no such intangible assets.

v) IMPAIRMENT OF ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying value of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

However, there is no such Impairment on Asset, for the year under consideration.

vi) INVENTORY:

Raw Material, Consumable Store & Spares and Packing Material are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

vii) INVESTMENTS:

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

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and quoted/fair value. Provision for diminution in the value of Long Term Investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

However there are no investments of the company in the year under consideration.

viii) GOVERNMENT GRANTS

Government Grants are recognized when there is reasonable assurance that the same will be received and all attaching conditions will be complied with. Revenue grants are recognized in the Statement of Profit & Loss account. Capital grants relating to specific Tangible/Intangible assets are reduced from the gross value of the respective Tangible/Intangible assets. Other capital grants in nature of promoter's contribution are credited to capital reserve.

However no government grants are received by the company in the year under consideration.

ix) REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

x) EMPLOYEE BENEFITS:

No provision is made for retirement benefits, the company will account for the same as and when paid.

xi) FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency are recorded at the transaction rate. The exchange difference resulting from settled transactions is recognized in the statement of profit and loss if applicable.

Year end balances of monetary items are restated at the year end exchange rates and the resultant net gain or loss is recognized in the statement of profit and loss.

xii) BORROWING COST:

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss Account in the period in which they are incurred.

xiii) LEASES:

• As a Lessee

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

However there are no such leased assets in the year under consideration.

• As a Lessor

Lease income if any is recognized in the Statement of Profit and Loss on a straight-line basis over lease term. However the Company has not leased any tangible assets.

Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over lease term.

However there are no such leased assets in the year under consideration.

xiv) TAXES ON INCOME:

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the relevant accounting year in accordance with the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement.

The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

The Company has the policy of reviewing and passing proper adjustment entries for Income Tax paid, Provision for Income Tax made and excess/short tax provision for the year after receiving orders from the Appellate authorities. The Company also makes a fair estimate of the Income Tax liability for the said year and gives effects to it in the Books of Accounts.

xv) CASH AND CASH EQUIVALENT :

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of less than three months and short term highly liquid investments with an original maturity of three months or less.

xvi) CASH FLOW STATEMENT:

Cash flows are reported using the Indirect Method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xvii) RESEARCH & DEVELOPMENT:

Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred. Capital Expenditure on Research and Development is shown as an addition to Fixed Assets or Work-in-Progress, as the case may be.

However no such expenditure is incurred in the year under consideration.

xviii) EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

xix) PROVISION & CONTINGENCIES:

The company estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available.

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on management's estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the management's current estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

In case of remote possibility neither provision nor disclosure is made in the financials.

A Contingent Asset is neither recognised nor disclosed in the Financial Statements.

AADI INDUSTRIES LTD.

BALANCE SHEET AS ON MARCH 31, 2017

Particulars	Note	31-Mar-17 Rs.	31-Mar-16 Rs.
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
- Share capital	2	10,00,00,000	10,00,00,000
- Reserves and surplus	3	(16,88,71,768)	(16,73,94,218)
Sub-Total - (A)		(6,88,71,768)	(6,73,94,218)
2 NON-CURRENT LIABILITIES			
- Long-term borrowings	4	5,14,49,815	8,25,11,550
- Deferred tax liabilities (net)		-	-
- Other long-term liabilities		-	-
- Long-term provisions		-	-
Sub-Total - (B)		5,14,49,815	8,25,11,550
3 CURRENT LIABILITIES			
- Short-term borrowings	5	3,65,87,643	3,65,87,643
- Trade payables	6	3,90,19,638	3,91,20,592
- Other current liabilities	7	1,04,93,075	1,04,93,075
- Short-term provisions		-	-
Sub-Total - (C)		8,61,00,356	8,62,01,310
TOTAL (A+B+C)		6,86,78,404	10,13,18,642
II. ASSETS			
4 NON-CURRENT ASSETS			
Tangible Assets			
- Fixed assets	8	1,99,382	1,85,807
- Deferred tax assets (net)	9	16,545	16,545
- Long-term loans and advances	10	12,85,000	16,85,000
Sub-Total - (D)		15,00,927	18,87,352
5 CURRENT ASSETS			
- Trade receivables	11	6,45,16,624	9,63,47,358
- Cash and cash equivalents	12	1,12,460	5,35,538
- Short-term loans and advances	13	25,48,393	25,48,393
- Other current assets		-	-
		6,71,77,477	9,94,31,290
TOTAL (A+B+C)		6,86,78,403	10,13,18,642
Notes 1 to 30 form an integral part of this Accounts			

For M/s. Manyam & K. S. Associates
Chartered Accountant

For Aadi Industries Ltd

K. S. Subrahmanyam
Proprietor
M. No : 018630
Place : Mumbai
Date : 29/05/2017

Rushabh Shah
Managing Director
DIN : 01944390

Sadanand Kotnis
Director
DIN : 05230970

AADI INDUSTRIES LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH, 2017

Particulars	Note	For the Year ended March 31, 2017	For the Year ended March 31, 2016
(i) Revenue form Operations:	14		
- Sale of Products		-	-
- Other Operating Income		-	-
Less: Excise Duty		-	-
		-	-
(ii) Other Income	15	-	-
Total Revenue (i+ii)		-	-
Expenses			
- Cost of Material Consumed		-	-
- Purchase of Stock-in-Trade		-	-
- Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		-	-
- Employee benefit expenses	16	-	-
- Finance Cost	17	-	49,30,750
- Depreciation and amortisation expense	8	46,925	40,874
- Other Expense	18	14,30,626	18,69,743
Total Expenses		14,77,550	68,41,368
Profit Before Tax		(14,77,550)	(68,41,368)
- Tax Expense			
Current Tax		-	-
Short / (Excess) Provision of Previous Year		-	(1,54,43,147)
Deferred Tax		-	-
Total Tax		-	(1,54,43,147)
Profit for the period		(14,77,550)	86,01,779
Notes 1 to 30 form an integral part of this Accounts			

For M/s. Manyam & K. S. Associates
Chartered Accountant

For Aadi Industries Ltd

K. S. Subrahmanyam
Proprietor
M. No : 018630
Place : Mumbai
Date : 29/05/2017

Rushabh Shah
Managing Director
DIN : 01944390

Sadanand Kotnis
Director
DIN : 05230970

AADI INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	2016-17	2015-16
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before taxation and extraordinary items	(14,77,550)	(68,46,514)
Adjustment for :		
Depreciation & Amortization	46,925	40,874
Finance Charges/Interest (Net)	-	49,30,750
Loss on Sale of Fixed Assets	-	1,93,165
Cash generated from operations before working capital changes	(14,30,626)	(16,81,724)
Increase/Decrease in trade and other receivables	3,18,30,736	17,50,000
Increase/ Decrease in loans & advances	4,00,000	6,40,000
Increase/Decrease in Inventories	-	-
Increase/Decrease in trade Payables & Others	(3,11,62,689)	40,70,921
Cash Generated from Operations	(3,62,578)	47,79,197
Direct tax Paid (Net of Excess/surplus provision)	-	-
Net Cash from Operating Activities - A	(3,62,578)	47,79,197
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Fixed Asset	(60,500)	
Sale of Fixed Assets	-	30,000
Net Cash from Investing Activities - B	(60,500)	30,000
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Interest Paid	-	-
Finance Charges paid	-	(49,30,750)
Net Cash from Financial Activities - C	-	(49,30,750)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(4,23,078)	(1,21,553)
Opening Balance in Cash & Cash Equivalents	5,35,538	6,57,092
Closing Balance in Cash & Cash Equivalents	1,12,460	5,35,538

For M/s. Manyam & K. S. Associates
Chartered Accountant

For Aadi Industries Ltd

K. S. Subrahmanyam
Proprietor
M. No : 018630
Place : Mumbai
Date : 29/05/2017

Rushabh Shah
Managing Director
DIN : 01944390

Sadanand Kotnis
Director
DIN : 05230970

AADI INDUSTRIES LTD.

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

Note No. 2 :- SHARE CAPITAL

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Authorised Capital : 2,50,00,000 (PY:2,50,00,000) Equity Shares of Rs.10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, Subscribed and Fully Paid up : EQUITY SHARE CAPITAL 1,00,00,000 (PY:1,00,00,000) Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000

- a. Details of Shareholding as at March 31, 2017
- i. Shareholders holding more than 5% of Equity Shares:
- 24,86,429 (PY: 24,86,430) Equity Shares of Rs.10/- each held by Mr.Rushabh Shah.

b.

Reconciliation of the number of Equity Shares outstanding	March 31, 2017	March 31, 2016
Particulars	Number of Shares	Number of Shares
Number of Shares at the beginning of the year	1,00,00,000	1,00,00,000
Add: Shares issued	-	-
Less: Shares Forfeited	-	-
Number of Shares at the end of the year	1,00,00,000	1,00,00,000

- c. Each Equity Share is entitled to one voting right only.
- d. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets remaining, after distribution of all preferential amounts.

Note No. 3 - RESERVES AND SURPLUS

(Amount In Rs.)

Particulars	Opening as at April 1, 2016	Additions	Deductions/ Adjustments	Balance as at March 31, 2017
Surplus as per Profit and Loss Account	(16,73,94,218)	(14,77,550)	-	(16,88,71,768)
Total	(16,73,94,218)	(14,77,550)	-	(16,88,71,768)

Details of Profit and Loss Surplus is as given below:

Particulars	As at March 31, 2017	As at March 31, 2016
Net Profit after Tax	(14,77,550)	(68,46,514)
Balance brought forward	(16,73,94,218)	(16,05,47,704)
Proposed Dividend Reversed	-	-
Dividend Tax Reversed	-	-
Profit Available for Appropriation	(16,88,71,768)	(16,73,94,218)
APPROPRIATIONS:		
Proposed Dividend	-	-
Tax on Dividend	-	-
Surplus Carried to Balance Sheet	(16,88,71,768)	(16,73,94,218)

NOTE NO. 4 - LONG TERM BORROWINGS

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
I. Secured Borrowings:	-	-
Total Secured Long Term Borrowings - (I)	-	-
II. Unsecured Borrowings:		
a. Intercompany Deposits Refer Note (4.1)	38,90,015	3,57,20,749
b. Loans and advances from Related Parties Refer Note (4.2)	4,75,59,800	4,67,90,801
Total Secured Long Term Borrowings - (II)	5,14,49,815	8,25,11,550
III. Total Long Term Borrowings (I + II)	5,14,49,815	8,25,11,550

4.1 [a] Loan from Inter Corporate deposits would not be recalled before end of two years from 31st March, 2017. There are no terms for repayment of the loan.

4.1 [b] Since there is no terms of repayment, default in repayment of this loan can not be determined.

4.2 [a] Loan from Related Parties would not be recalled before end of two years from 31st March, 2017. There are no terms for repayment of the loan.

4.2 [b] Since there is no terms of repayment, default in repayment of this loan can not be determined.

Note No. 5 - SHORT - TERM BORROWINGS

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
I. Secured Borrowings:		
a. Loan repayable on demand	-	-
b. Others		
- Bank Overdrawn	3,65,87,643	3,65,87,643
Total Short Term Borrowings	3,65,87,643	3,65,87,643

Note No. 6 - TRADE PAYABLES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Trade Payables		
- Other than Micro and Small Enterprises		
i. To Others	3,90,19,638	3,91,20,592
Total	3,90,19,638	3,91,20,592

Note No. 7 - OTHER CURRENT LIABILITIES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
a. Others		
Advances received from customers	1,00,00,000	1,00,00,000
b. TDS Payable	4,93,075	4,93,075
Total	1,04,93,075	1,04,93,075

AADI INDUSTRIES LTD.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note No. 8 - FIXED ASSETS

(Amount In Rs.)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Opening as at April 1, 2016	Addition for the year	Disposals/Other Adjustments	Closing as at March 31, 2017	Opening as at April 1, 2016	For the year	Deduction/ Adjustments	Closing as at March 31, 2017	Closing as at March 31, 2017	Opening as at March 31, 2016
I. Tangible Assets										
a. Furniture and Fixtures	1,05,914	-	-	1,05,914	26,580.71	3,536	-	30,116	75,799	79,333
b. Printer	-	13,500	-	13,500	-	8,525	-	8,525	4,975	-
c. Office Equipments	1,60,206	-	-	1,60,206	55,875.65	8,460	-	64,336	95,869	1,04,330
d. Computer	1,15,897	47,000	-	1,62,897	1,13,753.43	26,405	-	1,40,158	22,738	2,144
Total	3,82,017	60,500	-	4,42,517	1,96,210	46,925	-	2,43,134	1,99,382	1,85,807

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note No. 8 - FIXED ASSETS

(Amount In Rs.)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Opening as at April 1, 2016	Addition for the year	Disposals/Other Adjustments	Closing as at March 31, 2017	Opening as at April 1, 2016	For the year	Deduction/ Adjustments	Closing as at March 31, 2017	Closing as at March 31, 2017	Opening as at March 31, 2016
I. Tangible Assets	42,095			42,460	42,095			42,460	42,460	42,094
a. Furniture and Fixtures	1,05,914	-	-	1,05,914	23,043.18	3,538	-	26,581	79,333	82,871
b. Vehicle	5,70,932	-	5,70,932	-	3,37,676.34	10,091	3,47,767	-	-	2,33,256
c. Office Equipments	1,60,206	-	-	1,60,206	47,416.78	8,459	-	55,876	1,04,330	1,12,789
d. Computer	1,15,897	-	-	1,15,897	94,966.52	18,787	-	1,13,753	2,144	20,930
Total	9,52,949	-	5,70,932	3,82,017	5,03,103	40,874	3,47,767	1,96,210	1,85,807	4,49,846

Note No.9 - DEFERRED TAX ASSET (NET)

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Deferred Tax Liability		
Depreciation	(72,44,955)	(72,44,955)
Deferred Tax Asset		
Carry Forward Loss	72,61,500	72,61,500
Total	16,545	16,545

Note No. 10 - LONG TERM LOANS AND ADVANCES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Unsecured, Considered good		
- Security Deposits	50,000	50,000
- Other Loans and Advances	12,35,000	16,35,000
Total Long Term Loans and Advances	12,85,000	16,85,000

Note No. 11 - TRADE RECEIVABLES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date of invoice	6,45,16,624	9,63,47,358
- Others	-	-
Total Trade receivables	6,45,16,624	9,63,47,358

Note No. 12 - CASH AND CASH EQUIVALENTS

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Cash and Cash Equivalents		
- Balance with Bank	1,915	1,55,249
- Cash on hand	1,05,490	3,80,289
Earmarked Balances with Bank		
- Unpaid Dividend	5,054	-
Total Cash and Bank Balances	1,12,460	5,35,538

Note No. 13 - SHORT TERM LOANS AND ADVANCES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
a. Unsecured, Considered good		
- Advances to Suppliers	24,73,041	24,73,041
b. Balance with Revenue Authority		
- TDS Receivable F.Y 11-12	74,655	74,655
- TDS Receivable F.Y 12-13	697	697
Total	25,48,393	25,48,393

Note No. 14 - REVENUE FROM OPERATIONS

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Revenue from Sale of Products	-	-
Other Operating Revenue	-	-
Total Revenue from Operations	-	-

Note No. 15 - OTHER INCOME

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Sundry Balance Written Off	-	-
Total	-	-

NOTE NO. 16 - EMPLOYEE BENEFIT EXPENSES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Salaries and Bonus	-	-
Total	-	-

Note No. 17 - FINANCE COST

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Interest Expenses	-	49,30,750
Other Financial Charges	-	-
Total	-	49,30,750

Note No. 18 - OTHER EXPENSES

(Amount In Rs.)

Particulars	March 31, 2017	March 31, 2016
Advertising Exp	-	5,146
Conveyance	-	8,300
CDSL Exp	68,701	57,144
BSE Listing Fees	2,38,110	3,41,080
Payment to Auditors		
As Auditor	12,000	12,000
Legal and Professional Fees	3,42,992	2,82,832
Office Expenses	6,84,429	8,69,768
Printing & Stationery	-	6,957
Electricity Expenses	25,260	25,932
Bank Charges	403	13,123
Repairs & Maintenance	12,450	3,550
Internet Charges	9,790	9,500
Sundry Expenses	-	8,321
Telephone Expenses	36,491	38,071
Loss on Assets	-	1,93,165
Total	14,30,626	18,69,743

19 EARNING PER SHARE:

PARTICULARS	<u>2016-17</u> Rupees	<u>2015-16</u> Rupees
Net Profit / (Loss) as per P/L A/c.	(14,77,550)	86,01,779
No. of equity shares outstanding (nos.)	1,00,00,000	1,00,00,000
Basic earnings per share	(0.15)	0.86
Diluted earning per share	(0.15)	0.86

20 CONTINGENT LIABILITIES & COMMITMENTS:

As informed to me by the Management, there are no contingent liabilities in the under consideration.

21 DETAILS OF AUDITORS REMUNERATION :

PARTICULARS	<u>2016-17</u> (Rupees)	<u>2015-16</u> (Rupees)
<u>Payments to Statutory Auditor :</u>		
<u>As Auditors :</u>		
For Audit Fees	12,000	12,000
For Other Services	-	-
TOTAL	12,000	12,000

22 Foreign exchange loss (net) of Rs. NIL/- (Previous year Rs. NIL/-) has been included in respective

23 SEGMENT REPORTING :

There are no segments in the year under consideration; hence there is nothing to report under this

24 RELATED PARTY DISCLOSURES:

LIST OF RELATED PARTIES	PARTICULARS
Subsidiaries / Associates	NIL
Key Management Personnel	1] Rushabh Shah 2] Sadanand Kotnis 3] Kavita Jamsutkar
Enterprise in which key management personnel, and their relatives have significant influence	1] Aadi Polyflex Pvt. Ltd.
Relative of Key Management Personnel	1] Mansi Shah

Transaction for the year ended 31st March 2017

Particulars		Subsidiaries/As	Enterprise in which	Key Management Personnel & their	Total
1	Loan Received	-	-	8,49,000	8,49,000
		-	-	(8,60,000)	(8,60,000)
2	Loan Repayment	-	-	80,000	80,000
		-	-	(16,40,000)	(16,40,000)
3	Loan Outstanding	-	-	4,75,59,801	4,75,59,801
		-	-	(4,67,90,801)	(4,67,90,801)

Note: Related Parties Relationship is as identified by the company and relied upon by the auditors.
Figures in the brackets represent previous year figures.

25 There are no leases in the year under consideration.

26 During the year, the Company had specified Bank notes* (SBNs) or other denomination notes as defined in the MCA notification, GSR 308 (E), dated 31st March, 2017 . The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

	SBN'S	Other denomination notes	Total
	Amount	Amount	Amount
Closing balance as at 8 November 2016	2,30,800	1,17,490	3,48,290
Transactions between 9th november2016 and 30th December 2016			
Add: Withdrawal from bank accounts	-	-	-
Add:Receipts for permitted transactions	-	-	-
Add: Receipts for non-permitted transactions(if any)	-	-	-
Less: Paid for permitted transactions	59,300	-	59,300
Less: Paid for non-permitted transactions	-	-	-
Less: Deposited in bank accounts	1,71,500		1,71,500
Closing balance as at 30 December 2016	-	1,17,490	1,17,490

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

27 The Balances of Sundry Debtors, Creditors, Deposits and Loans & Advances are accepted as appearing in the Ledger Accounts and subject to confirmation from individual parties concerned, due adjustments, if any will be made there on. The provisions for all known liabilities and for depreciation is adequate and not in excess of the amounts reasonably necessary.

28 In the absence of declaration from sundry creditors / suppliers with regard to their status as SSI Undertaking wherever appropriate, it is not possible to determine the amount, payable to sundry creditors falling within the meaning of SSI Undertaking.

29 Disclosure under Micro, Small and Medium Enterprises development Act, 2006. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as micro, small and medium enterprises. Consequently the amount paid/payable to these parties during the period under review is NIL.

30 Previous Year Figures have been regrouped & reclassified/rearranged wherever necessary.

As per Report of the even date attached.

For M/s. Manyam & K. S. Associates
Chartered Accountant

For AADI INDUSTRIES LIMITED

K.S. SUBRAHMANYAM
Proprietor
Membership No: 018630
Date: 29/05/2017
Place: Mumbai

RUSHABH SHAH SADANAND KOTNIS
[Managing Director] [Jt. Mg. Director]
DIN : 01944390 DIN : 05230970

AADI INDUSTRIES LIMITED**ANNEXURE A****ASSESSMENT YEAR 2017 - 2018****PARTICULARS OF DEPRECIATION U/S 32 AS ON 31st MARCH, 2017**

SR. NO	PARTICULARS	GROSS BLOCK					DEPRECIATION		NET BLOCK
		As on 01.04.2016	Addition during the year	Addition during the year	Deduction during the year	As on 31.03.17	Rate	Depreciation for the year	As on 31.03.17
2	Plant & Machinery	1,86,98,058	-	-	-	1,86,98,058	15.00%	28,04,709	1,58,93,349
3	Office Equipments	55,219	-	-	-	55,219	15.00%	8,283	46,936
4	Furniture	45,593	13,500	-	-	59,093	10.00%	5,909	53,183
6	Computer	457	47,000	-	-	47,457	60.00%	28,474	18,983
7	Vehicle	2,39,452	-	-	-	2,39,452	15.00%	35,918	2,03,533
	TOTAL	1,90,38,778	60,500	-	-	1,90,99,278		28,83,292	1,62,15,985