

HINDUSTAN APPLIANCES LIMITED

ANNUAL REPORT 2017 - 2018

COMPOSITION OF BOARD OF DIRECTORS

KALPESH RAMESHCHANDRA SHAH	Managing Director
RAVINRDA KANJI MYATRA	Director
SANJAY AMRUTLAL DESAI	Director and CFO(KMP)
SUNIL HIRJI SHAH	Director
KANAN HEMANG SHAH	Director
NIYATI SENGAR	Company Secretary and Compliance Officer

AUDITORS

N. B. PUROHIT & CO.
Chartered Accountants

BANKERS

Bank of India

REGISTERED OFFICE

1301, 13th Floor, Peninsula Business Park, Tower B,
Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.

Tel : 022 30036565 | Fax : 022 30036564

Email : info.roe7412@gmail.com

Website : www.hindustan-appliances.in

HINDUSTAN APPLIANCES LIMITED
{CIN : L18101MH1984PLC034857}

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **HINDUSTAN APPLIANCES LIMITED** will be held on Saturday, the 29th September, 2018 at 2.00 p.m. at the Registered Office of the Company at 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 and reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Mr. Sanjay Amrutlal Desai (DIN: 00671414), who retires by rotation as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sanjay Amrutlal Desai (DIN: 00671414), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K. L. Shinde
G. H. Shah

DIRECTORS

Registered Office:

1301, 13th Floor, Peninsula Business Park,
Tower B, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400013.

Dated : 30th May, 2018.

NOTES:

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 2 of the notice annexed hereto. The relevant particulars as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and secretarial standards on general meetings issued by the Institute of Company Secretaries of India, of the Directors seeking appointment/re-appointment at the Annual General Meeting are annexed and forms integral part of the notice.
2. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of the members not exceeding fifty and holding in 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. The holder of proxy shall prove his identity at the time of attending the Meeting.
4. Attendance slip, ballot papers, proxy form and the route map of the venue of the Meeting are annexed hereto.
5. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
6. In terms of the provisions of Section 152 of the Act, Mr. Sanjay Amrutlal Desai (DIN: 00671414), Director, retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective re-appointments.
7. M/s. N. B. Purohit & Co., Chartered Accountants, having ICAI Firm Registration No. 108241W, were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29th September, 2017 for a term of five consecutive years till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Auditors of the Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by the members at every Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

8. The Company has appointed Ms. Dhanraj Kothari of D. Kothari & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer to the poll process, (including voting through Ballot Form received from the members) in a fair and transparent manner.
9. The Scrutinizer shall, within a period not exceeding three (3) working days, unlock the votes in the presence of at least (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
10. The poll process shall be conducted and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through ballot form shall be counted for the purpose of passing of resolution(s).
11. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order.
12. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.
13. Members are also requested to notify changes in their registered addresses, if any. Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically
14. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2018 to 29th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.

Annexure to the Notice dated May 30, 2018

Details of Directors retiring by rotation / seeking re-appointment at the Meeting Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, following information is furnished about the Directors proposed to be appointed / re-appointed.

1. Mr. Sanjay Amrutlal Desai (DIN: 00671414)

Name of the Director	Mr. Sanjay Amrutlal Desai (DIN: 00671414)
Date of Birth / Age	57 Years , 05/02/1961
Date of First Appointment on the Board	28/12/1998
Relationship with other Directors	Nil
Expertise in specific functional areas and Brief Profile	Business Management
Qualification	B.Com
Experience	More than 36 years of experience in Marketing of Electricals and Electronics goods;
Board Membership of other Companies as on March 31, 2018	1. AARYASIDDHI FASHION DESIGNER PRIVATE LIMITED 2. R J PAPER MILLS PRIVATE LIMITED 3. TENDRIL CHEMICALS P LTD 4. ANCHOR FANS MANUFACTURING COMPANY PRIVATE LIMITED 5. R. J. LIGHTING & FIXTURES PRIVATE LIMITED 6. SHANTI OM RESIDENCY PRIVATE LIMITED
Chairperson/Member of the Committee of the Board of Directors of the Company as on March 31, 2018	Nil
Shareholding in the Company (as on 31/03/2018)	Nil
No. of Board Meetings attended during the last financial year (2017-2018)	4 (Four)
Terms and Conditions of appointment or re-appointment	Appointed as Director, Liable to retire by rotation.

Except Mr. Sanjay Amrutlal Desai (DIN: 00671414), being an appointee, none of the Directors and Key Managerial Personnel of the Company and her relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

S H Shah

K. R. Shah

DIRECTORS

Place : Mumbai

Dated : 30th May, 2018

DIRECTORS' REPORT

Dear Members,

The Board of Directors are pleased to present the Company's Annual Report and the Audited Financial Statement for the financial year ended March 31, 2018.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2018 is summarized below:

Particulars	(Rs. in Lakhs)	
	Year ended 31.3.2018	Year ended 31.3.2017
Other Income	53.53	59.07
Total Expenses	14.55	11.20
Gross Profit / loss Before Taxation	38.98	47.87
Deduct:-		
Provision for taxation	10.04	14.79
Income Tax of Earlier Years	-	(0.02)
Net profit / (Loss) for the year	28.94	33.10

RESULTS OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY

Total income for the year is Rs. 53.53 Lakhs against Rs. 59.07 Lakhs in the previous year. Profit after tax for the year is Rs. 28.94 Lakhs against profit of Rs. 33.10 Lakhs in the previous year.

MATERIAL CHANGES AFFECTING THE COMPANY

There are no material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

DIVIDEND AND TRANSFER TO RESERVE

In order to conserve the financial resources for the long term needs of the Company the Directors do not recommend any dividend and no amount is transferred to Reserves for the financial year 2017-18.

DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), hence there is no details to disclose as required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") is presented in a separate section, forming part of the Annual Report.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and Loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best Corporate Governance practices as prevalent globally.

The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The Company has 2 subsidiaries as on March 31, 2018. During the year, the Board of Directors reviewed the affairs of material subsidiaries. We have, in accordance with Section 129(3) of the Companies Act, 2013 prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Integrated Report.

Further, the particulars of subsidiary Companies as on March 31, 2018 have been included in Form MGT – 9 which is annexed to this report in Annexure II and the report on the performance and financial position of each subsidiary and salient features of the Financial Statements in the prescribed Form AOC-1 is annexed to this report in Annexure III.

In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies will be available on our website www.hindustan-appliances.in. These documents will also be available for inspection during business hours at the Registered Office of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 (The “Act”) and Accounting Standard (AS) – 21 on consolidated Financial Statements and the audited consolidated financial statement along with notes Annexed to or forming part of financial statements, Auditors report and Board’s report of the subsidiaries are provided in the Annual Report.

ADOPTION OF INDIAN ACCOUNTING STANDARD

These are the Company’s first financial statements prepared in accordance with IND AS. It has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014.

An explanation of how the transition from previous GAAP to IND AS has affected the Company’s financial position, financial performance and cash flows is set out in the notes to accounts of the standalone financial statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties wherein ordinary course of business and on arm’s length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required.

Your Directors draw attention of the members to Note 21 to the financial statement which sets out related party disclosures in accordance with the Accounting Standard 18, issued by the

Institute of Chartered Accountants of India. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 read with Rule 3 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 ('CSR Rules') and other rules framed thereunder, relating to Corporate Social Responsibility (CSR) are not applicable to this Company.

RISK MANAGEMENT

The Risk Management Policy has been framed, implemented and monitored. Major risk identified by the businesses and functions are systematically monitored through mitigating actions on continuing basis.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements. During the year such controls were tested and no reportable material weakness in the design or operation was observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, Mr. Sanjay Amrutlal Desai, Non-Executive Director, retire by rotation at the ensuing annual general meeting. The Nomination and Remuneration Committee has recommended her re-appointment.

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Niyati Arun Sengar has been appointed as Company Secretary and Compliance Officer of the Company with effect from 14th February, 2018. The above said Ms. Niyati Arun Sengar is not related with any of the Directors of the Company.

Mr. Kalpesh Rameshchandra Shah, Managing Director and Mr. Sanjay Amrutlal Desai, CFO are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Declaration of Independence:

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b)

of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

Evaluation of Board's Performance:

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

The detailed programs for familiarization of Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company are being shared and discussed.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors. Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors / Board / Committees was carried out.

In a separate meeting of Independent Directors', performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the view of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board excluding the independent directors being evaluated.

AUDITORS AND AUDITORS REPORT

Statutory Auditors

M/s. N. B. Purohit & Co., Chartered Accountants, having ICAI Firm Registration No. 108241W, were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29th September, 2017 for a term of five consecutive years till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Auditors of the Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by the members at every Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

The Company has received a letter from M/s. N B. Purohit & Co. to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for appointment.

The Auditors Report does not contain any qualification or adverse remarks hence no explanations or comments is required to be given by the Board in the report.

Secretarial Auditor

The Board has appointed D. Kothari & Associates, Practicing Company Secretary to conduct the Secretarial Audit for the financial year ended 2017-18. The Secretarial Audit report for the financial year ended March 31, 2018 is annexed herewith and marked as Annexure I to this report. Regarding the observations in the Secretarial Audit Report, directors wish to clarify that due to financial constraints, economic reasons, and administrative difficulties, Equity Shares of the Company have not been demated and consequently the Company is not able to conduct e-voting, besides the share are not traded as also the floating stock of the public holding is very meager. The management has taken steps to comply the required compliances within the constraints mentioned herein as soon as possible.

DISCLOSURES

Vigil Mechanism

The Company has a robust Vigil Mechanism Policy of the Company, which also includes Whistle Blower Policy in accordance with provisions of the Act and Listing Regulations. The Vigil Mechanism is supervised by an Ethics and Compliance Task Force comprising senior executive of the Company. Protected disclosures can be made by a whistle-blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee

Meetings of the Board

Five meetings of the Board of Directors were held during the year on the following dates namely 30/5/2017, 24/08/2017, 12/09/2017, 14/12/2017 and 14/02/2018.

Particulars of loans given, investments made, Guarantees given and Securities provided

The full details of loans given, investments made, guarantees given have been provided in the notes to the financial statement for the year ended 31st March, 2018. The Company has not provided any security during the year.

Conservation of energy, technology absorption

The Company is not engaged in manufacturing activities, however wherever possible the Company has taken measures to conserve the energy.

Foreign Exchange Earnings and Outgo

FOREIGN EXCHANGE EARNING : NIL

FOREIGN EXCHANGE OUTGO : NIL

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as Annexure II to this report.

Particulars of employees and related disclosures

The total number of permanent employee as on 31/3/2018 was 3.

The Company does not have any employee whose particulars are required to be disclosed in terms of the provisions of Section 197(12) of the act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, hence furnishing of the same does not arise.

Having regard to the provisions of the first proviso to Section 136(1) of the act, the annual report excluding the information regarding the top ten employees is being sent to the members of the Company. The said information is available for inspection on all working days during the business hours at the registered office of the Company. Any member interested in obtaining such information, may write to the Company and the same shall be furnished on request.

Market Capitalization as on 31/3/2017 Rs. 210.54 Lacs

Market Capitalization as on 31/3/2018 Rs. 210.54 Lacs

There is no change in market capitalization

PE ratio as on 31/3/2017 Rs. 6.36

PE ratio as on 31/3/2018 Rs. 7.24

Prevention of Sexual Harassment in the Company

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. All employees are covered under this policy.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as the provisions were not applicable to the company or there were no transactions on these items during the year under review:

- Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company.
- The Company does not have any scheme of provision of money for the purchase of its own shares by the employees or by trustees for the benefit of employees.
- The Company does not have any subsidiaries, hence, the question of receiving remuneration or commission by the Managing Directors or Whole Time Directors of the Company from subsidiary does not arise.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in the future.
- The details of the top ten employees and employees who were drawing remuneration in excess of limits prescribed under Rule 5 of the Companies (Appointment and
- Remuneration of Managerial Personnel) Rules, 2014 read with Section 197 of the Companies Act, 2013.
- No fraud has been reported by the auditors to the Board.

ACKNOWLEDGEMENT

The Board of Directors would like to express the sincere appreciation for the assistance and co-operation received from banks, government authorities and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K. L. Shah
S. H. Shah

DIRECTORS

Place : Mumbai

Dated : 30th May, 2018

HINDUSTAN APPLIANCES LIMITED

CORPORATE GOVERNANCE

1. PHILOSOPHY:

Your Company believes that the Corporate Governance is a powerful medium to serve the long-term interest of all stockholders. Corporate Governance strengthens investors' trust and ensures a long term partnerships, which helps your Company in fulfilling its quest for achieving significant growth and profits. A sound governance process consists of a combination of business practices, which results in enhanced shareholder value and enables the Company to fulfill its commitment to customers, employees, lenders and the society in general. Your Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability and independent monitoring.

Your Company is committed to bench marking itself with the best in all areas including Corporate Governance. Your Company has bench marked its practices with the prevailing guidelines by upholding the core values across all aspects of its operation.

Your Company believes that Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

2. BOARD OF DIRECTORS

The Board consists of five members. The composition of Board of Directors, the number of other directorships or board committees of which he is a member/ chairman are as under:

DIRECTORS	CATEGORY	No. of Outside Directorship Held		No. of other Company's Positions Held	
		Public	Private	Member	Chairman/ Chairperson
Mr. Sanjay A. Desai (DIN : 00671414)	Chairman & Director	0	6	0	0
Mr. Ravindra Myatra (DIN : 00298604)	Non Executive Director independent	0	0	0	0
Mr. Sunil Hirji Shah (DIN : 02775683)	Non Executive Director independent	3	14	0	0
Mr. Kalpesh R. Shah (DIN : 00294115)	Non Executive Director independent	1	17	0	0
Ms. Kanan Hemang Shah (DIN : 03327700)	Non-Executive Director	0	0	0	0

Brief resume of the directors being Re-appointed / appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and name of Companies in which they hold directorship and the membership of the committees of the board are furnished here under.

BOARD MEETINGS: 4 Meetings of the Board of directors were held during the financial year ended on 31st March, 2018.

Date of Meetings
30 th May, 2017
12 th September, 2017
14 th December, 2017
14 th February, 2018

Attendance of the directors at the Board Meetings and last Annual General Meeting:

Name of the Director	Attendance Particulars	
	No of Board Meetings attended	AGM
Mr. Sanjay A. Desai	4	Present
Mr. Ravindra K. Mytra	4	Present
Mr. Sunil H. Shah	4	Present
Mr. Kalpesh R. Shah	4	Present
Ms. Kanan Hemang Shah	4	Present

3. **AUDIT COMMITTEE:**

Broad terms of reference are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations inter alia is as under:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statement is correct, sufficient and credible.
- (b) To recommend the appointment/removal of external auditors, fixing audit fees.
- (c) To review with the management the annual financial statements before submission to the Board, focusing primarily on :
 - * Any changes in accounting policies and practices.
 - * Major accounting entries based on exercise of judgment by management.
 - * Qualifications in draft Audit Report
 - * The going concern assumption
 - * Compliance with the accounting standards.
 - * Compliance with Stock Exchanges and legal requirements concerning financial statements.
 - * Any related party transactions.

(d) To review with management the efficacy of internal control systems Composition, Name of Members and Chairman

Name	Designation	Number of Meetings	
		Held	Attended
Sunil H. Shah	Chairman - Non Executive Director & independent	4	4
Ravindra K. Myatra	Non Executive Director & independent	4	4
Kalpesh R. Shah	Non Executive Director & independent	4	4

(e) 4 Meetings of the Audit Committee were held during the financial year ended 31/03/2018 as under:

Date of Meetings
30 th May, 2017
12 th September, 2017
14 th December, 2017
14 th February, 2018

4. REMUNERATION COMMITTEE :

Broad Term of reference: To approve the appointment of Managing/Whole time Director and the remuneration thereof.

Name	Designation	Number of Meetings	
		Held	Attended
Mr Sanjay A. Desai	Chairman-	0	0
Mr. Ravindra K. Myatra	Non-executive Independent Director	0	0
Mr. Sunil H Shah	Non-executive Independent Director	0	0

Number of Meetings held Nil

5. SHAREHOLDERS COMMITTEE :

4 Meetings of the shareholders Committee were held during the financial year ended 31/03/2018 as under:

Date of Meetings
30 th May, 2017
12 th September, 2017
14 th December, 2017
14 th February, 2018

Name	Designation	Number of Meetings	
		Held	Attended
Mr. Sanjay A. Desai	Chairman	4	4
Mr. Ravindra K. Myatra	Non-executive Independent Director	4	4
Mr. Kalpesh R. Shah	Non-Executive Independent Director	4	4

Particulars	Numbers of Complaint
Number of complaint received	Nil
Number of complaint not solved	Nil
Number of pending share transfer	Nil

6. GENERAL BODY MEETINGS:

The detail regarding location and time where the last three AGM'S were held are as under:

Financial Year	General Meeting	Location	Date	Time
31/03/2017	AGM	1301, 13TH FLOOR, PENINSULA BUSINESS PARK, TOWER B, SENAPATI BAPAT MARG, LOWER PAREL (WEST), MUMBAI 400013	29/09/2017	02.00P.M.
31/03/2016	AGM	1301, 13TH FLOOR, PENINSULA BUSINESS PARK, TOWER B, SENAPATI BAPAT MARG, LOWER PAREL (WEST), MUMBAI 400013	30/09/2016	02.00P.M.
31/03/2015	AGM	1301, 13TH FLOOR, PENINSULA BUSINESS PARK, TOWER B, SENAPATI BAPAT MARG, LOWER PAREL (WEST), MUMBAI 400013	30/09/2015	02.00 P.M.

There were no Special Resolution passed in the last three AGMs held. No Special Resolutions are proposed to be passed through postal ballot at the ensuing annual general meeting.

7. DISCLOSURES :

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature ,with its promoters or the management ,their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company
- (b) Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of the listing agreement with the stock exchange as well as regulations and guidelines of SEBI. No penalties and strictures have been imposed by SEBI, Stock Exchange or Statutory authorities on matters relating to capital markets during the last three years.

8. MEANS OF COMMUNICATION :

* Half yearly report sent to each household of shareholders	No
<ul style="list-style-type: none"> • Quarterly Results • Which newspapers normally published 	Yes Free Press Journal & Nav Shakti
* Any web site, where displayed	www.hindustan-appliances.in
* Whether it also displays official news releases and the presentations made to intuitional investors or to the analysts.	Yes
* Whether MD & A is a part of the Annual Report	No

9. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting

Day and Date	Venue:	TIME
Friday, 29 th September, 2018	1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013	2.00 p.m.

ii. Financial Calendar

Financial reporting for the Quarter ending

Reporting date as on	Due date as on by
30/06/2017	14/08/2017
30/09/2017	14/11/2017
31/12/2017	14/02/2018
31/03/2018	30/05/2018

iii. Book Closure Date 21/09/2018 To 29/09/2018

iv. Address for Correspondence:

1301, 13th Floor, Peninsula Business Park,
Tower B, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400013

v. **Listing on Stock Exchange:**

BSE Limited,
Mumbai,
Phiroze JeeJeebhoy Towers,
Dalal street,Mumbai 400023.

Stock Code : 53 19 18

- vi. **Market Data High/Low** during each month in last financial year. The Equity Shares of the Company is infrequently traded on the Stock Exchange, Mumbai and hence the data is not available.
- vii. **Registrar and transfer agents** : The Company has in house share department.
- viii. **Share Transfer System** : The Shares of the Company are registered and returned between 15 to 30 days from the date of receipt, if documents are in order in all respects.

ix. **DISTRIBUTION TABLE OF SHAREHOLDING AS ON 31/03/2018**

Share holding	SHARE HOLDIERS	SHARE HOLDIERS	SHARE AMOUNT	SHARE AMOUNT
Nominal value	NUMBERS	% OF TOTAL	In Rs.	% of Total
Up to - 5,000	893	52.77%	3692000	3.68%
5,001- 10,000	549	32.41%	3918000	3.91%
10,001- 20,000	28	1.65%	499000	0.50%
20,001- 30,000	37	2.18%	953000	0.95%
30,001- 40,000	135	7.97%	5194000	5.18%
40,001- 50,000	13	0.77%	602000	0.60%
50,000- 1,00,000	8	0.41%	617000	0.62%
1,00,000 and above	30	1.77%	84785000	84.57%
Total	1693	100%	100260000	100%

x. **Compliance with other mandatory requirements:**

xi.1 **Management Discussion and analysis:**

A Management Discussion and analysis report forms part of the Annual Report.

xi.2 **The Company has complied the provisions related to subsidiary companies.**

xi.3 **Disclosures**

xi.3.1 Related Party Transaction :

The details of all transactions with related parties are placed before the audit committee.

xi.3.2 Disclosure of Accounting Treatment :

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

xi.3.3 Code of Conduct:

The board has formulated a code of conduct for the board members and senior management of the Company. All the board members and senior management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman is given elsewhere in the Annual Report.

xi.3.4 CEO/CFO Certification:

A certificate from Chairman and Finance Head on the financial statements of the Company was placed before the board.

xi.3.5 Review of Directors Responsibility Statement:

The Board in its report have confirmed that the annual accounts for the year ended 31st March, 2018 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.


xi. Compliance with Non Mandatory requirements:

The board will consider Compliance with Non Mandatory requirements relating to tenure of independent directors, Training of the Board members, Whistle Blower policy at appropriate time.

The audit report of the company for the year ended 31/3/2018 is unqualified. Declaration on compliance of code of conduct:

It is hereby confirmed that all the Directors and senior management personnel have complied with the code of Conduct framed by the Company and confirmation to that effect has been obtained from the Directors and senior management.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

G H Shah *K.R. Shah* 

DIRECTORS

Place : Mumbai

Dated : 30th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

I) Industry Structure and Developments :

There is fierce competition in the business of Leasing and Finance activity and Service activity which is normal for any business.

II) Opportunities and Threats :

The Company sees good opportunity in the areas in which it operates. The Company perceives normal business threats of competition from new entrants.

III) Segment-wise or Product-wise Performance :

The performance of the company in Leasing and Finance activity activity is stable.

IV) Outlook :

The outlook of the Company is positive.

V) Risks and Concerns:

The Company perceives normal business risks and concerns.

VI) Internal Control systems and their adequacy:

The Company has adequate internal control systems.

VII) Discussion on financial performance:

The Company has earned Gross total income of Rs. 53.53 Lakhs for the year under report as against Rs. 59.07 Lakhs in the previous year.

VIII) Material developments in human resources / Industrial Relations front, and number of people employed:

There are no material developments in human resources front.

No. of employees : 3

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K.R. Shukla
S.H. Shah 
DIRECTORS

Place : Mumbai
Dated : May 30, 2018

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hindustan Appliances Limited
1301, 13th Floor,
Peninsula Business Park, Tower B,
Senapati Bapat Marg
Lower Parel (west)
Mumbai - 400 013

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

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with SEBI (LODR) Regulations, 2015.

To the best of our understanding, we are of the view that during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The Company has not opted for dematerialization of its shares.
2. the company did not provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meeting.

We further report that

having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws to the extent applicable, specifically to the Company, as per the representations made by the Company:

1. Industries (Development and Regulation) Act, 1951
2. Indian Contract Act, 1872
3. The Factories Act, 1948
4. Water (Prevention and Control of Pollution) Act, 1974
5. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
6. Information Technology Act, 2000; and
7. The Legal Metrology Act, 2009 read with The Legal Metrology (Packaged Commodity) Rules, 2011

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



- Majority decisions are carried through while the dissenting members' views if any are captured and recorded as part of the minutes.

We further report that

- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, Mumbai except as mentioned above.
- b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

We further report that:

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

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

For D.Kothari And Associates

Company Secretaries



Dhanraj Kothari

Proprietor

FCS No. : 4930

CP No. : 4675

Place: Mumbai

Date: 30th May, 2018



D. Kothari And Associates

Company Secretaries

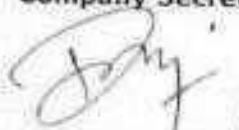
ANNEXURE

To,
The Members,
Hindustan Appliances Limited
1301, 13th Floor,
Peninsula Business Park, Tower B
Senapati Bapat Marg
Lower Parel (west)
Mumbai - 400 013

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

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

For D.Kothari And Associates
Company Secretaries



Dhanraj Kothari
Proprietor

FCS No. : 4930

CP No. : 4675

Place: Mumbai

Date: 30th May, 2018



ANNEXURE II**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

As on financial year ended 31.03.2018

[Pursuant to Section 92(3) of the Companies act, 2013 read with The Companies (Management and administration) Rules, 2014]

A. REGISTRATION AND OTHER DETAILS:

Corporate Identification Number:-	L18101MH1984PLC034857
Registration Date:	20/12/1984
Name of the Company:	Hindustan Appliances Limited
Category of the Company	Company limited by Shares
Sub-Category of the Company	Non-Government company
Address of the Registered office and contact details:	130L, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of Product/ service	% to total turnover of the company
a.	No Operational Activities carried out by the Company		

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Su bsidiary/As sociate	% of shares held	Applicable Section
a.	Kshanika Trading Limited 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.	U51900MH1995PLC091084	Subsidiary Company	100%	2(87)
b.	Jogindra Exports Limited 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.	U51900MH1995PLC090079	Subsidiary Company	100%	2(87)

Sub-total (B)(1):-		0	0	0	0	0	0	0	0	0
2. Non-Institutions										
a)	Bodies Corp.									
i)	Indian	0	0	0	0	0	0	0	0	0
ii)	Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
i)	Individual holding nominal share capital upto of Rs. 1 Lakh	0	21,98,500	21,98,500	21.93	0	21,98,500	21,98,500	21.93	0
ii)	Individual holding nominal share capital in excess of Rs. 1 Lakh	0	7,27,500	7,27,500	7.26	0	7,27,500	7,27,500	7.26	0
c)	Others (specify)									
	NRI's	0	0	0	0	0	0	0	0	0
	Clearing Member	0	0	0	0	0	0	0	0	0
	Independent Director	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-		0	29,26,000	29,26,000	29.18	0	29,26,000	29,26,000	29.18	0
Total Public Shareholding										
(B) = (B)(1) + (B)(2)		0	29,26,000	29,26,000	29.18	0	29,26,000	29,26,000	29.18	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)		0	1,00,26,000	1,00,26,000	100	0	1,00,26,000	1,00,26,000	100	0

ii. Shareholding of Promoters

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 to the Company	% of shares Pledged / Encumbered to total shares	No of shares	% of total shares to the Company	% of shares Pledged/ Encumbered to total shares	% change in shareholding during the year
1	MEHULJADAVJI SHAH	65,82,000	65.66	--	65,82,000	65.66	--	Nil
2	KANAN HEMANG SHAH	30000	0.30	--	30,000	0.30	--	Nil
2	ANCHOR ENTERPRISES PVT LTD	4,88,000	4.87	--	4,88,000	4.87	--	Nil
	TOTAL	71,00,000	70.82	--	71,00,000	70.82	--	Nil

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

Sr No		Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the Year 31/03/2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	There is no change in Promoters' shareholding between 01.04.2017 to 31.03.2018.			
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
3.	At the end of the year				

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

Sr No	Name of Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the Year 31/03/2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VIMLABEN JITENDRA VORA	2,15,000	2.1444	2,15,000	2.1444
2	MANILAL L. GALA	1,82,000	1.8153	1,82,000	1.8153
3	SHANTILAL R SHAH	1,46,500	1.4612	1,46,500	1.4612
4	NIRMALA S SHAH with SHANTILAL SHAH	97,500	0.9725	97,500	0.9725
5	NIRMALABEN S SHAH with DIPEN SHAH	70,000	0.6982	70,000	0.6982
6	DILIP NANJI GALA	63,000	0.6284	63,000	0.6284
7	DHAIRYA DILIP GALA	53,500	0.5336	53,500	0.5336
8	RAMESH A GANDHI	50,000	0.4987	50,000	0.4987
9	CHHAYA HITEN VAKHARIA	48,500	0.4837	48,500	0.4837
10	UMANG PRADEEP GALA	36,500	0.3641	36,500	0.3641

v. **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01/04/17)		Cumulative Shareholding during the year (31/03/18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	KANAN HEMANG SHAH	30,000	0.30%	30,000	0.30%

E. INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	--	--	--	--
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	--	--	--	--
TOTAL (i + ii + iii)	--	--	--	--
Change in Indebtedness during the financial year				
Addition	--	--	--	--
Reduction	--	--	--	--
Net Change	--	--	--	--
Indebtedness at the end of financial year				
i. Principal Amount	--	--	--	--
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	--	--	--	--
TOTAL (i+ii+iii)	--	--	--	--

* Note : The amount of Unsecured loans include the amount received by private company before 01st April, 2014 from the persons who at the time of receipt of the amount were director, members or relatives of directors, not included in the definition of Deposit in terms of Clause 2 (ix) of Companies (Acceptance of Deposits) Rules 1975 and were not treated as deposits under section 58A of the Companies Act, 1956 and the same are not to be treated as deposit under the Companies Act, 2013 as per General Circular No. 05/2015 (F.No. 1/8/2013-CL-V) dated 30th March ,2015 issued by the Government of India, Ministry of Corporate Affairs, New Delhi.

F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

ii. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Amount in Rs.	
						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						

iii. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Amount in Rs.	
			Total Amount	
1.	Gross salary	*****	*****	*****
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961			
	(b). Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	(c). Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of Profit - others, specify	*****	*****	*****
5.	Others, Please specify			
	TOTAL	*****	*****	*****

G. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K.R. Shah
G.H. Shah

DIRECTORS

Place : Mumbai
Dated : May 30, 2018

Annexure III

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of
Subsidiaries or associate companies or Joint ventures

Part A - Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Subsidiary 1	Subsidiary 2
1	Sl. No.	S1	S2
2	Name of the subsidiary	Kshanika Trading Limited	Jogindra Exports Limited
3	The date since when subsidiary was acquired	02/12/2002	30/11/2002
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2017 – 31/03/2018	01/04/2017 – 31/03/2018
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.
6	Share capital	5,00,000	5,00,000
7	Reserves and surplus	(80,689)	62,042
8	Total assets	3,77,03,261	36,52,75,579
9	Total Liabilities	3,77,03,261	36,52,75,579
10	Investments	2,34,36,549	NIL
11	Turnover	NIL	NIL
12	Profit / (Loss) before taxation	(42,392)	NIL
13	Provision for taxation	NIL	(4,672)
14	Profit / (Loss) after taxation	(42,392)	(4,672)
15	Proposed Dividend	NIL	NIL
16	Extent of shareholding (in percentage)	100%	100%

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

K. L. Shah
S. H. Shah

DIRECTORS

Place : Mumbai
Dated : May 30, 2018



N. B. Purohit & Co.

Chartered Accountants

A-205, Crystal Plaza, New Link Road,
Andheri (W), Mumbai - 400 053.

Tel. : 022 3297 2415 | Mob. : 98195 44278

E-mail : nbpurohit@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HINDUSTAN APPLIANCES LIMITED
REPORT ON STANDALONE FINANCIAL STATEMENTS.

We have audited the accompanying Standalone Financial Statements of M/s. Hindustan Appliances Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 standalone Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in



order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its Loss including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

OTHER MATTER

- (a) The comparative financial information of the Company for the year ended March 31, 2017 prepared in accordance with Indian Accounting Standards, included in these Standalone Financial Statements, have been audited by the predecessor auditors. The report of the predecessor auditors on the comparative financial information dated May 30, 2017 expressed an unmodified opinion.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



- d) In our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of 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 Auditors report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our knowledge and belief and according to the explanation given to us:
- 1) There was no pending litigation against company which would affect financial position of the company.
 - 2) The Company did not have any long term contracts including derivative contracts.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR N. B. Purohit & Co.
Chartered Accountants
Firm's Registration Number: 108241



(NILKANTH B. PUROHIT)

Proprietor

Membership No.31999

Place : Mumbai.
Date : 30th May, 2018





Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

1. In respect of its fixed assets:

Based on our scrutiny of the company's books of accounts and other records and according to the information and explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets and physical verification of fixed assets does not arise since the company had no fixed assets at the end of the financial year nor at any time during the financial year ended on that date.

2. In respect of its inventories:

The company does not engaged in the business of manufacturing, marketing and processing of any goods and articles. Accordingly, it does not hold any physical inventories. Thus the paragraph 3(ii) of the order is not applicable.

3. In respect of loan given:

According to the information and explanations given to us, the company has not given any unsecured loans to the persons covered under the register maintained u/s.189 of the Companies Act, 2013 (The Act). Accordingly paragraph 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not given any loans or made any new investment during the year and hence reporting related to compliance with the provisions of section 185 and 186 of the Act does not required.

5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.

7. In respect of statutory dues:


(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable



8. The Company does not have any loans or borrowings from any financial institution, banks or government. The company has not issued any debenture as at the balance sheet date and hence the provisions of clause 3(viii) of the order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and Accordingly, paragraph 3 (xi) of the Order is not applicable.
12. In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013 and hence, reporting requirements under clause 3(xv) of the Order are not applicable to the Company and, not commented upon.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

FOR N. B. Purohit & Co.
Chartered Accountants
Firm's Registration Number: 108241


(NILKANTH B. PUROHIT)
Proprietor
Membership No. 31999

Place : Mumbai.
Date : 30th May, 2018





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 M/s. Hindustan Appliances Limited (the Company), as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable Assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

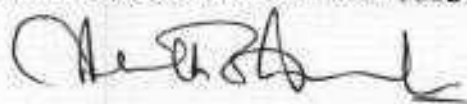
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

FOR N. B. Purohit & Co.
Chartered Accountants
Firm's Registration Number: 108241



(NILKANTH B. PUROHIT)

Proprietor
Membership No. 31999

Place : Mumbai.
Date : 30th May, 2018



HINDUSTAN APPLIANCES LIMITED
Balance Sheet As At March 31, 2018

Particulars	Note	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
I ASSETS				
(1) Non Current Assets				
(a) Financial Assets				
(i) Investments	1	19,76,000	19,76,000	19,76,000
(b) Other non current assets	2	61,331	61,331	58,387
Total non-current assets		<u>20,37,331</u>	<u>20,37,331</u>	<u>20,34,387</u>
(2) Current Assets				
(a) Financial Assets				
(i) Cash and cash equivalents	3	8,63,47,806	8,79,11,466	8,64,21,886
(ii) Loans	4	5,46,66,000	4,98,36,000	4,80,11,000
(b) Other current assets	5	1,946	89,675	96,532
Total current assets		<u>14,10,15,752</u>	<u>13,78,37,141</u>	<u>13,45,29,418</u>
Total assets		<u>14,30,53,083</u>	<u>13,98,74,472</u>	<u>13,65,63,805</u>
II EQUITY AND LIABILITIES				
(1) EQUITY				
(a) Equity Share Capital	6	9,98,88,000	9,98,88,000	9,98,88,000
(b) Other Equity	7	4,28,70,941	3,99,76,974	3,66,67,256
Total equity		<u>14,27,58,941</u>	<u>13,98,64,974</u>	<u>13,65,55,256</u>
LIABILITIES				
(2) Current Liabilities				
(a) other current liabilities	8	2,65,759	9,498	8,550
(b) Provisions	9	28,383	-	-
Total current liabilities		<u>2,94,142</u>	<u>9,498</u>	<u>8,550</u>
Total liabilities		<u>2,94,142</u>	<u>9,498</u>	<u>8,550</u>
Total equity and liabilities		<u>14,30,53,083</u>	<u>13,98,74,472</u>	<u>13,65,63,806</u>
Notes forming part of financial statements				

In terms of our report attached

For N. B. Purohit & Co.
Chartered Accountants
Firm's registration number: 108241

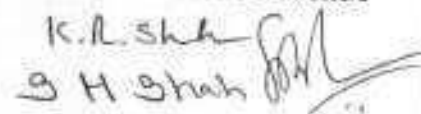


Nilkanth B. Purohit
Proprietor
M.No: 31999

Place : Mumbai
Dated: 30th May, 2018



For and on behalf of the Board of Directors



Directors

HINDUSTAN APPLIANCES LIMITED
Statement of Profit and loss for the financial year 2017-2018

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from Operations			
II Other Income			
III Total Income (I+II)	10	53,53,154	59,07,302
IV Expenses		53,53,154	59,07,302
(a) Employee benefits expenses			
(b) Other expenses	11	5,48,155	4,69,097
Total Expenses	12	9,07,333	6,50,789
V Profit / (Loss) before tax (III - IV)		14,55,488	11,19,886
VI Tax Expense		38,97,666	47,87,416
(i) Current tax			
(ii) Deferred tax		10,03,700	14,79,400
(iii) Income Tax of Earlier Years			
Total tax expense			(3,703)
VII Profit / (Loss) for the year from continuing operations (V - VI)		10,03,700	14,77,697
VIII Profit / (Loss) from discontinued Operations		28,93,966	33,09,719
IX Tax expense from discontinued operation			
X Profit / (Loss) from discontinuing operations (VIII - IX)			
XI Profit / (Loss) for the year (VII + X)			
XII Other Comprehensive Income (OCI)		28,93,966	33,09,719
(a) Items that will not be re-classified to profit or loss			
(i) Measurement of defined employee benefit plans			
(ii) Changes in fair value of equity instruments carried at fair value through OCI			
(b) Income tax relating to items that will not be re-classified to profit or loss			
Total comprehensive income (net of tax)			
XIII Total Comprehensive income (XI + XII)		28,93,966	33,09,719
XIV Earnings per equity share (for continuing operations)			
(1) Basic		0.29	0.33
(2) Diluted		0.29	0.33
XV Earnings per equity share (for discontinuing operations)			
(1) Basic			
(2) Diluted			
XVI Earnings per equity share for continuing and discontinuing operations			
(1) Basic		0.29	0.33
(2) Diluted		0.29	0.33
Notes forming part of financial statements		0.29	0.33

In terms of our report attached

For N. B. Purohit & Co.
Chartered Accountants
Firm's registration number: 108241



Nilkanth B. Purohit
Proprietor
M.No. 31999

Place : Mumbai
Dated: 30th May, 2018



For and on behalf of the Board of Directors



Directors

HINDUSTAN APPLIANCES LIMITED

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

PARTICULARS	2017-2018		2016-2017	
A. Cash Flow arising from Operating Activities:				
Net Profit/(Loss) Before Taxation		38,97,666		47,87,416
Add/(less) Adjustments				
Less: Interest received	53,53,154	38,97,666	59,07,302	47,87,416
Operating Profit before Working Capital Changes		53,53,154		59,07,302
Adjustment for:		(14,55,488)		(11,19,886)
(Increase)/Decrease in Other Current assets	87,729		6,857	
(Increase)/Decrease in Current Assets - Loans	(48,30,000)		(18,25,000)	
Increase/(Decrease) in Current liabilities	2,56,261		948	
Less: Income Tax for the Year	9,75,317	(44,86,010)	14,80,641	(18,17,195)
		(59,41,498)		(29,37,081)
Net Cash inflow/(Outflow) in course of Operating Activities:		9,75,317		14,80,641
		(69,16,815)		(44,17,722)
B. Cash Flow Arising from Investing Activities:				
Adjustment for:				
Net Cash inflow/(Outflow) in course of Investing Activities:				
C. Cash Flow Arising from Financial Activities:				
Interest received	53,53,154		59,07,302	
Net Cash inflow/(Outflow) in course of Financial Activities:		53,53,154		59,07,302
		53,53,154		59,07,302
Net Cash outflow (A+B+C):		(15,63,661)		14,89,580
Add: Balance at the beginning of the Year		8,79,11,466		8,64,21,886
Balance at the end of the Year		8,63,47,806		8,79,11,466

Per our report of even date attached

For N. B. Purohit & Co.

Chartered Accountants

Firm's registration number: 108241



Nikant B. Purohit

Proprietor

M.No: 31999

Place: Mumbai

Dated: 30th May, 2018

For and on behalf of the Board of Directors



Directors



HINDUSTAN APPLIANCES LIMITED
Statement of Changes in Equity

A Equity Share Capital	
Particulars	
Balance as at April 01, 2016	
Changes during the year	9,98,88,000
Balance as at March 31, 2017	
Changes during the year	9,98,88,000
Balance as at March 31, 2018	9,98,88,000

Particulars	Reserves and Surplus		Items of OCI		Total
	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurements of employee benefits expense	
Balance as on April 01, 2016					
Profit for the year		3,66,67,256			3,66,67,256
Other comprehensive income (net of tax)		33,09,719			33,09,719
Total comprehensive income for the year					
Dividends including tax on dividend		33,09,719			33,09,719
Balance as on March 31, 2017					
Profit for the year		1,99,76,974			1,99,76,974
Other comprehensive income (net of tax)		28,93,966			28,93,966
Total comprehensive income for the year					
Dividends including tax on dividend		28,93,966			28,93,966
Balance as on March 31, 2018		4,28,70,941			4,28,70,941



HINDUSTAN APPLIANCES LIMITED
Statement of Changes in Equity

A Equity Share Capital:	
Particulars	
Balance as at April 01, 2016	
Changes during the year	9,98,88,000
Balance as at March 31, 2017	
Changes during the year	9,98,88,000
Balance as at March 31, 2018	9,98,88,000

B Other Equity		Reserves and Surplus		Items of OCI		Total
Particulars						
	General Reserves	Retained Earnings	Equity Instruments through OCI	Remeasurements of employee benefits expense		
Balance as on April 01, 2016						
Profit for the year		3,66,67,256				3,66,67,256
Other comprehensive income (net of tax)		33,09,719				33,09,719
Total comprehensive income for the year						
Dividends including tax on dividend		33,09,719				33,09,719
Balance as on March 31, 2017						
Profit for the year		3,99,76,974				3,99,76,974
Other comprehensive income (net of tax)		28,93,966				28,93,966
Total comprehensive income for the year						
Dividends including tax on dividend		28,93,966				28,93,966
Balance as on March 31, 2018		4,28,70,941				4,28,70,941



Notes

To the Financial Statements for the year ended March 31, 2018

A. GENERAL INFORMATION

Hindustan Appliances Limited (the company) is a public limited company incorporated under the provisions of the companies Act, 2013, with CIN : L18101MH1988PLCO00017 and domiciled in India. The address of its registered office is 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Panel (West), Mumbai -400013, Maharashtra. The Company is listed on the Bombay Stock Exchange (BSE).

B. SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**(i) Compliance with Ind AS**

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements of the company upto year ended March 31, 2017 have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) which includes Standards notified under the Companies (Accounting Standards) Rules, 2008 and the relevant provisions of the Companies Act 2013.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note D for an explanation of effect of transition from previous GAAP to Ind AS on financial position, financial performance and cashflows.

(ii) Historical cost convention

The financial statements of the company have been prepared on an accrual and going concern basis. The financial statements have been prepared on historical cost basis, except for certain assets and liabilities that is measured at fair value as stated in subsequent policies.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue from sale of goods when:

- the Company has transferred to the buyer the significant risk and reward of ownership of goods
- the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- the amount of revenue can be reliably measured
- it is probable that future economic benefits associated with the transaction will flow to the Company.

Revenue from rendering of services is recognized when the performance of agreed contractual tasks has been completed.

Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net) and gain/loss on corresponding hedge contracts.

(b) Employee Benefit Schemes**(i) Short-term benefits:**

Employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and gratuity. The unaccrued amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employee.

(ii) Post-Employment Benefits:

Gratuity

The Company has no defined benefit plan (the Gratuity Plan). Hence the Company does not accrue for its Gratuity and it is booked on payment basis.

Defined Contribution Plans - Provident Fund, Employee State Insurance Plan

The Group doesnot have any defined contribution plans such as contributions to provident fund and employee state insurance schemes.

(c) Impairment of Assets:

An asset is treated as impaired when carrying cost of assets exceeds its recoverable value. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An impairment loss is recognized in statement of Profit and Loss in the year in which an asset are identified as impaired.

(d) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed, where an inflow of economic benefits is probable.

(e) Financial Instruments:**(i) Investment in Subsidiaries**

The Company has accounted for its investments in subsidiaries at cost.

(ii) Initial recognition and measurement

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

(iii) Subsequent measurement**a) Financial assets carried at amortised cost (AC)**

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

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

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

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

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



(iv) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Transition to IFRS

The Company has elected to measure its equity investments at its previous GAAP carrying values which shall be deemed cost as at the date of transition.

(v) Impairment of financial assets

An asset is treated as impaired when carrying cost of assets exceeds its recoverable value. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called each generating units (GCU) may be impaired. If any such indication exists the recoverable amount of an asset or GCU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the GCU to which the asset belongs. An impairment loss is recognised in Statement of Profit and Loss in the year in which an asset is identified as impaired.

(vi) Tax Expense

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

Current Tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(vii) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

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

Estimates and judgements are continually evaluated. The areas involving critical estimates and judgement are:

(i) Estimation of fair values of Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of such outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(ii) Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTE	1	NON-CURRENT INVESTMENT	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016		
			Face Value	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
		a. In Equity shares (fully paid up)							
		In Subsidiaries at Cost							
		Unquoted							
		(i) Kinaria Trading Limited	100	5,000	5,00,000	5,000	5,00,000	5,000	5,00,000
		(ii) Jignish Exports Limited	100	5,000	5,00,500	5,000	5,00,000	5,000	5,00,000
					10,00,500		10,00,000		10,00,000
		b. In Equity shares (fully paid up)							
		Quoted (at Cost)*							
		(i) Classic Electricals Limited	10	73,000	2,19,000	73,000	2,19,000	73,000	2,19,000
		(ii) Sinker Leasing and Trading Limited	10	49,000	1,47,000	49,000	1,47,000	49,000	1,47,000
					3,66,000		3,66,000		3,66,000
		Unquoted (at Cost)							
		(i) Kalpara Lamps and Components Limited	10	8,10,000	8,10,000	8,10,000	8,10,000	8,10,000	8,10,000
					8,10,000		8,10,000		8,10,000
		TOTAL			19,76,500		19,76,000		19,76,000
		Aggregate Amount of Quoted Investment			3,66,000		3,66,000		3,66,000
		Aggregate market value of quoted investment*							
		Aggregate carrying value of unquoted investment			19,76,500		19,76,000		19,76,000

* Investment in quoted equity shares are listed on BSE but are not traded in the stock market and hence market value of the investments is not available.

NOTE	2	OTHER NON-CURRENT ASSETS	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016		
		(Unsecured & Considered Good)							
		Advance payment of taxes (Net of Provisions)			61,331		61,331		58,187
		TOTAL			61,331		61,331		58,187



NOTE 3 CASH & CASH EQUIVALENTS	As At		As At		As At	
	March 31, 2018		March 31, 2017		April 1, 2016	
a) Cash on Hand		87,546		93,207		2,330
b) Balance with Bank*		8,62,80,340		8,78,18,158		8,84,18,516
TOTAL		8,63,47,886		8,75,11,466		9,64,21,846

* Includes Deposits of ₹ 8,40,00,000 (Previous Year ₹ 8,40,00,000) with maturity of 12 months.

8.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

NOTE 4 - LOANS	As At		As At		As At	
	March 31, 2018		March 31, 2017		April 1, 2016	
(Unsecured & Considered Good)						
a) Loans Given to Subsidiary Companies		5,45,96,000		4,97,69,000		4,79,11,000
b) Loans to Employees		70,000		70,000		1,00,000
TOTAL		5,46,66,000		4,98,39,000		4,80,11,000

NOTE 5 - OTHER CURRENT ASSETS	As At		As At		As At	
	March 31, 2018		March 31, 2017		April 1, 2016	
(Unsecured & Considered Good)						
a) Accrued Interest on Fixed Deposits		-		89,675		86,537
b) Prepaid Expenses		1,946		-		-
TOTAL		1,946		89,675		96,537

NOTE 6 - EQUITY SHARE CAPITAL	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Units	Amount	Units	Amount	Units	Amount
AUTHORISED SHARE CAPITAL						
Equity Shares of ₹ 10/- each	1,03,00,000	10,30,00,000	1,03,00,000	10,30,00,000	1,03,00,000	10,30,00,000
ISSUED SUBSCRIBED & PAID-UP						
Equity Shares of ₹ 10/- each fully paid-up	88,76,400	8,87,64,000	88,76,400	8,87,64,000	88,76,400	8,87,64,000
Equity Shares of ₹ 10/- each ₹ 2.50 per share paid-up (₹ 7.50 per share calls in arrears)	49,600	1,24,000	49,600	1,24,000	49,600	1,24,000
TOTAL	1,40,26,000	9,98,88,000	1,40,26,000	9,98,88,000	1,40,26,000	9,98,88,000

Details of Share Holders holding more than 5% Equity shares in the company at the end of the Year.

NAME OF SHAREHOLDERS	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	%	No of Shares	%	No of Shares	%	No of Shares
1) Mithal Jodest Shah	65.66	85,82,000	65.66	85,82,000	65.66	85,82,000

Terms/Rights attached to Equity Shares

The Company has only one class of Equity shares having par value of ₹ 10/- per share. Each shareholders of equity shares is entitled to one vote per share.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their share holding.

Reconciliation of number of shares outstanding:

PARTICULARS	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	No of Shares		No of Shares		No of Shares	
Equity shares at beginning of the year		1,00,26,000		1,00,26,000		
Shares issued during the year		-		-		
Shares bought back during the year		-		-		
Equity Shares at the end of the year		1,00,26,000		1,00,26,000		1,00,26,000

NOTE 7 - OTHER EQUITY	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	No of Shares		No of Shares		No of Shares	
a) Retained Earnings*						
As per last Balance sheet		3,99,76,974		3,66,67,258		
Add: Profit / (Loss) for the year		28,93,956		33,08,719		
TOTAL		4,28,70,941		3,99,76,974		3,66,67,258

NOTE 8 - OTHER CURRENT LIABILITIES	As At		As At		As At	
	March 31, 2018		March 31, 2017		April 1, 2016	
a) Statutory Dues		24,850		-		1,550
b) Other Payables		2,40,909		9,498		7,000
TOTAL		2,65,759		9,498		8,550

8.1 There are no amounts due for payments to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at the year end.

NOTE 9 - PROVISIONS	As At		As At		As At	
	March 31, 2018		March 31, 2017		April 1, 2016	
a) Provision for Income Tax		28,383		-		-
TOTAL		28,383		-		-



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NOTE 10 OTHER INCOME	As At March 31, 2018	As At March 31, 2017
a) Interest on Bank Deposits	53,53,354	50,07,302
TOTAL	53,53,354	50,07,302

NOTE 11 EMPLOYEE BENEFIT EXPENSES	As At March 31, 2018	As At March 31, 2017
Salary Bonus & other allowances	5,43,288	4,69,097
Staff Welfare Expenses	4,867	
TOTAL	5,48,155	4,69,097

NOTE 12 OTHER EXPENSES	As At March 31, 2018	As At March 31, 2017
Rates & Taxes	14,055	9,462
Payment to Auditors		
Towards Audit Fee	2,00,000	2,29,000
Towards Certificate Fees & Other Services	11,800	74,750
Listing Fees	2,87,500	2,29,000
Legal & Professional Expenses	3,24,450	47,000
Miscellaneous Expenses	89,150	81,577
TOTAL	6,07,955	6,50,789

NOTE 13 EARNING PER SHARE	As At March 31, 2018	As At March 31, 2017
Net Profit/(Loss) after tax	26,92,966	33,09,719
Weighted average No. of Shares	1,00,26,000	1,00,26,000
Nominal value per Share (₹)	10	10
Earnings per Share	0.29	0.33
Diluted Earnings per Share	0.29	0.33

NOTE 14 In the opinion of the management, Loans & Advances and Trade receivables have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the books of accounts.

NOTE 15:

Provision for accruing of benefits for gratuity in terms of Ind AS 19 "Employee Benefits" issued by The Institute of Chartered Accountants of India has not been made in the accounts. The figure of which is not ascertainable. However same is accounted on cash basis.

NOTE 16: The Company is not engaged in any operational business and hence Segment reporting is not applicable to the company.

NOTE 17 IMPORTS (VALUES ON CIF)	As At March 31, 2018	As At March 31, 2017
CIF value of imports	Nil	Nil

NOTE 18 FOB VALUE OF GOODS EXPORTED	As At March 31, 2018	As At March 31, 2017
FOB value of goods exported	Nil	Nil

NOTE 19 ACTIVITY IN FOREIGN CURRENCY	As At March 31, 2018	As At March 31, 2017
Earnings in Foreign currency	Nil	Nil
Expenditure in Foreign currency	Nil	Nil

NOTE 20 REMITTANCE IN FOREIGN CURRENCY	As At March 31, 2018	As At March 31, 2017
For payment of Dividend	Nil	Nil

Related Party Transactions:

Related party disclosure in accordance with the Ind AS - 24 issued by the Institute of Chartered Accountants of India is as under:

NOTE 21 RELATED PARTY TRANSACTION

a) Subsidiary Companies

Logindra Exports Limited
Kalmha Trading Limited

b) Key Managerial Personnel (KMP)

Shri Sunil Hirji Shah
Shri Karan Hemang Shah
Shri Sanjay A. Desai
Shri Kalyan H. Shah
Shri Ravindra Ranji Maytra

(c) Details of Transaction with related parties

Name of the related parties with whom the transactions have been made	Description of relationship with the party	Nature of Transaction	Loans repaid	Loans Given	Amount outstanding as on 31st March 2018	Amount outstanding as on 31st March 2017
Logindra Exports Ltd.	Subsidiary	Loans	-	47,00,000	1,75,25,000	1,28,15,000
Kalmha Trading Ltd.	Subsidiary	Loans	-	1,30,000	1,70,81,000	3,64,51,000

Notes: Related party relationship is as identified by the company and relied upon by the auditor.



NOTE 22 As the Company does not fulfil the criteria specified in section 135 of the Companies Act read with rule 3 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 ('CSR Rules') for three consecutive financial years, CSR Provisions is not applicable to the company.

NOTE 23 Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair values or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

NOTE 24 The previous year's figures have been regrouped & recast wherever necessary to make them comparable.

D. FIRST TIME ADDITION OF IND AS
Transition to Ind AS

These are the Company's first financial statements prepared in accordance with the Ind AS.

The accounting policies set out in Note A, B and C above have been applied in preparing the financial statements for the year ended March 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cashflows is set out in the following tables and notes.

A. Exemptions and exceptions availed

A.1. Ind AS optional exemptions

- a) The Company has elected to measure its investments in subsidiaries at its previous GAAP carrying values which shall be deemed cost as at the date of transition.
- b) Ind AS 101 allows an entity to designate investments in equity instruments at cost on the basis of the facts and circumstances at the date of transition to Ind AS.
- c) Business Combinations

Ind AS 101 provides the option to apply Ind AS 101 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 101 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition have not been restated.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

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

Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except estimates were required by Ind AS and not required by Previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Impairment of financial assets

Ind AS 101 requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date of financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires reconciliations of its equity reported in accordance with previous GAAP to its equity in accordance with Ind AS for the latest period in the entity's most recent annual financial statements.

Particulars	As at 31 March 2017				As At 1st April 2018			
	Previous GAAP	Effect of Transition to Ind AS		As per Ind AS	Previous GAAP	Effect of Transition to Ind AS		As per Ind AS
		(Classification)	(Measurement)			(Classification)	(Measurement)	
I ASSETS								
(1) Non Current Assets								
(a) Financial Assets								
(i) Investments	18,76,000	-	-	18,76,000	18,76,000	-	-	18,76,000
(ii) Loans	61,331	(61,331)	-	-	58,187	(58,187)	-	58,187
(iii) Other non-current assets	-	-	62,331	62,331	-	-	62,331	62,331
Total non-current assets	19,37,331	-	62,331	19,99,662	19,34,187	-	62,331	19,96,518
(2) Current Assets								
(a) Financial Assets								
(i) Cash and cash equivalents	8,75,11,866	-	-	8,75,11,866	8,64,21,888	-	-	8,64,21,888
(ii) Loans	4,98,36,000	-	-	4,98,36,000	4,82,11,200	-	-	4,82,11,200
(iii) Other current assets	88,675	-	-	88,675	90,533	-	-	90,533
Total current assets	13,78,17,141	-	-	13,78,17,141	13,46,29,419	-	-	13,46,29,419
Total assets	33,15,50,472		62,331	33,82,83,613	32,80,48,606		62,331	33,42,80,937
II EQUITY AND LIABILITIES								
EQUITY								
(A) Equity Share Capital	9,98,88,000	-	-	9,98,88,000	9,98,88,000	-	-	9,98,88,000
(B) Other Equity	3,86,76,978	-	-	3,86,76,978	3,86,27,266	-	-	3,86,27,266
Total equity	13,85,64,978	-	-	13,85,64,978	13,85,15,266	-	-	13,85,15,266
LIABILITIES								
(1) Current Liabilities								
(a) Other current liabilities	8,558	-	-	8,558	8,558	-	-	8,558
Total current liabilities	8,558	-	-	8,558	8,558	-	-	8,558
Total liabilities	8,558	-	-	8,558	8,558	-	-	8,558
Total equity and liabilities	13,94,16,536		62,331	14,00,78,867	13,93,73,864		62,331	14,00,36,195



Reconciliation of cash flows for the year ended March 31, 2017

The transition from erstwhile Indian GAAP to Ind AS has not made any impact on the statement of cash flow.

Notes on Adjustments

1. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair values or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

2. Retained Earnings

Retained Earnings as at April, 2016 has been adjusted consequent to the above Ind AS transition adjustments and effect of same is NIL.

For our report of even date

For N. B. Purohit & Co.

Chartered Accountants

Firm's registration number: 108241



Nikant B. Purohit

Proprietor

M No: 31999

Place : Mumbai

Dated: 30th May, 2018



For and on behalf of the Board of Directors



Directors



INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF HINDUSTAN APPLIANCES LIMITED
REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Hindustan Appliances Limited (the Company) and its Subsidiaries (Collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and rules made thereunder including 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.
4. 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 consolidated financial statements are free from material misstatement.



5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (8) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

OTHER MATTER

8. We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of Rs.4029.79 lakhs as at 31st March, 2016, total revenues of Rs. Nil and net cash flows amounting to Rs.(0.05) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.



9. The comparative financial information of the Holding Company for the year ended March 31, 2017 prepared in accordance with Indian Accounting Standards, included in these Consolidated Financial Statements, have been audited by the predecessor auditors. The report of the predecessor auditors on the comparative financial information dated May 30, 2017 expressed an unmodified opinion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

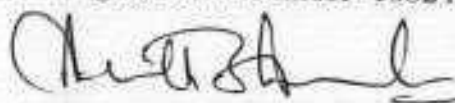
10. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub Section 11 of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
11. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the consolidated financial position of the Group.
- ii. The Group did not have any long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

FOR N. B. Purohit & Co.
Chartered Accountants
Firm's Registration Number: 108241



(NILKANTH B. PUROHIT)

Proprietor

Membership No.31999

Place : Mumbai.

Date : 30th May, 2018





Annexure - A 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")

1. In Conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31st March, 2018, We have audited the internal financial controls over financial reporting of M/s. Hindustan Appliances Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, 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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

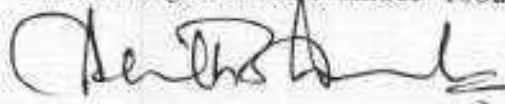
8. In our opinion, the Holding company and its Subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively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



Other Matters

9. Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

FOR N. B. Purohit & Co.
Chartered Accountants
Firm's Registration Number: 108241



(NILKANTH B. PUROHIT)
Proprietor
Membership No.31999

Place : Mumbai.
Date : 30th May, 2018



HINDUSTAN APPLIANCES LIMITED
Consolidated Balance Sheet As At March 31, 2018

Particulars	Note	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
I ASSETS				
(1) Non Current Assets				
[a] Property Plant and Equipment	1	11,90,945	15,20,926	19,42,505
[b] Investment Property	2	2,34,36,549	2,33,64,549	2,32,92,549
(c) Financial Assets				
(i) Investments	3	9,76,000	9,76,000	9,76,000
(ii) Other financial assets	4	66,180	74,104	74,104
[d] Other non current assets	5	5,02,93,530	5,12,81,508	5,11,39,321
Total non-current assets		7,59,63,204	7,72,17,087	7,74,24,479
(2) Current Assets				
[a] Inventories	6	31,36,83,137	31,01,68,598	30,69,95,374
(b) Financial Assets				
(i) Cash and cash equivalents	7	8,64,42,506	8,80,11,061	8,65,29,197
(ii) Loans	8	1,43,07,836	1,43,07,836	1,43,37,836
[c] Other current assets	9	39,240	96,425	96,532
Total current assets		41,44,72,719	41,25,83,920	40,79,58,939
Total assets		49,04,35,923	48,98,01,007	48,53,83,417
II EQUITY AND LIABILITIES				
(1) EQUITY				
[a] Equity Share Capital	10	9,98,88,000	9,98,88,000	9,98,88,000
[b] Other Equity	11	4,28,52,294	4,00,05,391	3,67,08,470
Total equity		14,27,40,294	13,98,93,391	13,65,96,470
LIABILITIES				
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	12	34,68,24,685	34,93,64,704	34,84,63,079
(ii) Trade Payables	13	3,66,983	2,95,590	80,940
[b] other current liabilities	14	4,75,578	2,47,322	2,42,928
[c] Provisions	15	28,383		
Total current liabilities		34,76,95,629	34,99,07,616	34,87,86,947
Total liabilities		34,76,95,629	34,99,07,616	34,87,86,947
Total equity and liabilities		49,04,35,923	48,98,01,007	48,53,83,417
Notes forming part of financial statements				

In terms of our report attached

For N. B. Purohit & Co.
Chartered Accountants
Firm's registration number: 108241



Nilkanth B. Purohit
Proprietor
M.No: 31999

Place : Mumbai
Dated: 30th May, 2018

For and on behalf of the Board of Directors



Directors

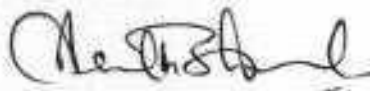


HINDUSTAN APPLIANCES LIMITED
Consolidated Statement of Profit and loss for the year 2017-2018

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from Operations			
II Other Income			
III Total Income (I+II)	16	53,53,154	59,07,302
IV Expenses		53,53,154	59,07,302
[a] Project Expenses	17	35,14,539	31,73,223
[b] Changes in inventories of finished goods; stock in trade and work in progress	18	(35,14,539)	(31,73,223)
[c] Employee benefits expenses	19	5,48,155	4,69,097
[d] Other expenses	20	9,49,725	6,63,586
Total Expenses		14,97,880	11,32,683
V Profit / (Loss) before tax (III - IV)		38,55,274	47,74,619
VI Tax Expense			
(i) Current tax		10,03,700	14,79,400
(ii) Income Tax of Earlier Years		4,672	(1,703)
Total tax expense		10,08,372	14,77,697
VII Profit / (Loss) for the year from continuing operations (V - VI)		28,46,902	32,96,922
VIII Profit / (Loss) from discontinued Operations			
IX Tax expense from discontinued operation			
X Profit / (Loss) from discontinuing operations (VIII - IX)			
XI Profit / (Loss) for the year (VII + X)		28,46,902	32,96,922
XII Other Comprehensive Income (OCI)			
[a] Items that will not be re-classified to profit or loss			
(i) Measurement of defined employee benefit plans			
(ii) Changes in fair value of equity instruments carried at fair value through OCI			
[b] Income tax relating to items that will not be re-classified to profit or loss			
Total comprehensive income (net of tax)			
XIII Total Comprehensive income (XI + XII)		28,46,902	32,96,922
XIV Earnings per equity share (for continuing operations)			
(1) Basic		0.28	0.33
(2) Diluted		0.28	0.33
XV Earnings per equity share (for discontinuing operations)			
(1) Basic			
(2) Diluted			
XVI Earnings per equity share for continuing and discontinuing operations			
(1) Basic		0.28	0.33
(2) Diluted		0.28	0.33
Notes forming part of financial statements			

In terms of our report attached

For N. B. Purohit & Co.
Chartered Accountants
Firm's registration number: 108241




Nilkanth B. Purohit
Proprietor
M.No: 31999

Place : Mumbai
Dated: 30th May, 2018



For and on behalf of the Board of Directors



Directors

HINDUSTAN APPLIANCES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

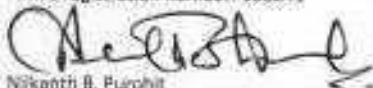
PARTICULARS	2017-2018		2016-2017	
A. Cash Flow arising from Operating Activities:				
Net Profit/(Loss) Before Taxation		38,55,274		47,74,619
Add/(less) : Adjustments	-	-	-	-
		38,55,274		47,74,619
Less: Interest received	53,53,154		59,07,302	
		53,53,154		59,07,302
Operating Profit before Working Capital Changes		(14,97,880)		(11,32,683)
Adjustment for:				
(Increase)/Decrease in Inventories	(31,84,558)		(27,51,646)	
(Increase)/Decrease in Other Current assets	57,185		107	
(Increase)/Decrease in Current Assets - Loans	-		30,000	
(Increase)/Decrease in Non-Current Assets	9,23,902		(2,14,187)	
Increase/(Decrease) in Trade Payables	71,393		2,14,650	
Increase/(Decrease) in Provisions	28,383		-	
Increase/(Decrease) in Borrowings	(25,40,019)		9,01,625	
Increase/(Decrease) in Other Current liabilities	2,28,256		4,394	
		(44,15,458)		(18,15,056)
		(59,13,338)		(29,47,739)
Less: Income Tax for the Year	10,08,372		14,77,697	
		10,08,372		14,77,697
Net Cash inflow/(Outflow) in course of Operating Activities:		(69,21,710)		(44,25,436)
B. Cash Flow Arising from Investing Activities:				
Adjustment for:				
Net Cash inflow/(Outflow) in course of Investing Activities:				
C. Cash Flow Arising from Financial Activities:				
Cash inflow				
b) Interest received	53,53,154		59,07,302	
		53,53,154		59,07,302
Net Cash inflow/(Outflow) in course of Financial Activities:		53,53,154		59,07,302
Net Cash outflow (A+B+C):		(15,68,556)		14,81,866
Add: Opening Balance of Cash & Cash Equivalents		8,80,11,061		8,65,29,197
Closing Balance of Cash & Cash Equivalents		8,64,42,506		8,80,11,061

Per our report of even date attached

For N. B. Purohit & Co.

Chartered Accountants

Firm's registration number: 108241



Nikant B. Purohit

Proprietor

M.No: 31999

Place : Mumbai

Dated: 30th May, 2018

For and on behalf of the Board of Directors



Directors



HINDUSTAN APPLIANCES LIMITED
Consolidated Statement of Changes in Equity

A Equity Share Capital

Particulars	
Balance as at April 01, 2016	9,98,88,000
Changes during the year	-
Balance as at March 31, 2017	9,98,88,000
Changes during the year	-
Balance as at March 31, 2018	9,98,88,000

B Other Equity

Particulars	Reserves and Surplus		Items of OCI		Total
	General Reserves	Retained Earnings	Equity Instruments through OCI	Re-measurements of employee benefits expense	
Balance as on April 01, 2016		3,66,67,256		-	3,66,67,256
Profit for the year	-	33,09,719	-	-	33,09,719
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income for the year	-	33,09,719	-	-	33,09,719
Dividends including tax on dividend	-	-	-	-	-
Balance as on March 31, 2017	-	3,99,76,974	-	-	3,99,76,974
Profit for the year	-	28,93,966	-	-	28,93,966
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income for the year	-	28,93,966	-	-	28,93,966
Dividends including tax on dividend	-	-	-	-	-
Balance as on March 31, 2018	-	4,28,70,941	-	-	4,28,70,941



HINDUSTAN APPLIANCES LIMITED

Notes

To the Consolidated Financial Statements for the year ended March 31, 2018

A. GENERAL INFORMATION

Hindustan Appliances Limited (the company) is a public limited company incorporated under the provisions of the companies Act, 2013, vide CIN L18101MH1984PLC034857 and domiciled in India. The address of its registered office is 1301, 13TH Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Panel (West), Mumbai -400013, Maharashtra. The Company is listed on the Bombay Stock exchange (BSE).

B. SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

For all periods up to and including the year ended 31 March 2017, the Group prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2018 are the first time the Group has prepared in accordance with Ind-AS.

(b) Historical cost convention

The consolidated financial statements have been prepared on an accrual and going concern basis. The Consolidated financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(c) Principles of Consolidation

The consolidated financial statements relate to Reliance Industries Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

The list of the subsidiary companies considered for consolidation together with the proportion of share holding by the group is as follows:

Name of the Subsidiary	Country of Origin	% of Group Holding
Jogindra Exports Limited	India	100%
Kshanka Trading Limited	India	100%

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to choose the Cost model i.e. to continue with the carrying value of all its property, plant and equipment recognised as at April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Freehold Land is not depreciated. The depreciation has been provided on the written down value basis in accordance with the requirement of the schedule-II of the companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other expenses or other income, as applicable.

(b) Investment Property

Investment property is property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes or (b) sale in the ordinary course of business.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to choose the Cost model i.e. to continue with the carrying value of all its Investment Properties recognised as at April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment Properties.



(c) Financial Instruments

Financial Assets

(i) Investment in Subsidiaries

The Company has accounted for its investments in subsidiaries at cost.

(ii) Initial recognition and measurement

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

(iii) Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

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

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

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

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

(iv) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:

a. the Company has transferred substantially all the risks and rewards of the asset, or

b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(v) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(vi) Impairment of financial assets

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables based on historical data. The said estimation is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

Transition to Ind As

The Company has elected to measure its equity investments at its previous GAAP carrying values which shall be deemed cost as at the date of transition.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

(ii) Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings repayable on demand are carried at their carrying amount. Any interest incurred and/or paid is included as finance costs in the statement of profit and loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(d) Inventories:

Stores are valued at lower of cost or net realisable value. Work in Progress is valued at direct cost incurred at every construction site. No overhead expenses are added thereon.

(e) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue from sale of goods when:

(i) the Company has transferred to the buyer the significant risk and reward of ownership of goods

the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

the amount of revenue can be reliably measured.

It is probable that future economic benefits associated with the transaction will flow to the Company.



Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Revenue from construction business is recognized on the basis of Project Completion method subject to transfer of significant risk and rewards to the buyer, reliable estimation of the outcome of the real estate project and completion of the project reaching at 100% of total project.

(f) Employee Benefit Schemes

(i) Short-term benefits:

Employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employee.

(ii) Post-Employment Benefits:

Gratuity

The Company has no defined benefit plan (the 'Gratuity Plan'). Hence the Company does not accrue for its Gratuity and it is booked on payment basis.

Defined Contribution Plans - Provident Fund, Employee State Insurance Plan :

The Group does not have any defined contributions plans such as contributions to provident fund and employee state insurance schemes.

(g) Impairment of Assets:

An assets is treated as impaired when carrying cost of assets exceeds its recoverable value. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An Impairment loss is recognised in statement of Profit and Loss in the year in which an assets are identified as impaired.

(h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(i) Tax Expense

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

Current Tax:

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

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

Estimates and judgements are continually evaluated. The areas involving critical estimates and judgement are:

(i) Estimation of fair values of Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.



NOTE 1 - PROPERTY PLANT AND EQUIPMENT

I. Property Plant and Equipment		Facility land	Staff Quarters	Office Premises	Plant and Machinery	Electric Fittings	Furniture and fixtures	Leasehold Improvements	Computers	Vehicles	Office Equipments	Total
A. Gross Block					54,54,142						43,680	54,97,822
Decmed costs as at April 01, 2016												
Additions												
Disposals / adjustments												
As At March 31, 2017					54,54,142						43,680	54,97,822
Additions												
Disposals / adjustments												
As At March 31, 2018					54,54,142						43,680	54,97,822
B. Accumulated depreciation												
As at April 01, 2016					35,13,821						41,656	35,55,317
Depreciation for the year					4,21,579							4,21,579
Disposals / adjustments												
As At March 31, 2017					39,35,400						41,656	39,76,896
Depreciation for the year					3,29,981							3,29,981
Disposals / adjustments												
As At March 31, 2018					42,65,381						41,656	43,06,877
C. Net Block												
As at April 01, 2016					19,40,321						2,184	19,42,505
As at March 31, 2017					15,18,742						2,184	15,20,926
As at March 31, 2018					11,88,761						2,184	11,90,945



(ii) Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTE	2	INVESTMENT PROPERTY	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		Investment in Property	2,34,36,549	2,33,64,549	2,32,92,549
		TOTAL	2,34,36,549	2,33,64,549	2,32,92,549

NOTE	3	NON-CURRENT - FINANCIAL ASSETS INVESTMENT	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016
			Face Value	No of Shares	No of Shares	Amount	Amount
a		In Equity shares (fully paid up) In Subsidiaries at Cost Unquoted					
		(i) Kshanka Trading Limited	100	5,000	5,000	-	-
		(ii) Jogindra Exports Limited	100	5,000	5,000	-	-
b		In Equity shares (fully paid up) Quoted (at Cost)					
		(i) Classic Electricals Limited	10	73,000	73,000	2,19,000	2,19,000
		(ii) Shikhar Leasing and Trading Limited	10	49,000	49,000	1,47,000	1,47,000
		Unquoted (at Cost)				3,66,000	3,66,000
		(i) Kalpana Lamps and Components Limited	10	6,10,000	6,10,000	6,10,000	6,10,000
		TOTAL				9,76,000	9,76,000
		Aggregate Amount of Quoted Investment				3,66,000	3,66,000
		Aggregate market value of quoted Investment*				-	-
		Aggregate carrying value of unquoted Investment				9,76,000	9,76,000

* Investment in quoted equity shares are listed on BSE but are not traded in the stock market and hence market value of the investment is not available.

NOTE	4	NON-CURRENT - FINANCIAL ASSETS FINANCIAL ASSETS	OTHER	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		(Unsecured & Considered Good)				
		Security deposit electricity		66,180	74,104	74,104
		TOTAL		66,180	74,104	74,104

NOTE	5	OTHER NON-CURRENT ASSETS (Unsecured & Considered Good)	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		Advance payment of taxes (Net of Provisions)	61,854	64,823	61,879
		Security Deposit	25,000	25,000	25,000
		Balance with Revenue Authorities	2,06,676	5,91,685	4,52,442
		Advances to Suppliers	5,00,00,000	5,06,00,000	5,06,00,000
		TOTAL	5,02,93,530	5,12,81,508	5,11,89,321

NOTE	6	INVENTORIES (Unsecured & Considered Good)	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		Construction Work-in-Progress	31,36,83,137	31,01,68,598	30,69,95,374
		TOTAL	31,36,83,137	31,01,68,598	30,69,95,374

NOTE	7	CASH & CASH EQUIVALENTS	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		a) Cash on Hand	96,265	1,64,235	49,528
		b) Balance with Bank*	8,63,46,241	8,78,46,826	8,64,79,669
		TOTAL	8,64,42,506	8,80,11,061	8,65,29,197

Includes Deposits of ₹ 8,60,00,000 (Previous Year ₹ 8,60,00,000) with maturity of 12 months.

4.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.



NOTE	8	CURRENT FINANCIAL ASSETS - LOANS (Unsecured & Considered Good)	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		a) Loans Given to Subsidiary Companies	-	-	-
		b) Loans Given to Corporate Bodies	1,42,37,836	1,42,37,836	1,42,37,836
		c) Loans to Employees	70,000	70,000	1,00,000
		TOTAL	1,43,07,836	1,43,07,836	1,43,37,836

NOTE	9	OTHER CURRENT ASSETS (Unsecured & Considered Good)	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		a) Accrued Interest on Fixed Deposits	-	89,675	96,532
		b) Prepaid Expenses	1,946	-	-
		c) Other Advances	37,294	6,750	-
		TOTAL	39,240	96,425	96,532

NOTE	10	EQUITY SHARE CAPITAL	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
			Units	Amount	Units	Amount	Units	Amount
		AUTHORISED SHARE CAPITAL						
		Equity Shares of ₹ 10/- each	#####	10,30,00,000	#####	10,30,00,000	#####	10,30,00,000
		ISSUED SUBSCRIBED & PAID-UP						
		Equity Shares of ₹ 10/- each fully paid-up	#####	9,97,64,000	#####	9,97,64,000	#####	9,97,64,000
		Equity Shares of ₹ 10/- each ₹ 2.50 per share paid-up (₹ 7.50 per share calls-in-arrears)	49,600	1,24,000	49,600	1,24,000	49,600	1,24,000
		TOTAL	#####	9,98,88,000	#####	9,98,88,000	#####	9,98,88,000

Details of Share Holders holding more than 5% Equity shares in the company at the end of the Year.

NAME OF SHAREHOLDERS	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	%	No of Shares	%	No of Shares	%	No of Shares
1) Mehul Jadavji Shah	65.66	65,82,000	65.66	65,82,000	65.66	65,82,000

Terms/Rights attached to Equity Shares

The Company has only one class of Equity shares having par value of ₹ 10/- per shares. Each shareholders of equity shares is entitled to one vote per share. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their share holding.

Reconciliation of number of shares outstanding :

PARTICULARS	As At March 31, 2018 No of Shares	As At March 31, 2017 No of Shares	As At April 1, 2016 No of Shares
Equity shares at beginning of the year	1,00,26,000	1,00,26,000	-
Shares issued during the year	-	-	-
Shares bought back during the year	-	-	-
Equity Shares at the end of the year	1,00,26,000	1,00,26,000	1,00,26,000

NOTE	11	OTHER EQUITY	As At March 31, 2018 No of Shares	As At March 31, 2017 No of Shares	As At April 1, 2016 No of Shares
		a) Retained Earnings			
		As per last balance sheet	4,00,05,391	3,67,08,470	-
		Add: Profit / (Loss) for the year	28,46,902	32,96,922	-
		TOTAL	4,28,52,294	4,00,05,391	3,67,08,470

NOTE	12	BORROWINGS	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		a) Loan from Holding Company	-	-	-
		b) Loan from Corporate Bodies	34,68,24,685	34,93,64,704	34,84,63,079
		TOTAL	34,68,24,685	34,93,64,704	34,84,63,079

NOTE	13	TRADE PAYABLES	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
		a) Trade Payables	3,66,983	2,95,590	80,940
		TOTAL	3,66,983	2,95,590	80,940



NOTE	14 OTHER CURRENT LIABILITIES	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
	a) Statutory Dues	5,235	4,174	3,040
	b) Other Payables	4,70,343	2,43,148	2,39,888
	TOTAL	4,75,578	2,47,322	2,42,928

8.1 There are no amounts due for payment to the investor education and protection fund under section 125 of the Companies Act, 2013 as at the year end.

NOTE	15 CURRENT LIABILITIES - PROVISIONS	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
	a) Provision for income tax	28,383	-	-
	TOTAL	28,383	-	-

NOTE	16 OTHER INCOME	2017-2018	2016-2017
	a) Interest on Bank Deposits	53,53,154	59,07,302
	TOTAL	53,53,154	59,07,302

NOTE	17 PROJECT EXPENSES	2017-2018	2016-2017
	Building Material Purchased	44,690	62,207
	Labour Charges	2,66,500	2,46,000
	Rates & Taxes	3,02,484	3,16,424
	Site Admn Expenses	19,47,448	14,88,513
	Legal & Professional	6,34,000	6,38,500
	Depreciation	3,29,981	4,21,579
	Less: Misc. Income	(10,564)	-
	TOTAL	35,14,539	31,73,223

NOTE	18 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS	2017-2018	2016-2017
	Inventories at the end of the Year		
	Construction Work-in-Progress	31,36,83,137	31,01,68,598
	Inventories at the beginning of the Year		
	Construction Work-in-Progress	31,01,68,598	30,69,95,375
	TOTAL	35,14,539	31,73,223

NOTE	19 EMPLOYEE BENEFIT EXPENSES	2017-2018	2016-2017
	Salary Bonus & other allowances	5,43,288	4,69,097
	Staff Welfare Expenses	4,867	-
	TOTAL	5,48,155	4,69,097

NOTE	20 OTHER EXPENSES	2017-2018	2016-2017
	Rates & Taxes	14,857	10,286
	Payment to Auditors:		
	- Towards Audit Fee	2,02,950	2,31,875
	- Towards Certification Fees & Other Services	11,800	74,750
	Listing Fees	2,87,500	2,29,000
	Legal & Professional Expenses	3,62,950	56,000
	Miscellaneous Expenses	69,668	61,675
	TOTAL	9,49,725	6,63,586

NOTE	21 EARNING PER SHARE	2017-2018	2016-2017
	Net Profit/(Loss) after tax	28,46,902	32,96,922
	Weighted average No. of Shares	1,00,26,000	1,00,26,000
	Nominal value per Share (₹)	10	10
	Earnings per Share	0.28	0.33
	Diluted Earnings per Share	0.28	0.33

NOTE 22 In the opinion of the management, Loans & Advances and trade receivables have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the books of accounts.

NOTE 23 Provision for accruing of liabilities for gratuity in terms of Ind AS 19 "Employee Benefits" issued by The Institute of Chartered Accounts of India has not been made in the accounts. The figure of which is not ascertainable. However same is accounted on cash basis.

NOTE 24 The Company is not engaged in any operational Business and Hence Segment reporting is not applicable to the company.



[Handwritten signature]

NOTE		2017-2018	2016-2017
25	IMPORTS (VALUES ON OFF) CIF value of imports	Nil	Nil
26	FOB VALUE OF GOODS EXPORTED FOB value of goods exported	Nil	Nil
27	ACTIVITY IN FOREIGN CURRENCY Earnings in Foreign currency Expenditure in Foreign currency	Nil Nil	Nil Nil
28	REMITTANCE IN FOREIGN CURRENCY For payment of Dividend	Nil	Nil

NOTE As the Company does not fulfill the criteria specified in section 135 of the companies Act read with rule 3 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 ("CSR Rules") for three consecutive Financial Years, CSR Provisions is not applicable to the company.

NOTE Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair values or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

NOTE The previous year's figures have been regrouped & recast wherever necessary to make them comparable.

D. FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with the Ind AS.

The accounting policies set out in Note A, B and C above have been applied in preparing the financial statements for the year ended March 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2005 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cashflows is set out in the following tables and notes.

A. Exemptions and exceptions availed

A.1. Ind AS optional exemptions

- The Company has elected to measure its investments in subsidiaries at its previous GAAP carrying values which shall be deemed cost as at the date of
- Ind AS 101 allows an entity to designate investments in equity instruments at cost on the basis of the facts and circumstances at the date of transition to Ind AS.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

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

Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except estimates were required by Ind AS and not required by Previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Impairment of financial assets

Ind AS 101 requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date of financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires reconciliations of its equity reported in accordance with previous GAAP to its equity in accordance with Ind AS and a reconciliation to its total comprehensive income in accordance with Ind AS for the latest period in the entity's most recent annual financial statements.

i. Reconciliation of Equity between Ind AS and previous GAAP

Nature of Adjustment	As At March 31, 2018	As At March 31, 2017
Shareholder's Equity as per Previous GAAP	14,27,40,294	13,98,93,391
Adjustments	-	-
Shareholders' Equity as per Ind AS	14,27,40,294	13,98,93,391

ii. Reconciliation of Profit/(Loss) after tax between Ind AS and previous GAAP

Nature of Adjustment	As At March 31, 2018	As At March 31, 2017
Net profit/(loss) as per previous GAAP	28,46,902	32,96,922
Adjustments	-	-
Net profit/(loss) as per Ind AS	28,46,902	32,96,922

iii. Reconciliation of cash flows for the year ended March 31, 2017

The transition from erstwhile Indian GAAP to Ind AS has not made any impact on the statement of cash flows.



IV Notes on Adjustments

1. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair values or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP

2. Retained Earnings

Retained Earnings as at April, 2016 has been adjusted consequent to the above Ind AS transition adjustments and the amount of adjustments is NIL.

Per our report of even date

For N. B. Purohit & Co.

Chartered Accountants

Firm's registration number: 108241



Nikant B. Purohit

Proprietor

M.No: 31999

Place: Mumbai

Dated: 30th May, 2018



For and on behalf of the Board of Directors



K.R. Shah
B.H. Shah

Directors

HINDUSTAN APPLIANCES LIMITED

Reg. Off. : 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400013. Email Id : info.roc7412@gmail.com
Website : www.hindustan-appliances.in

CIN : L18101MH1984PLC034857

ANNUAL REPORT 2017-18

PROXY FORM

Form No. MGT-11

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

CIN : L18101MH1984PLC034857
Name of the Company : Hindustan Appliances Limited
Registered address : 1301, 13th Floor, Peninsula Business Park, Tower B,
Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.
Name of the member (s) :
Registered address :
E-mail ID :
Folio No./Client ID/DP ID :

I/We, _____ of _____ being the member(s) of Hindustan Appliances Limited hereby appoint the following as my/our proxy to attend vote(for me/us) on my/our behalf at the Annual General Meeting of the company to be held on Saturday, 29th September, 2018 at 2.00 P.M. at 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013 and at any adjournment thereof in respect of such resolutions as are indicated below:

Name : _____ Address : _____
E-mail ID : _____ Signature : _____

or failing him

Name : _____ Address : _____
E-mail ID : _____ Signature : _____

Or failing him

Name : _____ Address : _____
E-mail ID : _____ Signature : _____

Or failing him

Name : _____ Address : _____
E-mail ID : _____ Signature : _____

Or failing him

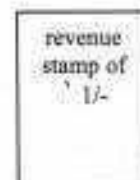
* I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sr.No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2018 and reports of the Board of Directors and the Auditors thereon.		
2.	Re-appointment of Mr. Sanjay Amrutlal Desai who retires by rotation.		

* This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" columns blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature (s) of Member(s)

1. _____
2. _____
3. _____



Signed this _____ day of _____ 2018.

Notes:

1. The Proxy to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

HINDUSTAN APPLIANCES LIMITED

Reg. Off. : 1301, 13th Floor, Peninsula Business Park, Tower B, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400013. Email Id : info.roc7412@gmail.com
Website : www.hindustan-appliances.in

CIN : L18101MH1984PLC034857

BALLOT FORM (In lieu of E-voting)

1. Name :
Registered Address :
Of the sole/first named Shareholder :
2. Name(s) of the Joint Shareholder(s) :
if any :
3. Registered Folio/DPID & Client ID No. :
4. No. of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of the Annual General Meeting of the Company to be held on 29th September, 2018 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	No. of Equity shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
	Ordinary Business			
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2018 and reports of the Board of Directors and the Auditors thereon.			
2.	Re-appointment of Mr. Sanjay Amrutlal Desai who retires by rotation.			

Place: _____

Date : _____

Signature of Shareholder

NOTE: Kindly read the instructions printed overleaf before filing the form. Only valid Ballot Forms received by 29th September, 2018 shall be considered and submitted at the AGM on 29th September, 2018 personally.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Company.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. There will be only one Ballot Form for every Folio /DP ID / Client ID irrespective of the number of joint members.
6. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
7. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.

ROAD MAP

From : Lower Parel (West) Station
To : Tower B, Peninsula Business Park, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400013.

