

26<sup>th</sup>  
annual  
report  
2016-17



SHIVAJI MOHITE  
GROUP

MOHITE INDUSTRIES LIMITED

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# BOARD OF DIRECTORS

|                                     |                                    |
|-------------------------------------|------------------------------------|
| <b>Mr. Shivaji R. Mohite</b>        | Chairman & MD                      |
| <b>Mrs. Monika S. Mohite</b>        | Joint MD                           |
| <b>Mr. Abhay S. Bhide</b>           | Wholetime/Executive Director & CEO |
| <b>Mr. Vijay M. Nawandhar</b>       | Independent Director               |
| <b>Mr. Ranjeet D. Patil</b>         | Independent Director               |
| <b>Mr. Sangramsinh S. Nimbalkar</b> | Independent Director               |
| <b>Mr. Shankar H. Patil</b>         | Independent Director               |

## SPINNING UNIT & REGISTERED OFFICE

R.S.No. 347, Ambapwadi Phata,  
NH - 4, Vadgaon,  
Tal - Hatkanangale,  
Dist.- Kolhapur INDIA 416112  
web - www.mohite.com  
Fax - +91 230 2471229  
email - mohitex@bsnl.in  
Phone - +91 230 2471230 to 33

## HYDRO-ELECTRIC POWER PROJECT

Radhanagari Hydro  
Power Project  
Radhanagari Dam foot ,  
A/p-Fejiwade,  
Tal- Radhanagari  
Dist - Kolhapur.

## BANKERS

**Bank of Baroda,**  
Shahupuri, Kolhapur

**IDBI Bank Ltd,**  
BKC Branch, Mumbai

**State Bank of India,**  
Udyamnagar, Kolhapur

## AUDITOR

**Moreshwar G. Deshpande**  
Chartered Accountants,  
Sangli

## INTERNAL AUDITORS

**N. M. Pathan & Co.**  
Chartered Accountants,  
Kolhapur

## COST AUDITOR

Mr. Sudhakar V. Vhatte  
Cost & Management  
Accountant, Solapur

## SECRETARIAL AUDITOR

Mr. Dilip D. Pange  
Company Secretary  
in Practice, Kolhapur

## CHIEF FINANCE OFFICER

CA Shreyas Sanjay Alatkar

## COMPANY SECRETARY

CS Ashvini Prataprao Kalekar

# DIRECTOR'S REPORT

Dear Shareholders,

Your Director's have pleasure in presenting the 26<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements and Auditor's report for the year ended 31<sup>st</sup> March, 2017.

## 1. FINANCIAL RESULTS

( Amount In Lakhs)

| Particulars   | For the year ended on 31 <sup>st</sup> March 17 | For the year ended on 31 <sup>st</sup> March 16 |
|---|---|---|
| <b>Net Sales /Income from</b>   |   |   |
| Business Operations   | 9578.98   | 12838.00  |
| Other Income  | 29.19   | 307.35  |
| <b>Total Income</b>   | 9608.17   | 13145.35  |
| <b>Profit Before Interest, Depreciation, Tax and Extraordinary/Exceptional Items</b>                  | <b>2044.36</b>                                  | <b>2165.54</b>                                  |
| Less Interest   | 1045.37   | 844.07  |
| <b>Profit before Depreciation, Tax and Extraordinary/Exceptional Items</b>                            | <b>998.99</b>                                   | <b>1321.47</b>                                  |
| Less Depreciation   | 717.72  | 793.94  |
| <b>Profit after depreciation and Interest but before Tax, Extraordinary/Exceptional Items</b>         | <b>281.27</b>                                   | <b>527.53</b>                                   |
| Less -Extraordinary/Exceptional Items   | 688.17  | -   |
| <b>Profit /(Loss) after depreciation and Interest Extraordinary /Exceptional Items but before Tax</b> | <b>(406.90)</b>                                 | <b>527.53</b>                                   |
| Less - Current Income Tax   | -   | 107.56  |
| Less - Previous year adjustment of Income Tax   | -   | -   |
| Less -Deferred Tax  | (58.93)   | (98.83)   |
| <b>Net Profit /(Loss) after Tax</b>   | <b>(347.97)</b>                                 | <b>518.80</b>                                   |
| Dividend (including Interim if any and final )  | -   | -   |
| <b>Net Profit /(Loss) after dividend and Tax</b>  | <b>(347.97)</b>                                 | <b>518.80</b>                                   |
| Amount Transferred to General Reserve   | 6840.46   | 6588.22   |
| Balance of Profit Brought Forward   | -   | (266.55)  |
| Short Provision of Income Tax   | <b>6492.49</b>                                  | <b>6840.46</b>                                  |
| <b>Balance carried to Balance Sheet</b>   |   |   |
| Earning per share Before Extraordinary Items (Basic)/ (Diluted)                                       | 1.69  | 2.58  |
| Earning per Share After Extraordinary Items (Basic)/ (Diluted)  | (1.73)  | 2.58  |

## PERFORMANCE REVIEW-

During the Financial year under review the Company has achieved Revenue of ₹ 9608.17 Lakhs and that for previous year was ₹ 13145.35. The Company incurred net loss (after tax) of ₹ 347.97 Lakhs during the year and that for previous year there was net profit of ₹ 518.80 Lakhs. During the period the Company has incurred extraordinary losses due to withdrawal of permission of Hydro Project at Ambai, A/p Kalamawadi, Tal. Radhanagari, Dist. Kolhapur as the Company failed to complete it within prescribed timespan.

The performance of the Company and state of affairs has been comprehensively covered in the Management Discussion and Analysis Report.

## 2. DIVIDEND

Board of Directors do not recommend the payment of dividend for the financial year 2016-17.

### **3. TRANSFER TO RESERVES**

There is no any amount transferred to any reserve during the year under consideration.

### **4. DIRECTORS & KMP**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Abhay Bhide, Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends for his re-appointment.

Reappointment of Mr. Shivaji Mohite as Chairman and Managing Director and Mrs. Monika Mohite as Joint Managing Director of the Company was made in last Annual General Meeting.

Mr. Neehal Pathan has resigned as director of the Company with effect from 07th February 2017.

Besides above there are no any other changes in composition of the Board.

### **5. COMMITTEES OF THE BOARD**

There are five Committees of the Board. Some committees were reconstituted during the year because of resignation by one of the director. Name of Committees are as below

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Details of all the Committees along with their charters, composition and meetings held during the year are provided in the Report on Corporate Governance, a part of this Annual Report.

### **6. AUDIT COMMITTEE**

The Company has duly constituted Audit Committee. The details as to composition and functioning of the committee is provided in the Report on Corporate Governance. All recommendations made by Audit committee are accepted by the Board during the year under consideration.

### **7. MEETINGS OF THE BOARD**

The Board met four times during the year, the details of which are given in the Report on Corporate Governance. The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other business. The notice of Board meeting is given well in advance to all the Directors of the Company.

### **8. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) & (5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 at the end of the financial year 2016-2017 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 9. ANNUAL PERFORMANCE EVALUATION

Pursuant to, the provisions of Section 134(3) and other applicable sections of the Companies Act, 2013 and rules made thereunder, provisions of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and other Committees of the Board of the Company.

The evaluation framework for assessing the performance is as follows-

The performance evaluation is carried out once in a year (generally in first or second quarters meeting) by method of internal assessment. Views of each members are considered on oral basis. The board after seeking inputs from all the directors, after making analysis of information gathered evaluate the performance of the Board as whole, of Committees thereof and of individual director. The Nomination and Remuneration Committee also contribute in this process of evaluation. It recommends/sets criteria for evaluation.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated. The evaluation criteria for independent directors in details given in the Report on Corporate Governance.

The result of evaluation is disclosed in the Meeting of the Board and action plans if any are also discussed in same meeting.

## 10. PUBLIC DEPOSIT

During the year under review the Company has not accepted any deposit within the meaning of Section 73 and Section 76 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rule 2014.

## 11. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT 9 is attached to this Report as Annexure I.

## 12. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on Bombay Stock Exchange Limited, (BSE). The Company has duly paid the listing fees to Bombay Stock Exchange Limited for the Financial Year 2017-18.

## 13. REMUNERATION POLICY

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP), Senior Management and their remuneration.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in the Report on Corporate Governance attached to this report.

## 14. RISK MANAGEMENT AND AREAS OF CONCERN

The Board has adopted the policies and procedures which provide guidance regarding the management of risk to support the achievement of corporate objectives, protect staff/workers and business assets and ensure financial sustainability.

The Board of Directors of the Company is to oversight and to review the risk management. Besides that Audit Committee, Risk Management Committee, Senior Management of the Company also play important role in this process. After identifying risks those are evaluated and plans are made for management thereof. Risk Management Committee reviews the implementation of plan in each meeting. There are no risks which in opinion of the Board threaten the existence of the company.

## **15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE**

The Company has duly constituted Corporate Social Responsibility (CSR) Committee. The Committee has framed the CSR Policy on Corporate Social Responsibility as per Schedule VII of the Companies Act, 2013 which is disclosed on website of the company under subheading Corporate Governance - heading Investor Relations. PARVATI MOHITE FOUNDATION, a Sec. 8 Company, has been incorporated as sole purpose vehicle to undertake CSR activities.

The details as per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as Annexure II.

## **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 are prescribed in Form AOC-2 are appended as Annexure III.

## **17. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

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

## **18. MATERIAL CHANGES AND COMMITMENT OCCURRED DURING THE YEAR UNDER REVIEW AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Due to non completion of project within time the Maharashtra Government has taken away permission granted to the Hydro-Electric Power Project at Ambai, A/p Kalamawadi, Tal. Radhanagari, Dist. Kolhapur which was under construction and thereby extraordinary loss recorded of ₹ 6.88 Cr. during year under consideration. Besides that there was no other changes occurred during the year under consideration affecting financial position of the Company.

## **19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year under review, the Company has not made any investments or given guarantee's or provided security falling under the provisions of Section 186 of the Companies Act, 2013.

## **20. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by of the Auditors of the company or by Practicing Company Secretary in their respective Reports.

## **21. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their declarations to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

## **22. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

In terms of Sections 124,125 of the Companies Act, 2013 there is no any unclaimed or unpaid dividend for previous years pending and due for remittance to the Investor Education and Protection Fund established by the Central Government.

## **23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There was no order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

## **24. WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism Policy /Whistle blower Policy to provide mechanism for reporting genuine concerns or grievance. The details of the Vigil Mechanism Policy/Whistle blower Policy is explained in the Report on Corporate Governance and also posted on the website of the Company. We affirm that during the financial year 2016-17, no employee or director was denied access to the Audit Committee.

## **25. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Secretarial Audit Report received from DILIP PANGE & ASSOCIATES, (proprietor Shri. Dilip Pange), Practicing Company Secretaries, Kolhapur is appended as Annexure IV and forms part of this report.

## **26. INTERNAL AUDIT**

M/s R. T. Chaugule & Co, Chartered Accountant, Kolhapur were Internal Auditors of the Company for F.Y. 2016-17. The Internal Auditors had given their reports on quarterly basis to the Audit Committee. Based on the report of internal audit, management undertakes corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon were presented to the Audit Committee of the Board.

The Board has appointed M/s. N. M. Pathan & Co, (Proprietor Mr. Neehal Pathan) Chartered Accountants, Kolhapur as its Internal Auditor for FY. 2017-18.

## **27. INTERNAL FINANCIAL CONTROL**

The Company has adequate internal control system and procedures commensurate with size and nature of operations. The Audit Committee evaluates the efficacy and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company and strives to maintain the Standard in Internal Financial Control. The Internal Audit Report are periodically reviewed by the management & Audit Committee and necessary improvements are undertaken.

## **28. CORPORATE GOVERNANCE**

Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the following have been made a part of the Annual Report and are attached to this report :

- Related Party Disclosure
- Management Discussion and Analysis Report
- Report on Corporate Governance
- Auditors' Certificate regarding compliance of conditions of Corporate Governance
- Confirmation on compliance of Code of Conduct

## **29. PARTICULARS OF EMPLOYEES REMUNERATION**

There is no employee in the company which comes under provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of remuneration paid to all the directors / employees and details of the ratio of remuneration of each Director to the median employee's remuneration is provided in Corporate Governance Report and Annexure-V to this Report.

## **30. AUDITORS**

Moreshwar G. Deshpande, Chartered Accountant, Sangli, the Statutory Auditor of your Company hold office up to the conclusion of forthcoming Annual General Meeting. As per provisions of Sec.139 of the Companies Act 2013 an individual can not be appointed as an auditor for more than one term of five consecutive years and transition period of three years was given to comply with that provision. Accordingly Moreshwar G. Deshpande, Chartered Accountant, Sangli, the present Statutory Auditor are not eligible for re-appointment.



So Board hereby recommend the appointment of PRASHANT HIRAWDEKAR & ASSOCIATES, Chartered Accountants, Kolhapur proprietor Hirawdekar Prashant Subhash (having membership number 133498), as statutory Auditors of the Company for next five years i.e. up to conclusion of thirty first Annual General Meeting of the Company to be held in year 2022, subject to ratification in each succeeding Annual General Meeting . The Company has received a letter from him as to his willingness to be appointed as Statutory Auditor and his appointment would be within the limits prescribed under Section 141 of the Companies Act, 2013 and he is not disqualified from being appointed as Auditor.

**31. COST AUDITORS**

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company has appointed Shri. S. V. Vhatte, Cost & Management Accountant, Solapur as Cost Auditors of the Company to conduct audit of cost records maintained by the Company.

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

Pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies(Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo for the year under review is given as " Annexure VI".

**33. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has system to comply with provisions under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed.

**34. ACKNOWLEDGEMENT :**

Your Directors wishes to thank the employees for their dedication and the excellence they have displayed in conducting the operations of the Company. Directors also place on record their sincere thanks to bankers, customers, suppliers, business associates, consultants, market intermediaries, various Government Authorities for their continued support extended to the Company during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed.

On behalf of the Board  
**MOHITE INDUSTRIES LIMITED**

**SHIVAJI MOHITE**  
Chairman & Managing Director  
DIN 00425441

Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

# ANNEXURE - I

## EXTRACT OF ANNUAL RETURN

### Form No. MGT-9

As on the financial year ended on 31<sup>ST</sup> MARCH 2017

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

#### I. REGISTRATION AND OTHER DETAILS:

|   |   |  |
|---|---|--|
| 1 | CIN   | L40108MH1990PLC058774  |
| 2 | Registration Date   | 31 <sup>st</sup> October 1990  |
| 3 | Name of the Company   | MOHITE INDUSTRIES LIMITED  |
| 4 | Category / Sub-Category of the Company                                    | Public Company Limited By Shares<br>Indian Non-Government Company  |
| 5 | Address of the Registered office and contact details                      | R. S. No. 347, Ambapwadi Phata, NH-4, Vadgaon, Tal-Hatkanangale, Dist-Kolhapur - 416112<br>Phone - +91 230 2471230 to 33<br>Fax - +91 230 2471229<br>email - mohitex@bsnl.in<br>web - www.mohite.com   |
| 6 | Whether listed company  | Yes  |
| 7 | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Private limited<br>C-101, 1 <sup>st</sup> Floor, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai MH 400083<br>Tel. No. - 022 -49186270 (for Investor)<br>022- 49186000<br>Fax No. - 022- 49186060<br>Email - rnt.helpdesk@linkintime.co.in |

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

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ Service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | 100% Cotton Yarn                                 | 2351                             | 84.54 %                            |
| 2       | Generation of Hydro Electric Power               | 40101                            | 15.46 %                            |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – Not Applicable

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

- i) Category-wise Share Holding

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>(as on 31.03.2016) |          |                 |                   | No. of Shares held at the end of the year<br>(as on 31.03.2017) |          |                 |                   | % Change during the year |
|--|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
|  | Demat   | Physical | Total           | % of Total Shares | Demat   | Physical | Total           | % of Total Shares |                          |
| <b>A. PROMOTERS</b>  |   |          |                 |                   |   |          |                 |                   |                          |
| <b>1. Indian</b>   |   |          |                 |                   |   |          |                 |                   |                          |
| Individual/ HUF  | 13832663  | -        | 13832663        | 68.82             | 13832663  | -        | 13832663        | 68.82             | NIL                      |
| Central Govt.  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| State Govt.  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Bodies Corporate   | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Bank/FI  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Any Other  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| <b>Sub Total of (A)(1)</b>                                       | <b>13832663</b>   | <b>-</b> | <b>13832663</b> | <b>68.82</b>      | <b>13832663</b>   | <b>-</b> | <b>13832663</b> | <b>68.82</b>      | <b>NIL</b>               |
| <b>2. Foreign</b>  |   |          |                 |                   |   |          |                 |                   |                          |
| NRI Individuals  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Other Individuals  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Bodies Corporate   | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Bank/FI  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Any Other  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| <b>Sub Total of (A)(2)</b>                                       | <b>-</b>  | <b>-</b> | <b>-</b>        | <b>-</b>          | <b>-</b>  | <b>-</b> | <b>-</b>        | <b>-</b>          | <b>-</b>                 |
| <b>Total Shareholding of Promoters<br/>(A) = (A)(1) + (A)(2)</b> | <b>13832663</b>   | <b>-</b> | <b>13832663</b> | <b>68.82</b>      | <b>13832663</b>   | <b>-</b> | <b>13832663</b> | <b>68.82</b>      | <b>NIL</b>               |
| <b>B. PUBLIC SHAREHOLDING</b>                                    |   |          |                 |                   |   |          |                 |                   |                          |
| <b>1. Institutions</b>   |   |          |                 |                   |   |          |                 |                   |                          |
| Mutual Funds/UTI   | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Bank/FI  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Central Govt.  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| State Govt.(s)   | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Venture Capital Funds  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Insurance Companies  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Foreign Portfolio Investors                                      | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Other (Specify)  | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| Foreign Venture Capital Fund                                     | -   | -        | -               | -                 | -   | -        | -               | -                 | -                        |
| <b>Sub-Total of (B)(1)</b>                                       | <b>-</b>  | <b>-</b> | <b>-</b>        | <b>-</b>          | <b>-</b>  | <b>-</b> | <b>-</b>        | <b>-</b>          | <b>-</b>                 |

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>(as on 31.03.2016) |                |                 |                   | No. of Shares held at the end of the year<br>(as on 31.03.2017) |                |                 |                   | % Change during the year |
|--|---|----------------|-----------------|-------------------|---|----------------|-----------------|-------------------|--------------------------|
|  | Demat   | Physical       | Total           | % of Total Shares | Demat   | Physical       | Total           | % of Total Shares |                          |
| <b>2. Non-Institutions</b>   |   |                |                 |                   |   |                |                 |                   |                          |
| <b>a. Bodies Corp.</b>   |   |                |                 |                   |   |                |                 |                   |                          |
| i) Indian  | 2989299   | 1862300        | 4851599         | 24.14             | 2919614   | 1862300        | 4781914         | 23.79             | (0.35)                   |
| ii) Overseas   | -   | -              | -               | -                 | -   | -              | -               | -                 | -                        |
| <b>b. Individual</b>   |   |                |                 |                   |   |                |                 |                   |                          |
| i) Individual Shareholders holding Nominal Share Capital up to ₹ 1 Lakhs         | 454069  | 58021          | 512090          | 2.55              | 460200  | 58021          | 518221          | 2.58              | 0.03                     |
| ii) Individual Shareholders holding Nominal Share Capital in Excess of ₹ 1 Lakhs | 759253  | -              | 759253          | 3.77              | 771197  | -              | 771197          | 3.84              | 0.07                     |
| <b>c. Any Other (Specify)</b>  |   |                |                 |                   |   |                |                 |                   |                          |
| i) NRI(Repat)  | 1014  | -              | 1014            | 0.005             | 3050  | -              | 3050            | 0.015             | 0.010                    |
| ii) NRI (Non- Repat)   | -   | -              | -               | -                 | -   | -              | -               | -                 | -                        |
| iii)OCB  | -   | -              | -               | -                 | -   | -              | -               | -                 | -                        |
| iv)Trust   | 2250  | -              | 2250            | 0.01              | 2250  | -              | 2250            | 0.01              | NIL                      |
| v) Clearing Member   | 5261  | -              | 5261            | 0.02              | 65363   | -              | 65363           | 0.33              | 0.310                    |
| Hindu Undivided Family   | 47992   | -              | 47992           | 0.24              | 37464   | -              | 37464           | 0.17              | (0.07)                   |
| Relative of Director   | 87578   | -              | 87578           | 0.44              | 87578   | -              | 87578           | 0.44              | NIL                      |
| <b>Sub-Total of (B)(2)</b>   | <b>4346716</b>  | <b>1920321</b> | <b>6267037</b>  | <b>31.18</b>      | <b>4346716</b>  | <b>1920321</b> | <b>6267037</b>  | <b>31.18</b>      | <b>-</b>                 |
| <b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>                           | <b>4346716</b>  | <b>1920321</b> | <b>6267037</b>  | <b>31.18</b>      | <b>4346716</b>  | <b>1920321</b> | <b>6267037</b>  | <b>31.18</b>      | <b>-</b>                 |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |   |                |                 |                   | <b>NIL</b>  |                |                 |                   |                          |
| <b>Grand Total (A+B+C)</b>   | <b>18179379</b>   | <b>1920321</b> | <b>20099700</b> | <b>100</b>        | <b>18179379</b>   | <b>1920321</b> | <b>20099700</b> | <b>100</b>        |                          |

## (ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name            | Shareholding at the beginning of the year |                                  |  | Share holding at the end of the year |                                  |  | % change in shareholding during the year |
|---------|-------------------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|--|
|         |                               | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                        | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |  |
| 1       | Shivaji Ramchandra Mohite     | 9176324                                   | 45.654                           | 19.4910  | 9176324                              | 45.654                           | 19.491   | -  |
| 2       | Monika Shivaji Mohite         | 3904939                                   | 19.4278                          | 0  | 4656339                              | 23.1662                          | 0  | 3.7384                                   |
| 3       | Dilip Ramchandra Mohite       | 700000                                    | 3.4826                           | 0  | 0                                    | 0                                | 0  | (3.4826)                                 |
| 4       | Dilip Ramchandra Mohite (HUF) | 51400                                     | 0.2557                           | 0  | 0                                    | 0                                | 0  | (0.2557)                                 |
|         | <b>Total</b>                  | <b>13832663</b>                           | <b>68.82</b>                     | <b>19.4910</b>                                   | <b>13832663</b>                      | <b>68.82</b>                     | <b>19.4910</b>                                   | <b>-</b>                                 |

iii) **Change in Promoters' Shareholding (Please Specify, if there is no change)**

| Sr. No.                                 | Name of Promoter   | Shareholding at the beginning of the year                   |                                  | Cumulative Shareholding during the year |                                  |
|---|--|---|----------------------------------|---|----------------------------------|
|   |  | No. of shares   | % of total shares of the company | No. of shares                           | % of total shares of the company |
| <b>1. SHIVAJI RAMCHANDRA MOHITE</b>     |  |   |                                  |   |                                  |
| A.                                      | At the beginning of the year   | 9176324   | 45.6540                          |   |                                  |
| B.                                      | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |   |                                  |   |                                  |
|   | Date   | Reason  |                                  |   |                                  |
|   | -  | No Change   |                                  | 9176324                                 | 45.6540                          |
| C.                                      | At the end of the year   |   |                                  | 9176324                                 | 45.6540                          |
| <b>2. MONIKA SHIVAJI MOHITE</b>         |  |   |                                  |   |                                  |
| A.                                      | At the beginning of the year   | 3904939   | 19.4278                          | 3904939                                 | 19.4278                          |
| B.                                      | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |   |                                  |   |                                  |
|   | Date   | Reason  |                                  |   |                                  |
|   | 16/01/2017   | Inter-se Transfer Between Promoters (Acquisition of Shares) |                                  | 4604936                                 | 22.9105                          |
|   | 03/02/2017   | Inter-se Transfer Between Promoters (Acquisition of Shares) |                                  | 4656339                                 | 23.1662                          |
| C.                                      | At the end of the year   |   |                                  | 4656339                                 | 23.1662                          |
| <b>3. DILIP RAMCHANDRA MOHITE</b>       |  |   |                                  |   |                                  |
| A.                                      | At the beginning of the year   | 700000  | 3.4826                           | 700000                                  | 3.4826                           |
| B.                                      | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |   |                                  |   |                                  |
|   | Date   | Reason  |                                  |   |                                  |
|   | 16/01/2017   | Inter-se Transfer Between Promoters (Transfer of Shares)    |                                  | NIL                                     | NIL                              |
| C.                                      | At the end of the year   |   |                                  | NIL                                     | NIL                              |
| <b>4. DILIP RAMCHANDRA MOHITE (HUF)</b> |  |   |                                  |   |                                  |
| A.                                      | At the beginning of the year   | 51400   | 0.2557                           | 51400                                   | 0.2557                           |
| B.                                      | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |   |                                  |   |                                  |
|   | Date   | Reason  |                                  |   |                                  |
|   | 03/02/2017   | Inter-se Transfer Between Promoters (Transfer of Shares)    |                                  | NIL                                     | NIL                              |
| C.                                      | At the end of the year   |   |                                  | NIL                                     | NIL                              |

**(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No.  | Name of Shareholder  | Shareholding at the beginning of the year   |                                  | Cumulative Shareholding during the year |                                  |
|--|--|---|----------------------------------|---|----------------------------------|
|  |  | No. of shares   | % of total shares of the company | No. of shares                           | % of total shares of the company |
| <b>1. PATIL AGRO-TECH PVT. LLP</b>                 |  |   |                                  |   |                                  |
| A.   | At the beginning of the year   | NIL   | NIL                              | NIL                                     | NIL                              |
| B.   | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
|  | Date   | Reason  |                                  |   |                                  |
|  | 17/06/2016   | Patil Agro-Tech Private Limited (Company) has been converted into LLP and thereby name Changed to PATIL AGRO TECH LLP and consequently LLP received shares of Patil Agro-Tech Pvt. Ltd. | 971900                           | 4.8350                                  | 971900                           |
| C.   | At the end of the year   |   |                                  | 971900                                  | 4.8350                           |
| <b>2. WARNER WINE INDUSTRIES LTD.</b>              |  |   |                                  |   |                                  |
| A.   | At the beginning of the year   | 890400  | 4.4300                           |   |                                  |
| B.   | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
|  | Date   | Reason  |                                  |   |                                  |
|  | -  | -   | -                                | -                                       | 890400                           |
| C.   | At the end of the year   |   |                                  | 890400                                  | 4.4300                           |
| <b>3. VISHWANATH MINERALS AND METALS PVT. LTD.</b> |  |   |                                  |   |                                  |
| A.   | At the beginning of the year   | 848200  | 4.2200                           |   |                                  |
| B.   | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
|  | Date   | Reason  |                                  |   |                                  |
|  | -  | -   | -                                | -                                       | 848200                           |
| C.   | At the end of the year   |   |                                  | 848200                                  | 4.2200                           |
| <b>4. GREENLAND BIOTECH LLP</b>                    |  |   |                                  |   |                                  |
| A.   | At the beginning of the year   | 787200  | 3.9165                           |   |                                  |
| B.   | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
|  | Date   | Reason  |                                  |   |                                  |
|  | -  | -   | -                                | -                                       | 787200                           |
| C.   | At the end of the year   |   |                                  | 787200                                  | 3.9165                           |
| <b>5. MANAN TRADING COMPANY PRIVATE LIMITED</b>    |  |   |                                  |   |                                  |
| A.   | At the beginning of the year   | 558212  | 2.7772                           |   |                                  |
| B.   | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
|  | Date   | Reason  |                                  |   |                                  |
|  | -  | -   |                                  |   | 558212                           |
| C.   | At the end of the year   |   |                                  | 558212                                  | 2.7772                           |

**6. SHRI GANESH SEEDS PRIVATE LIMITED**

|    |  |        |        |        |        |
|----|--|--------|--------|--------|--------|
| A. | At the beginning of the year   | 459825 | 2.2877 |        |        |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |        |        |        |        |
|    |  | Date   | Reason |        |        |
|    | -  | -      |        | 459825 | 2.2877 |
| C. | At the end of the year   | -      | -      | 459825 | 2.2877 |

**7. PREMLATA RAMESH SARAOGI**

|    |  |        |        |        |        |
|----|--|--------|--------|--------|--------|
| A. | At the beginning of the year   | 201150 | 1.0008 |        |        |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |        |        |        |        |
|    |  | Date   | Reason |        |        |
|    | -  | -      |        | 201150 | 1.0008 |
| C. | At the end of the year   |        |        | 201150 | 1.0008 |

**8. GLOBE FINCAP LIMITED**

|    |  |       |        |       |        |
|----|--|-------|--------|-------|--------|
| A. | At the beginning of the year   | 99145 | 0.4933 |       |        |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |       |        |       |        |
|    |  | Date  | Reason |       |        |
|    | -  | -     |        |       |        |
| C. | At the end of the year   |       |        | 99145 | 0.4933 |

**9. RUPA VIPUL SHAHA**

|    |  |       |        |       |        |
|----|--|-------|--------|-------|--------|
| A. | At the beginning of the year   | 95162 | 0.4734 |       |        |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |       |        |       |        |
|    |  | Date  | Reason |       |        |
|    | -  | -     |        | 95162 | 0.4734 |
| C. | At the end of the year   |       |        | 95162 | 0.4734 |

**10. WIND PIPE FINVEST PRIVATE LIMITED**

|    |  |       |        |       |        |
|----|--|-------|--------|-------|--------|
| A. | At the beginning of the year   | 63600 | 0.3164 |       |        |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): |       |        |       |        |
|    |  | Date  | Reason |       |        |
|    | -  | -     |        | 63600 | 0.3164 |
| C. | At the end of the year   |       |        | 63600 | 0.3164 |

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

| Sl. No. | Name of Director / KMP  | Shareholding at the beginning of the year   |                                  | Shareholding at the End of the year   |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares   | % of total shares of the company | No. of shares   | % of total shares of the company |
| 1.      | Mr. Shivaji Ramchandra Mohite (Chairman & Managing Director)                | 9176324   | 45.654                           | 9176324   | 45.654                           |
| 2.      | Mrs. Monika Shivaji Mohite (Joint Managing director)                        | 3904939   | 19.4278                          | 4656339   | 23.1662                          |
| 3.      | Mr. Abhay Shamrao Bhide (Wholetime Director)                                | -   | -                                | -   | -                                |
| 4.      | Mr. Neehal Mahamul Pathan (Director) Ceased to be director from 07/02/2017) | -   | -                                | -   | -                                |
| 5.      | Mr. Vijay Madanlal Nawandhar (Director)                                     | 40000 Equity Shares held Jointly with Vinod Madanlal Nawandhar & 2500 Equity Shares held Individually | 0.2114                           | 40000 Equity Shares held Jointly with Vinod Madanlal Nawandhar & 2500 Equity Shares held Individually | 0.2114                           |
| 6.      | Mr. Ranjeet Dinkarrao Patil (Director)                                      | -   | -                                | -   | -                                |
| 7.      | Mr. Sangramsinh Subhashrao Nimbalkar (Director)                             | -   | -                                | -   | -                                |
| 8.      | Mr. Shankar Hindurao Patil (Director)                                       | -   | -                                | -   | -                                |
| 9.      | Mr. Shreyas Sanjay Alatkhar (Chief Finance Officer)                         | -   | -                                | -   | -                                |
| 10.     | Ms. Ashvini Prataprao Kalekar (Company Secretary)                           | -   | -                                | -   | -                                |

**V. INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment**

( Amount In Lakhs)

| Particulars  | Secured Loans excluding deposits | Deposits / Unsecured Loans                       | Total Indebtedness |
|--|----------------------------------|--|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |  |                    |
| Principal Amount   | 7454.70                          | 451.55   | 7906.25            |
| Interest due but not paid -                                | -                                | -  | -                  |
| Interest accrued but not due                               | -                                | -  | -                  |
| <b>Total (i+ii+iii)</b>                                    | <b>7454.70</b>                   | <b>451.55</b><br>(Unsecured Loan From Directors) | <b>7906.25</b>     |
| <b>Change in Indebtedness during the financial year</b>    |                                  |  |                    |
| Addition   | 43.64                            | -  | 43.64              |
| Deletion   | -                                | (222.27)   | (222.27)           |
| <b>Net Change</b>  | <b>43.64</b>                     | <b>(222.27)</b>                                  | <b>(178.63)</b>    |
| <b>Indebtedness at the end of the financial year</b>       |                                  |  |                    |
| Principal Amount   | 7498.34                          | 229.28   | 7727.62            |
| Interest due but not paid                                  | -                                | -  | -                  |
| Interest accrued but not due                               | -                                | -  | -                  |
| <b>Total (i+ii+iii)</b>                                    | <b>7498.34</b>                   | <b>229.28</b>                                    | <b>7727.62</b>     |
| <b>At End of the year</b>                                  | <b>7498.34</b>                   | <b>229.28</b>                                    | <b>7727.62</b>     |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

( Amount In Lakhs)

| Sl. No. | Particulars Of Remuneration   | Name Of MD/WTD/ Manager   |                        |                         | Total Amount |
|---------|---|---|------------------------|-------------------------|--------------|
|         |   | Shivaji Mohite (MD)   | Monika Mohite (Jt. MD) | Abhay Bhide (WTD & KMP) |              |
| 1.      | <b>Gross Salary</b>   |   |                        |                         |              |
|         | (A) Salary As Per Provisions Contained In Section 17(1) Of The Income-Tax Act, 1961 | 48.17   | 24.17                  | 31.36                   | 103.70       |
|         | (B) Value Of Perquisites U/S17(2) Income-Tax Act, 1961                              | -   | -                      | -                       | -            |
|         | (C) Profits In Lieu Of Salary Under Section 17(3) Income- Tax Act, 1961             | -   | -                      | -                       | -            |
| 2.      | <b>Stock Option</b>   | -   | -                      | -                       | -            |
| 3.      | <b>Sweat Equity</b>   | -   | -                      | -                       | -            |
| 4.      | <b>Commission</b>   |   |                        |                         |              |
|         | - as % of profit  | -   | -                      | -                       | -            |
|         | - others (Contribution to PF)   | -   | -                      | -                       | -            |
| 5.      | <b>Others, please specify</b>   | -   | -                      | -                       | -            |
|         | <b>Total (A)</b>  | 48.17   | 24.17                  | 31.36                   | 103.70       |
|         | <b>Ceiling as per the Act</b>   | Ceiling as per the Act is 10% of Net profit of the Company Calculated as per sec 198 but Company has complied with Part II(Section II)of The Schedule V of the Companies Act 2013 |                        |                         |              |

### B. Remuneration to other directors:

( Amount In Lakhs)

| Sl. No. | Particulars Of Remuneration<br>Independent Directors   | Name Of Directors            |                             |                                      |                            | Total Amount |
|---------|--|------------------------------|-----------------------------|--------------------------------------|----------------------------|--------------|
|         |  | Mr. Vijay Madanlal Nawandhar | Mr. Ranjeet Dinkarrao Patil | Mr. Sangramsinh Subhashrao Nimbalkar | Mr. Shankar Hindurao Patil |              |
|         | <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul> |                              |                             | Nil                                  |                            |              |
|         | <b>Total (1)</b>   |                              |                             |                                      |                            |              |

( Amount In Lakhs)

| Other Non-Executive Directors   | Mr. Neehal Mahamulal Pathan                                 | Total Amount |
|---|---|--------------|
| <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others( Consultancy fees and can not be recognised as Managerial Remuneration )</li> </ul> | 18.00   | 18.00        |
| <b>Total (2)</b>  | <b>18.00</b>  | <b>18.00</b> |
|   | As per Section 197 and Schedule V of The Companies Act 2013 |              |
| <b>Total (B)=(1 + 2)</b>  | 121.70  | 121.70       |
| Total Managerial Remuneration   | 121.70  | 121.70       |
| Overall Ceiling as per the Act  | As per Section 197 and Schedule V of The Companies Act 2013 |              |

**C. Remuneration to Key Managerial Personnel Other Than MD /MANAGER /WTD**

( Amount In Lacs)

| Sl. No. | Particulars Of Remuneration  | Key Managerial Personnel |                          |  | Total Amount |
|---------|--|--------------------------|--------------------------|--|--------------|
|         |  | CEO                      | CFO<br>(Shreyas Alatkar) | Company Secretary<br>(Ashvini Kalekar) |              |
| 1       | <b>Gross Salary</b>  |                          |                          |  |              |
|         | (A) Salary As Per Provisions Contained In Section 17(1) Of The Income-Tax Act,1961 | -                        | 6.00                     | 2.40                                   | 8.40         |
|         | (B) Value Of Perquisites U/S17(2) Income-Tax Act,1961                              | -                        | -                        | -                                      | -            |
|         | (C) Profits In Lieu Of Salary Under Section 17(3) Income- Tax Act, 1961            | -                        | -                        | -                                      | -            |
| 2       | <b>Stock Option</b>  | -                        | -                        | -                                      | -            |
| 3       | <b>Sweat Equity</b>  | -                        | -                        | -                                      | -            |
| 4       | <b>Commission</b>  | -                        | -                        | -                                      | -            |
|         | - as % of profit   | -                        | -                        | -                                      | -            |
|         | - others, specify...   | -                        | -                        | -                                      | -            |
| 5       | <b>Others, please specify</b>  | -                        | -                        | -                                      | -            |
|         | <b>Total</b>   | -                        | 6.00                     | 2.40                                   | 8.40         |
|         | <b>Ceiling as per the Act</b>  | -                        | -                        | -                                      | -            |
|         | <b>Overall Ceiling as per the Act</b>  | -                        | -                        | -                                      | -            |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NOT APPLICABLE**

| Type                                | Section Of The Companies Act Sec.87 | Brief Description | Details Of Penalty / Punishment /Compounding Fees Imposed | Authority [RD / NCLT / COURT] | Appeal Made, If Any (Give Details) |
|-------------------------------------|-------------------------------------|-------------------|---|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                                     |                   |   |                               |                                    |
| Penalty                             |                                     |                   |   |                               |                                    |
| Punishment                          |                                     |                   |   |                               |                                    |
| Compounding                         |                                     |                   |   |                               |                                    |
| <b>B. DIRECTORS</b>                 |                                     |                   |   |                               |                                    |
| Penalty                             |                                     |                   | Nil   |                               |                                    |
| Punishment                          |                                     |                   |   |                               |                                    |
| Compounding                         |                                     |                   |   |                               |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                                     |                   |   |                               |                                    |
| Penalty                             |                                     |                   |   |                               |                                    |
| Punishment                          |                                     |                   |   |                               |                                    |
| Compounding                         |                                     |                   |   |                               |                                    |

 On behalf of the Board  
**MOHITE INDUSTRIES LIMITED**

 Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

**SHIVAJI MOHITE**  
 Chairman & Managing Director  
 DIN 00425441

## ANNEXURE - II

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

|   | Particulars   | Details   |
|---|---|---|
| 1 | A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs        | The Company has adopted CSR Policy and the details of policy are displayed on website of the Company . The CSR Policy aims to supplement role of Government in enhancing social welfare measures and to be a good corporate citizen.  |
| 2 | The Composition of the CSR Committee.   | Mr. Shivaji R. Mohite, - Chairman<br>Mr. Abhay Shamrao Bhide, - Member<br>Mr. Vijay Madanlal Nawandhar - Member   |
| 3 | Average net profit of the company for last three financial years  | ₹ 679.68 Lakhs.   |
| 4 | Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)   | ₹ 13.59 Lakhs.  |
| 5 | Details of CSR spent during the financial year.<br>a) Total amount to be spent for the financial year<br>b) Amount unspent, if any<br>c) Manner in which the amount spent during the financial year | On recommendation of CSR Committee the Board has undertaken formation of Section 8 Company to undertake projects in various areas. Accordingly 'Parvati Mohite Foundation' a Section 8 Company is formed to undertake exclusively CSR activities. The Committee is in process to undertake various CSR activities through 'Parvati Mohite Foundation'<br>Total amount Unspent aggregate of last 3 years is ₹36.97 Lakhs |
| 6 | In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:                   | Recently 'Parvati Mohite Foundation' a Section 8 Company is formed to undertake exclusively CSR activities. The CSR Committee is in the process of identifying the CSR projects to be undertaken through Parvati Mohite Foundation'.  |

The implementation and monitoring of CSR Policy will be in compliance with CSR objectives and Policy of the company.

Date : 18<sup>th</sup> August, 2017  
Place : Vadgaon

**SHIVAJI R. MOHITE**

Chairman & Managing Director  
Chairman of CSR Committee

**MR. ABHAY BHIDE**

Wholetime director  
Member of CSR Committee

## ANNEXURE - III

### FORM NO. AOC 2

CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO

#### Details of contracts or arrangement or transactions

| Sr.No.   | Particulars  | Details of Transaction  |
|----------|--|---|
| <b>A</b> |  |   |
| 1        | Name(s) of the related party and nature of relationship                                    | Mahalaxmi Cotton Ginning Pressing & Oil Industries  |
| 2        | Nature of contracts/arrangements/transactions  | Sale and Purchase of Cotton   |
| 3        | Duration of the contracts/arrangements/ transactions                                       | 01-10-2014 to 31-03-2017  |
| 4        | Salient terms of the contracts or arrangements or transactions including the value, if any | Proposed value of transactions to be entered.<br>F.Y 2014-15 - ₹ 150 Cr<br>F.Y 2015-16 - ₹ 200 Cr<br>F.Y 2016-17 - ₹ 250 Cr |
| 5        | date(s) of approval by the Board   | 14-08-2014  |
| 6        | Date of AGM passing the Special Resolution   | 27-09-2014  |
| 7        | Amount paid as advances, if any:   | NIL (Actual Transaction was not entered during the year 2016-17)  |
| <b>B</b> |  |   |
| 1        | Name(s) of the related party and nature of relationship                                    | Mr. Neehal Pathan (Director of the Company)   |
| 2        | Nature of contracts/arrangements/transactions  | Consultancy Fees  |
| 3        | Duration of the contracts/arrangements/ transactions                                       | Continuing one till changed   |
| 4        | Salient terms of the contracts or arrangements or transactions including the value, if any | Consulting fees of ₹1.50 Lakhs per month for service provided in Professional Capacity.                                     |
| 5        | date(s) of approval by the Board   | 12-Nov-2012, 14-Aug-2014, 30-May- 2016.   |
| 6        | Date of AGM passing the Special Resolution   | NA(as well within boards power)   |
| 7        | Amount paid as advances, if any:   | NA  |

on behalf of the Board

Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

**SHIVAJI MOHITE**

Chairman & Managing Director  
DIN 00425441

# ANNEXURE - IV

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> March 2017

[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,  
Mohite Industries Limited  
R.S.NO. 347, Ambapwadi Phata,  
N.H.4, Vadgaon, Kolhapur-416112

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mohite Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing 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 2017 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 Mohite Industries Limited ("the Company") for the financial year ended on 31st March 2017 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

(Not applicable during Audit Period)

- (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
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during Audit Period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014  
(Not applicable during Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
(Not applicable during Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
(Not applicable during Audit Period).

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.  
(Not applicable during Audit Period)

- (vi) The Company has Complied with following other laws applicable to the Company –
- (a) The Factories Act, 1948 & the Rules Made there under.
  - (b) The Water (Prevention and Control of Pollution) Act 1974 & the Rules Made there under.
  - (c) The Air (Prevention and Control of Pollution) Act 1974 & the Rules Made there under.
  - (d) The Employees Provident Fund and Miscellaneous Provisions Act 1952 .
  - (e) The Minimum Wages Act, 1948 and the Rules Made there under.
  - (f) The Payment of Wages Act, 1936 & the Rules Made there under.
  - (g) The Payment of Gratuity Act 1972, & the Rules Made there under.

. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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.

We further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs except the following:

Due to non completion of project within time the Maharashtra Government has taken away permission granted to the Hydro-Electric Power Project at Ambai, A/p Kalamawadi, Tal. Radhanagari, Dist. Kolhapur which was under construction and thereby extraordinary loss recorded of Rs. 6.88 Cr. during year under consideration.

**For DILIP PANGE & ASSOCIATES**  
Practicing Company Secretaries

**MR. DILIP PANGE**

Proprietor  
FCS No. 6423  
CP No. 2516

Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

To,  
The Members,  
Mohite Industries Limited  
R.S.No. 347, Ambapwadi Phata,  
N.H. 4, Vadgaon, Kolhapur -416112

My report of above date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the company our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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 followed here provide a reasonable basis for our opinion.
3. We are not required to verify the correctness and appropriateness of financial records and books of account of the company as it is part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever 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 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 DILIP PANGE & ASSOCIATES**  
Practicing Company Secretaries

**MR. DILIP PANGE**

Proprietor  
FCS No. 6423  
CP No. 2516

Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

## ANNEXURE – V

Disclosure pursuant to section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014

**(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year**

**Median Remuneration (Annual) of Employees (including workers) for the financial year 2016-17.  
₹ 130104/-**

| Sr. No. | Name of Director               | The ratio of remuneration of each director to the median remuneration of the employees |
|---------|--------------------------------|--|
| 1       | Shivaji Ramchandra Mohite(CMD) | 37.02  |
| 2       | Monika Shivaji Mohite (Jt.MD)  | 18.58  |
| 3       | Abhay Shamrao Bhide (WTD)      | 24.10  |

**(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

|   |   |                |
|---|---|----------------|
| 1 | Shivaji Ramchandra Mohite(CMD)                  | Not Applicable |
| 2 | Monika Shivaji Mohite (Jt.MD)                   | Not Applicable |
| 3 | Abhay Shamrao Bhide (WTD)                       | Not Applicable |
| 4 | Shreyas Sanjay Alatkhar (Chief Finance Officer) | Not Applicable |
| 5 | Ashvini Kalekar (Company Secretary)             | Not Applicable |

|       |   |  |
|-------|---|--|
| (iii) | The percentage increase in the median remuneration of employees in the financial year   | 6.53   |
| (iv)  | The number of permanent employees on the rolls of company;  | 348  |
| (v)   | average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: | Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year is 6.24 % while there was no increase in Managerial Remuneration during last year. |

We hereby affirm that the remuneration is as per policy formed and recommended by Nomination and Remuneration Committee and adopted by the Company.

Date : 18<sup>th</sup> August,2017  
Place : Vadgaon

**SHIVAJI R. MOHITE**  
Chairman & Managing Director

**MR. RANJEET DINKARRAO PATIL**  
Chairman of Nomination &  
Remuneration Committee



## ANNEXURE VI

Information under Section 134 of the Companies act, 2013 read with the Companies (Accounts) Rules 2014 and forming part of the Directors Report for the financial year ended on 31<sup>st</sup> March 2017.

### A. CONSERVATION OF ENERGY

- a Energy Conservation Measures Taken:  
The Company has been taking continuous steps to conserve the energy and minimize energy cost at all levels.
- b Total energy consumption and energy consumption per unit of production in the prescribed Form 'A' Attached.

#### FORM 'A'

#### Form for disclosure of particulars with respect to conservation of energy

| Sr. No. | Particulars  | 2016-17            | 2015-16            |
|---------|--|--------------------|--------------------|
| A.      | Total Unit Generation through Own Hydro Electric Power Project | 24765037           | 15000940           |
|         | Less: Transmission Loss  | 2370338            | 675032             |
|         | Net in Our Accounts  | 22394699           | 14325908           |
|         | <b>Power &amp; Fuel Consumption Electricity :</b>              |                    |                    |
|         | Total Consumption during the year : (Kwh)                      | 16024633           | 17365033           |
|         | <b>Total Amount (₹)</b>  | <b>122165327/-</b> | <b>223976559/-</b> |
|         | <b>Own Generation through :</b>                                |                    |                    |
|         | Hydro Electric Power Project (Kwh)                             | 13364334           | 3168838            |
|         | Purchased Units (Kwh)  | 2660299            | 14196195           |
|         | Sale to MSEDCL (Kwh)   | 9030365            | 11157070           |
| B.      | Power Consumption per unit of Production of Finished Goods :   |                    |                    |
|         | Power Units Consumed / Production                              | 3.59               | 2.51               |

### B. TECHNOLOGY ABSORPTION :

Efforts made in Technology Absorption as per Form 'B' given below:

#### FORM B

#### RESEARCH AND DEVELOPMENT (R & D)

- We have analyzed the market requirement and installed new Slub Cotton Yarn System in the plant to cater the required demand.

#### 1. Specific areas in which R & D has been carried out by the Company:

R&D activities are carried out continuously to produce good quality of Yarn and Fabric for exports.

#### 2. Benefits derived as a result of the above R & D :

With the result of the R & D activities carried out, the Company has been able to produce quality Yarn.

#### 3. Future Plan of Action:

The Company continues its efforts to maximize its productivity and at the same time enhance quality of its products.

#### 4. Expenditure on R & D

Expenditure on R & D has been shown under respective heads of expenditure in the profit and loss account as no separate account is maintained.

#### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company is constantly making efforts to adopt latest technology wherever possible to improve quality of product, productivity and efficiency of the machineries. The company is also at a continuous endeavor to improve the efficiency of process by way of deep study of new technologies and exchange of information with other mills and machinery manufacturers.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- (a) The Company has achieved export sales of ₹ 814.26 Lacs all of which is export through merchant export.
- (b) Total Foreign Exchange used and earned. ( Amount in Lacs)

| Particulars                        | 31-Mar-17     | 31-Mar-16     |
|------------------------------------|---------------|---------------|
| <b>Foreign Exchange Earned</b>     |               |               |
| Direct Export                      | -             | 371.61        |
|                                    | -             | 371.61        |
| <b>Foreign Exchange Used</b>       |               |               |
| Imported Spares                    | 25.94         | 22.96         |
| Imported Machinery                 | 54.27         | 24.36         |
|                                    | 80.21         | 47.32         |
| <b>Net Foreign Exchange Earned</b> | <b>-80.21</b> | <b>324.29</b> |

On behalf of the Board  
**MOHITE INDUSTRIES LIMITED**

**SHIVAJI MOHITE**  
Chairman & Managing Director  
DIN 00425441

Date : 18<sup>th</sup> August, 2017

Place : Vadgaon

# CORPORATE GOVERNANCE REPORT

## COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance refers to systems and policies that influence a corporation's administration. It involved regulatory mechanism and the roles and relationships between a company's management, board, shareholders and other stakeholders.

Corporate Governance at the Mohite Industries Ltd. is a continuing process and is based on belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence. This report put before you how Corporate Governance provisions were complied with.

## BOARD OF DIRECTORS

### (i) Composition :

The composition of the Board is in conformity with provisions of Reg. 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All four Independent Directors were re-appointed in Annual General Meeting held on 28th September 2015 for five years. Mr. Shivaji R. Mohite, Chairman & Managing Director and Mrs. Monika S. Mohite, Joint Managing Director were reappointed in last Annual General Meeting held on 24th September 2016 for three years. CA Neehal M. Pathan, non-executive director resigned during the period. Besides these there was no change in composition of the Board of Directors during year under consideration. All directors are competent and experienced personalities in their respective fields.

The Board of Directors is constituted as below.

| Name of the Director         | Designation                  |
|------------------------------|------------------------------|
| <b>Executive</b>             |                              |
| Mr. Shivaji R. Mohite        | Chairman & Managing Director |
| Mrs. Monika S. Mohite        | Joint Managing Director      |
| Mr. Abhay S. Bhide           | CEO & Executive Director     |
| <b>Independent</b>           |                              |
| Mr. Vijay M. Nawandhar       | Director                     |
| Mr. Ranjeet D. Patil         | Director                     |
| Mr. Sangramsinh S. Nimbalkar | Director                     |
| Mr. Shankar H. Patil         | Director                     |

### Brief Profile of the Board –

- Mr. Shivaji R. Mohite** (DIN 00425441) aged 49 year; Promoter, Chairman & Managing Director of the Company. He is Bachelor of Commerce and has more than 20 years' experience in administration and management.
- Mrs. Monika S. Mohite** (DIN 00425614) aged 42 years, Promoter & Joint Managing Director of the Company. She has educational qualification as M. A. (English Literature) having experience of more than 14 years in administration.
- Mr. Abhay S. Bhide** (DIN 05307473) aged 45 years, Wholetime Director of the Company. He has educational qualification as BTech and he has more than 20 years, vast experience in spinning industry especially cotton. Besides this he is well versed with erection and implementation of spinning project. He has got training at Ritter in Europe and USA for cotton.
- Mr. Vijay M. Nawandhar** (DIN 00218197) aged 58 years, Non-Executive & Independent Director of the Company and Practicing Chartered Accountant by Profession.

5. **Mr. Ranjeet D. Patil** (DIN 02496342) aged 52 years, Non-Executive & Independent Director of the Company successful businessman in Earth Moving Business and Dozer ripper for more than 23 years and also having experience of construction of Irrigation Projects.
6. **Mr. Sangramsinh S. Nimbalkar** (DIN 00508548) aged 46 years, Non-Executive & Independent Director of the Company and successful businessman in Construction Business having more than 22 years.
7. **Mr. Shankar H. Patil** (DIN 03198638) aged 56 years, Non-Executive & Independent Director of the Company and he has experience of running banking, Construction and hotel Industry in Kolhapur region since more than 23 years. He has keen interest in agriculture also.

#### Inter-se Relationship among Directors –

Mr. Shivaji R. Mohite, Chairman and Managing Director and Mrs. Monika S. Mohite Joint. Managing Director of the Company are related to each other as husband-wife. Beside this there is no inter-se relationship among the directors.

#### (ii) Meetings of the Board of Directors

The meetings of the Board of Directors are held at the Registered Office of the Company at R.S. No.347, Ambapwadi Phata, Off NH-4, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur – 416 112. During the year under review, four Board Meetings were held on 30-05-2016, 13-08-2016, 14-11-2016 and 10-02-2017. The Agenda and the Explanatory Notes for each meeting are circulated in advance to all the Directors. Every Director is free to suggest the inclusion of the items on the Agenda.

The attendance of the Board of Directors at the Meetings held during the year, number of other Directorships & Memberships of Committees as on March 31, 2017 is as follows:

| Name of Director & Category of Directorship   | No. of Board meetings attended | Attendance at last AGM | No. of other Directorships | No. of outside Committee position(s) held |          |
|---|--------------------------------|------------------------|----------------------------|---|----------|
|   |                                |                        |                            | Member                                    | Chairman |
| Mr. Shivaji R. Mohite (CMD)   | 04                             | Yes                    | 19                         | -   | -        |
| Mrs. Monika S. Mohite (Joint MD)  | 04                             | Yes                    | 18                         | -   | -        |
| Mr. Abhay S. Bhide (Wholetime Director)   | 04                             | Yes                    | 00                         | -   | -        |
| CA. Neehal M. Pathan (Non Executive & Non Independent Director)<br>(Resigned during the year w.e.f. 07-02-2017) | 03                             | Yes                    | 00                         | -   | -        |
| Mr. Vijay M. Nawandhar (Non Executive & Independent Director)   | 04                             | Yes                    | 02                         | -   | -        |
| Mr. Ranjeet D. Patil (Non Executive & Independent Director)   | 04                             | Yes                    | 00                         | -   | -        |
| Mr. Sangramsinh S. Nimbalkar<br>(Non Executive & Independent Director)  | 04                             | Yes                    | 01                         | -   | -        |
| Mr. Shankar H. Patil (Non Executive & Independent Director)   | 04                             | Yes                    | 02                         | -   | -        |

The directorship held above is including alternate directorship and directorship in foreign companies, Section 8 Companies & Private Limited Companies.

#### Independent Directors' Meeting (Section 149(8) & Clause VII of Schedule IV of the Companies Act 2013)

During the year under review, the Independent Directors met on November 14th, 2016, inter alia to discuss evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.

All the Independent Directors were present at the Meeting

#### Familiarization Programme -

No new independent directors were appointed during the year and familiarisation programme for existing independent director including meeting with key officials of the Company was conducted after their appointment the details of which disclosed on website of the Company [www.mohite.com](http://www.mohite.com).

Independent Directors has given declaration of Independence and all they fulfill the criteria u/sec .149(6) Draft letter of appointment is available on the website of the Company [www.mohite.com](http://www.mohite.com).

### (iii) BOARD COMMITTEES

The Company has currently five committees of board of directors i.e. the Audit Committee, the Nomination & Remuneration Committee, the Risk Management Committee, the Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The constitution of Risk Management Committee is not applicable to the Company but as company has this Committee from previous period so company continued with this Committee during the year. The Board is responsible for constituting, assigning and co-opting the Members of the Committee.

#### (i) Audit committee –

The Board has constituted a well-qualified Audit Committee Majority of Members of Committee are Independent Directors including Chairman.

##### (a) Terms of Reference -

The Audit Committee is responsible for:

- Overseeing the Company's financial reporting process and disclosure of its financial information.
- Recommending appointment, remuneration and terms of appointment of auditors
- Reviewing and discussing with the Statutory Auditors, Internal Auditors and Cost auditor.
- Reviewing major accounting policies and practices and adoption of applicable Accounting Standards.
- Review the adequacy & effectiveness of the Company's Internal Control System.
- Oversee & review the functioning of a Vigil Mechanism
- Disclosure of contingent liabilities.
- Reviewing the risk management mechanisms of the Company.
- Reviewing and approving related party transactions.
- Reviewing the quarterly and half-yearly financial results and the annual financial statements before they are submitted to the Board.
- Reviewing operations, new initiatives and performance.

(b) After resignation of Mr. Neehal M. Pathan as director, the Committee was reconstituted by the Board on 10-02-2017. Now it consist of four members out of which three are nonexecutive and independent directors and one is executive director. Mr. Abhay Bhide, Wholetime Director of company was appointed as new member of the committee. The Committee met four times during the year on 30-05-2016, 13-08-2016, 14-11-2016 & 10-02-2017. The attendance of Members of the Meeting was as follows:

| Name                         | Status  | No. of Meetings attended |
|------------------------------|---|--------------------------|
| Mr. Vijay M. Nawandhar       | Chairman  | 4                        |
| Mr. Neehal M. Pathan         | Member<br>(ceased to be director w.e.f.07-02-2017<br>consequently ceased to be member of the Committee) | 3                        |
| Mr. Sangramsinh S. Nimbalkar | Member  | 4                        |
| Mr. Ranjeet D. Patil         | Member  | 4                        |
| Mr. Abhay Bhide              | Member<br>(appointed as member of the Committee w.e.f 10-02-2017)                                       | NA                       |

The Audit committee adheres to the SEBI Guidelines in terms of quorum for its meetings, functioning, role and powers as also set out in the Companies Act, 2013 and Secretarial Standards.

All members of audit committee were present at Annual General Meeting of the Company.

#### (ii) Nomination & Remuneration Committee:

The Nomination & Remuneration Committee comprising of three members all are non-executive-independent Directors.

##### (a) Terms of reference:

- To review, assess and recommend the appointment of senior employees and to review their remuneration packages.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors, KMPs and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

(b) The Committee met Two times during the year on 13-08-2016 & 10-02-2017. As Mr. Neehal Pathan ceased to be director and consequently ceased as member of the Committee, the Committee was reconstituted during the year, Mr. Vijay M. Nawandhar, Director of company was appointed as new member of the committee. The Composition and attendance of Members of the Meetings was as follows :

| Name                         | Status  | No. of Meetings attended |
|------------------------------|---|--------------------------|
| Mr. Ranjeet Dinkarrao Patil  | Chairman  | 2                        |
| Mr. Neehal M. Pathan         | Member<br>(ceased to be director w.e.f.07-02-2017<br>consequently ceased to be member of the Committee) | 1                        |
| Mr. Sangramsinh S. Nimbalkar | Member  | 2                        |
| Mr. Vijay M. Nawandhar       | Member<br>(appointed as member of the Committee w.e.f 10-02-2017)                                       | NA                       |

**((c) Remuneration Of Directors and Evaluation Criteria-**

Relevant content of Remuneration Policy of the Company are given below

**Qualifications for appointment of Directors (including Independent Directors)**

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- Their financial or business literacy/skills;
- Their textile/hydro power industry experience;
- Other appropriate qualification/experience to meet the objectives of the Company;
- As per the applicable provisions of Companies Act, 2013, Rules made thereunder and as per provisions of SEBI(LODR) Reg.2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

**Positive attributes of Directors (including Independent Directors):**

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/textile/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and as per provisions of SEBI(LODR) Reg. 2015 as amended from time to time.

## **Independence Review Procedures**

### **- Annual Review**

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI(LODR) Reg. 2015

### **-Individual Director's Independence Determinations**

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI(LODR) Reg. 2015

### **-Notice of Change of Independent Status**

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

### **Criteria for appointment of KMP/Senior Management -**

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

### **Term -**

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI(LODR) Reg. 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

### **Evaluation -**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

### **Removal -**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and /or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

### **Remuneration of Managing / Whole-time Director, KMP and Senior Management**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company in accordance with recommendation of Nomination and Remuneration Committee is authorised to decide the remuneration of KMP (other than Managing / Wholetime Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

### Remuneration to Non-executive / Independent Director –

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force and as may be decided by the Committee / Board / shareholders.

Independent Directors ("ID") and Non-Independent Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. The payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

Quantum of sitting fees may be subject to review on a periodic basis, as required.

In addition to the sitting fees and commission, the Company may pay to any Director the reasonable expenditure incurred by him while performing his/her duty as director, for attending any boards/committee meeting, general meeting, court convened meeting, creditors meeting etc.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and provisions under SEBI (LODR) Regulation 2015, as amended from time to time.

Above mentioned qualification for director, positive attributes of directors are also applicable in case of Non Executive /Independent Directors. Also in addition to that Non executive directors shall be expertise and experienced personalities so as to have a diverse Board in fields like Manufacturing, finance, taxation, marketing, law, general management etc.

d) Details of remuneration paid to the directors are as follows: ( Amount In Lakhs)

| Name   | Salary | Consultancy Fee | Perquisites | Contribution to PF | Total |
|--|--------|-----------------|-------------|--------------------|-------|
| Mr. Shivaji Mohite   | 48.17  | --              | --          | --                 | 48.17 |
| Mrs.Monika Mohite  | 24.17  | --              | --          | --                 | 24.17 |
| Mr. Abhay Bhide  | 31.36  | --              | --          | --                 | 31.36 |
| Mr. Neehal Pathan<br>(ceased to be director w.e.f.07-02-2017<br>consequently ceased to be member of the Committee) | --     | 18.00           | --          | --                 | 18.00 |
| Mr. Vijay Nawandhar  | --     | --              | --          | --                 | --    |
| Mr. Ranjeet Patil  | --     | --              | --          | --                 | --    |
| Mr. Sangramsinh Nimbalkar  | --     | --              | --          | --                 | --    |
| Mr. Shankar Patil  | --     | --              | --          | --                 | --    |

### (iii) Stakeholders' Relationship Committee:

(a) Terms of reference

- Redressal of investors' complaints.
- Allotment of Shares, approval of transfer & transmission of shares, issue of duplicate Share certificates and new certificates on split/consolidation/renewal etc.
- To approve the transfer of shares lodged with the Company.

(b) Composition

The 'Stakeholders' Relationship Committee' presently comprising two non-executive directors and one executive director. As Mr. Neehal Pathan ceased to be director and consequently ceased as member & chairman of the Committee, the Committee was reconstituted during the year, Mr. Abhay S. Bhide, Whloetime Director of company was appointed as new member of the committee and during the year, the Committee held four meetings on 30-05-2016, 13-08-2016, 14-11-2016 & 10-02-2017. The attendance of Members at the said Meetings was as follows;



| Name                         | Status  | No. of Meetings attended |
|------------------------------|---|--------------------------|
| Mr. Neehal M. Pathan         | Chairman<br>(ceased to be director w.e.f.07-02-2017<br>consequently ceased to be member of the Committee) | 3                        |
| Mr. Vijay M. Nawandhar       | Chairman<br>(designated as chairman of the committee w.e.f. 10.02.2017)                                   | 4                        |
| Mr. Sangramsinh S. Nimbalkar | Member  | 4                        |
| Mr. Abhay s. Bhide           | Member<br>(appointed as member of the Committee w.e.f 10-02-2017)   | NA                       |

(c) Name, Designation and Contact Details of Compliance Officer

Ashvini Prataprao Kalekar Company Secretary

R.S. 347, Ambapwadi Phata, P.B. No. 1, Off N.H. 4, Vadgaon, Tal. Hatkanangale, Dist.-Kolhapur-416112 Maharashtra – MH Phone 0230-2471230

(d) During the year no complaints were received from the investors and there were no complaints pending at end of the year..

(iv) Risk Management Committee

The Company has Risk Management Committee. The Composition of the Committee as at 31<sup>st</sup> March, 2017 and the details of Members participation at the Meetings of the Committee are as under

| Name of Member      | Status   | No. of Meetings attended |
|---------------------|----------|--------------------------|
| Mr. Shivaji Mohite  | Chairman | 4                        |
| Mr. Abhay Bhide     | Member   | 4                        |
| Mr. Vijay Nawandhar | Member   | 4                        |

During the year, four Meetings were held on 30<sup>th</sup> May 2016, 13<sup>th</sup> August 2016, 14<sup>th</sup> November 2016 & 10<sup>th</sup> February, 2017.

The committee reviewed the Company's risk management practices which includes review of risks to the achievement of key business objectives covering growth, profitability, and actions taken to mitigate the risk.

The Company has in place mechanism to inform Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by senior management employees through the means of a properly defined framework. The Company has laid down Risk management policy.

v) Corporate Social Responsibility Committee

In order to comply with provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee. The Composition of the Committee as at 31<sup>st</sup> March, 2017 and the details of Members participation at the Meetings of the Committee are as under:

| Name of Member         | Status   | No. of Meetings attended |
|------------------------|----------|--------------------------|
| Mr. Shivaji Mohite     | Chairman | 2                        |
| Mr. Vijay M. Nawandhar | Member   | 2                        |
| Mr. Abhay Bhide        | Member   | 2                        |

During the year, two Meetings were held on 13<sup>th</sup> August 2016 & 10<sup>th</sup> February, 2017

Terms of reference of the Committee inter alia, include the following:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy as specified in Schedule VII to the Companies Act, 2013;

- (b) to finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution/ implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;
- (c) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (d) Monitor the Corporate Social Responsibility Policy Review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report.

## G. OTHER INFORMATION

### (i) Risk Management Framework:

The Company has in place mechanism to provide guidance regarding the management of risk to support the achievement of corporate objectives, protect staff/workers and business assets and ensure financial sustainability. The Board of Directors, Audit Committee, Risk Management Committee, staff & employees all are part of this framework. It involves recognition, assessment, analysis, evaluation of the risk.

### (ii) Code of Conduct:

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company to provide them guidance and help to recognize and deal with ethical issues, provide mechanisms to report unethical conduct and foster a culture of honesty and accountability. The code governs the actions and working relationships of board members, officers and all other employees of the Company in dealing with fellow employees, guests, competitors, vendors, suppliers, governmental & other agencies. It is the commitment to honest & ethical personal conduct, transparency, compliance of Law, health & safety etc.

Mr. Shivaji R. Mohite the Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

As per provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted Code of Fair disclosure for Prevention of Insider Trading which contains practices and procedures for fair disclosure of unpublished price sensitive information and regulating, monitoring and reporting of trading by insiders to be adopted by the Company and seeks to ensure timely, fair and adequate disclosure of price sensitive information to the investor & to enable them to take informed investment decisions with regard to the Company's Securities.

The procedure is prescribed to ensure that such information is not misused for any personal advantage.

The Company has laid down a code of conduct for all Board Members and senior management personnel of the Company. The declaration of Managing Director given below.

#### To the Shareholders of Mohite Industries Ltd.

Sub. Compliance with Code of Conduct

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company. I hereby confirm and declare that the Board Members and Senior Management have affirmed compliance with the Code of Conduct.

Date : 18<sup>th</sup> August, 2017  
Place : Vadgaon

**Mr. SHIVAJI MOHITE**  
Chairman & Managing Director

**Mr. ABHAY BHIDE**  
CEO & Executive Director

### (iii) General Body Meeting

The last three Annual General Meetings of the Company were held at Registered office of the Company at R. S. No.347, Ambapwadi Pharta, Off N. H. 4, P. B. No 1, Vadgaon, Tal. Hatkanangale, Dist.- Kolhapur as under:

| Financial Year | Date                             | Time       |
|----------------|----------------------------------|------------|
| 2015-2016      | 24 <sup>th</sup> September, 2016 | 11.00 a.m. |
| 2014-2015      | 28 <sup>th</sup> September, 2015 | 10.30 a.m. |
| 2013-2014      | 27 <sup>th</sup> September, 2014 | 10.30 a.m. |

The following Special Resolutions were passed by the members at the last three Annual General meeting.

**Annual General Meeting held on 24<sup>th</sup> September, 2016**

- i) Re-appointment Mr. Shivaji R. Mohite, as Chairman & Director of the Company
- ii) Re-appointment Mrs. Monika S. Mohite, as Joint Managing Director of the Company

**Annual General Meeting held on 28<sup>th</sup> September, 2015**

- i) Re-appointment Mr. Vijay M. Nawandhar, as Independent Director of the Company
- ii) Re-appointment Mr. Shankar H. Patil, as Independent Director of the Company
- iii) Re-appointment Mr. Ranjit D. Patil, as Independent Director of the Company
- iv) Re-appointment Mr. Sangram S. Nimbalkar, as Independent Director of the Company
- v) Re-appointment of Mr. Abhay S. Bhide, as Whole-time Director of the Company.

**Annual General Meeting held on 27<sup>th</sup> September, 2014**

- i) Authorising Limit under Sec.180(c) of the Companies Act 2013 to the Board to Borrow Money.
- ii) Approval of related Party Transaction under section 188 of the Companies Act 2013
- iii) Re-Appointment of Monika Mohite as Jt. Managing Director & increase her remuneration

**No Special Resolution was passed through Postal Ballot in last year.**

**(iv) Other Disclosures:**

- (a) During the year, there was no any transaction of material nature entered into with any related party that may have potential conflict with the interests of listed entity. The policy on dealing with Related Party Transactions is available on Company's website [www.mohite.com](http://www.mohite.com)

- (b) Details of compliance with mandatory requirements –

There were no instances of non-compliance of any matter related to the capital markets, by the Company, no penalties imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market and also the Company has complied with all the mandatory requirements of the Listing Regulations.

- (c) Vigil Mechanism/Whistle Blower Policy-

The Company has to adopt Vigil Mechanism Policy/Whistle Blower Policy under Section 177(9) of the Companies act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as under Provisions of Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 to provide mechanism for reporting genuine concerns or grievance and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place and also safeguards against victimization of directors or employees or any other person who avail the mechanism. Vigil Mechanism/Whistle Blower Policy is also available on the website of the Company [www.mohite.com](http://www.mohite.com)

- (d) 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.

(e) CEO / CFO Certification:

As required under Regulation 17(8) of the Listing Regulations, a certificate from Mr. Shivaji Mohite, Chairman & Managing Director Abhay Bhide, CEO & Executive Director and Shreyas Alatkhar, Chief Finance officer of the Company certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs, was placed before the board.

(f) Means of communication:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are widely published in The Free Press Journal (English) and other local language newspaper viz Sakal (Marathi). The results are simultaneously posted on the website of the Company at <http://www.mohite.com/>. Also the Company's Website contains updated information as to financial results, public announcement, shareholding patterns, Annual Reports etc.

Company also registered with SCORES (SEBI Complaints Redressal System).

(g) the policy for determining 'Material' Subsidiaries' is disclosed on website of the company [www.mohite.com](http://www.mohite.com)

(h) the policy dealing with Related Party Transactions is disclosed on website of the company [www.mohite.com](http://www.mohite.com)

(i) Management discussion & Analysis forms integral part of this Annual Report.

(j) Compliance as to requirement of corporate governance report and discretionary requirements as specified in Part E of Schedule II –

The Company has complied with all requirement of sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulation 2015. Also Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulation 2015 and necessary disclosures thereto are made in this report.

The discretionary requirements as specified in Part E of Schedule II complied with by company are-

Modified opinion in Audit Report : The Company's financial statement for the year ended on 31st March, 2017 does not contain any modified opinion.

## GENERAL SHAREHOLDERS' INFORMATION

(i) **Annual General Meeting:**

The Annual General Meeting of the Company will be convened on Wednesday, 27<sup>th</sup> September, 2017 at 10.30 a.m. at the registered office of the Company located at 'R.S. No. 347, Ambapwadi Phata, Off. NH-4, P.B. No. 1, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur – 416 112.

(ii) **Financial Calendar :**

**Financial Year :** The Company follows the period of 1st April to 31<sup>st</sup> March, as the Financial Year.

|      | Event   | Period                           |
|------|---|----------------------------------|
| i)   | Annual Results of 2016-2017                         | 30 <sup>th</sup> May, 2017       |
| ii)  | Quarterly results June 30 <sup>th</sup> , 2017      | Second Week of September, 2017   |
| iii) | Annual General Meeting                              | 27 <sup>th</sup> September, 2017 |
| iv)  | Quarterly results September 30 <sup>th</sup> , 2017 | Second Week of December, 2017    |
| v)   | Quarterly results December 31 <sup>st</sup> , 2017  | Second Week of February, 2018    |
| vi)  | Quarterly results March 31 <sup>st</sup> , 2018     | Fourth Week of May, 2018         |

(iii) **Book Closure:**

The Register of member will remain closed from the Thursday, 21<sup>st</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (both days inclusive)

**(iv) Listing of Equity shares on Stock Exchange:**

The shares of the Company are listed on the Bombay Stock Exchange Limited (BSE). Listing fees for the year 2017-18 has been paid to the Bombay Stock Exchange Limited. The Company has paid custodial fees for the year 2017-18 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them on March 31, 2017.

**(v) Stock Code:**

BSE – 532140 ISIN No. INE154B01015

**(vi) Corporate Identification Number of the Company**

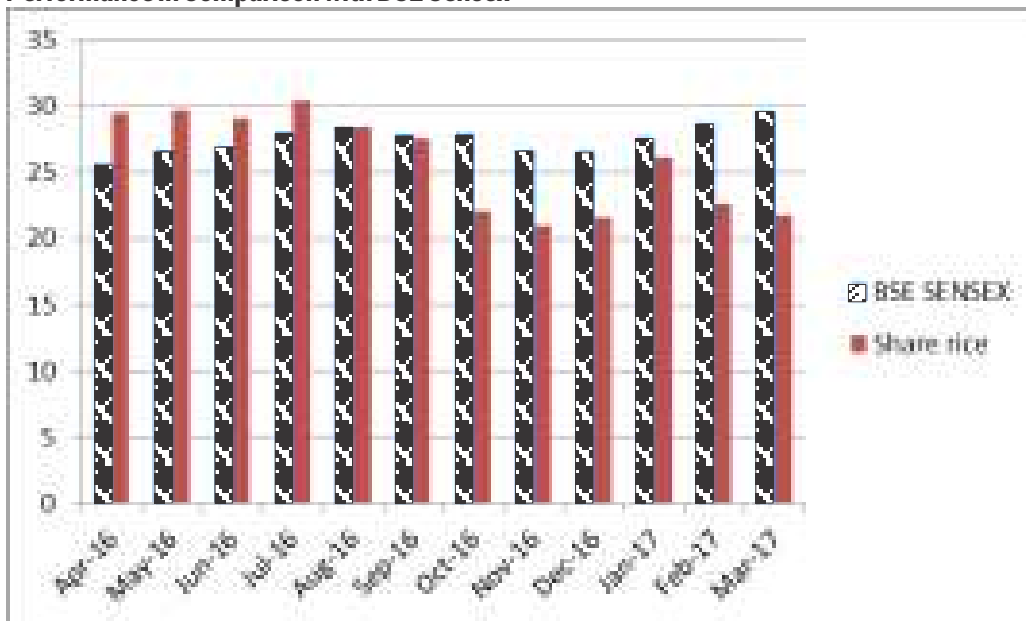
L40108MH1990PLC058774

**(vii) Stock market price data for the year 2016-17**

The opening/closing, high / low market price of the shares during the financial year 2016 -17 at the BSE Ltd is given as below

| Months | BSE        |       |       |       |                      |
|--------|------------|-------|-------|-------|----------------------|
|        | Open Price | High  | Low   | Close | No. of Shares Traded |
| Apr-16 | 30.95      | 32.30 | 29.45 | 29.45 | 2056                 |
| May-16 | 29.00      | 30.45 | 27.55 | 29.75 | 5387                 |
| Jun-16 | 30.95      | 31.95 | 29.05 | 29.05 | 1527                 |
| Jul-16 | 27.60      | 30.40 | 27.60 | 30.40 | 101                  |
| Aug-16 | 30.40      | 30.40 | 28.50 | 28.50 | 225                  |
| Sep-16 | 28.50      | 28.50 | 27.50 | 27.50 | 380                  |
| Oct-16 | 27.30      | 27.30 | 20.20 | 22.15 | 8114                 |
| Nov-16 | 23.25      | 23.25 | 18.30 | 21.00 | 3069                 |
| Dec-16 | 22.05      | 22.25 | 19.40 | 21.55 | 6167                 |
| Jan-17 | 22.55      | 26.20 | 20.90 | 26.20 | 2791                 |
| Feb-17 | 25.50      | 25.55 | 22.60 | 22.65 | 2048                 |
| Mar-17 | 23.70      | 24.50 | 21.85 | 21.85 | 737                  |

**Performance in Comparison with BSE Sensex –**



For BSE Sensex base is 1000

**(viii) Registrar and Share Transfer Agents :**

Link Intime India Pvt. Ltd.,  
C-101, 1<sup>st</sup> Floor, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai MH 400083  
Phone :- 022-25963838 Fax :- 022-25946969 Tel. No. 022-49186270 (for Investor) 022-49186000  
Fax No. – 022-49186060 Email – rnt.helpdesk@linkintime.co.in

**(ix) Share Transfer System:**

All shares sent for transfer in physical form are registered by the Company's Registrar and Share Transfer Agents within prescribed time if documents are found in order. No dematerialization of shares request received during the year.

**(x) Distribution of Shareholding as on March 31, 2017**

| No. of Shares  | Shareholders |            | Shareholding    |            |
|----------------|--------------|------------|-----------------|------------|
|                | Number       | %          | Number          | %          |
| Up to 500      | 744          | 72.4440    | 131688          | 0.6552     |
| 501 – 1000     | 116          | 11.2950    | 93456           | 0.4650     |
| 1000- 2000     | 46           | 4.4791     | 72865           | 0.3625     |
| 2001- 3000     | 25           | 2.4343     | 60324           | 0.3001     |
| 3001 - 4000    | 12           | 1.1685     | 42434           | 0.2111     |
| 4001 – 5000    | 19           | 1.8500     | 92336           | 0.4594     |
| 5001 – 10000   | 18           | 1.7527     | 128841          | 0.6410     |
| 10001 & above  | 47           | 4.5764     | 19477756        | 96.9057    |
| <b>Total :</b> | <b>1027</b>  | <b>100</b> | <b>20099700</b> | <b>100</b> |

**(xi) Categories of Shareholders as on March 31, 2017**

| Category               | Shareholding    | % of Shares |
|------------------------|-----------------|-------------|
| Clearing Member        | 65363           | 0.3252      |
| Directors              | 13832663        | 68.8202     |
| Hindu Undivided Family | 37464           | 0.1864      |
| Non Resident Indians   | 3050            | 0.0152      |
| Other Bodies Corporate | 4781914         | 23.791      |
| Public                 | 1289418         | 6.4151      |
| Relatives of Director  | 87578           | 0.4357      |
| Trusts                 | 2250            | 0.0112      |
| <b>Total :</b>         | <b>20099700</b> | <b>100</b>  |

**(xii) Dematerialization of shares :**

As on March 31, 2017, 90.44% of the Company's total paid up capital representing 18179379 shares were held in dematerialized form and the balance 9.56% representing 1920321 shares were held in physical form.

**(xiii) Convertible Instruments:**

The Company has not issued any ADRs/GDRs/Warrants or any convertible instruments during financial year ended 31st March, 2017.

**(xiv) Plant location :**

Manufacturing facilities of the Company are located at :

- Spinning Unit - R. S. No.347, Ambapwadi Phata, Off. N.H. 4 , P. B. NO.1, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur - 416 112.
- Radhanagari Hydro Electric Power Project, Gat. No. 222, at Fejiwade, Tal- Radhanagari, Dist-Kolhapur.

**(xv) Auditors' Certificate On Compliance Of Conditions Of Corporate Governance**

The certificate is attached as annexure to the Report.

**(xvi) Address for correspondence :**

Shareholders correspondence as to share transfer , share transmission, change request and other such queries should be directed to Company's Registrar and Transfer Agent whose address is given below

Link Intime India Pvt. Ltd.,

C-101, 1<sup>st</sup> Floor, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai MH 400083

Phone :- 022-25963838 Fax :- 022-25946969 Tel.No. 022-49186270 (for Investor) 022-49186000

Fax No. – 022-49186060 Email – [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Shareholders can also send their queries to below mentioned address**

Compliance Officer

Mohite Industries Limited

R. S. No. 347, Ambapwadi Phata, Off. NH - 4, P. B. No.1, Vadgaon, Tal-Hatkanangale, Dist- Kolhapur-416 112, Maharashtra State, India.

Phone – 0230-2471230-33, Fax – 0230-2471229 email- [mohitex@bsnl.in](mailto:mohitex@bsnl.in)

# Auditors' Certificate on Compliance of Conditions of Corporate Governance

(In terms of Regulation 34(3) and Schedule V(E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To**  
**The Members of**  
**Mohite Industries Limited,**

I have examined the compliance of conditions of Corporate Governance by MOHITE INDUSTRIES LIMITED ("the Company"), for the year ended on March 31, 2017, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for period 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March 2017

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

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in above Listing Regulations, as applicable.

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

**For MORESHWAR G. DESHPANDE**  
CHARTERED ACCOUNTANTS

Date : 18<sup>th</sup> August, 2017  
Place : Vadgaon

**MORESHWAR DESHPANDE**  
Proprietor  
M.No.124163



# MANAGEMENT DISCUSSION & ANALYSIS

The management of Mohite Industries Limited presents the analysis of business performance of the Company for the year 2016-17 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

## 1) INDUSTRY STRUCTURE & DEVELOPMENTS

Compared to last two years, the domestic market for yarn remained less volatile during the period under report. However, the global business continues to sluggish. Also there was no fluctuation in cotton price during 2016-2017.

Beating all odds, the management did a good business of Compact and Slub and tried its best to establish these yarns as a special brand in the market despite cut-throat competition from other big players.

The management anticipates flourishing business in export as well as domestic markets in the time to come because of ample cotton crop and quality of special yarns being maintained religiously.

## 2) OPPORTUNITIES AND THREATS

Taking into account the increasing demand for special yarns i.e. Compact and Slub, there is a big opportunity for the management to establish these yarns as a special brand in the market & expand buyers' net as quick as possible.

## 3) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Segment-wise performance is given in Note No. 24B(iv) to financial statements.

## 4) MANAGEMENT PERCEPTION OF RISKS & CONCERNS

In the backdrop of improvement in the overall situation, the management does not foresee any risk factor. As the cotton production during the last season is up to the mark and price is also stable, there is no concern over the availability and price volatility of cotton and other factors whatsoever.

## 5) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has well defined internal control systems. Internal Audit in the organization measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board. Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of the business.

## 6) HUMAN RESOURCES DEVELOPMENT & INDUSTRIAL RELATIONS :

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relation has peaceful and harmonious situation.

## 7) FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS :

- a) Production of our Company of 100% cotton yarn was 4462.91 MT during the year 2016-17 as against production of 6918.81 MT during the year 2015-16. Sale of cotton yarn was ₹ 8045.43 Lakhs during the year 2016-17 as compared to sales of ₹11303.11 Lakhs during the year 2015-16. Sale of Cotton Waste was ₹ 51.19 Lakhs during the year 2016-17 as compared to sale of ₹ 93.85 Lakhs during the year 2015-16.
- b) Job Work of 100 % cotton yarn was 5.50 MT during the year 2016-17 as against Job Work of 56.52 MT during the year 2015-16. Job Work Income was ₹ 1.09 Lakhs in the year 2016-17 as compared to Job Work Income of ₹ 23.51 Lakhs in the year 2015-16.
- c) Generation of Hydro Power was 2,47,65,037 Kwh units during the year 2016-17 and transmitted to Textile Division (Inter segment) 1,33,64,334 Kwh as against generation of 1,50,00,940 Kwh units during the year 2015-16 and transmitted to Textile Division (Inter segment) 31,68,838 Kwh units. Transmission Loss of units was 13.70% during the year 2016-17 against 10.02 % during the year 2015-16. Balance Units Sale to MSEDCL during the 2016-17 is 90,30,365 Kwh as against units sale of 1,11,57,070 Kwh for the year 2015-16.

- d) Production of Yarn during the year 2016-17 was decreased by 35.50 % and Sales of Yarn during the year 2016-17 were decreased by 28.82% as compared to previous year.
- e) The Merchant Export of Yarn was ₹ 814.26 Lakhs during the year 2016-17 as compared to Direct Export & Merchant Export of Yarn and Fabric of ₹ 2761.82 Lakhs during the year 2015-16.

**f) RAW MATERIAL**

Total raw material (Cotton + Yarn + Waste) cost for the year 2016-17 was ₹ 5429.29 Lakhs compared to ₹ 6923.26 Lakhs for the previous year. Cost of material consumed to sales ratio (Cotton + Yarn + Waste) for the period ended 31.03.17 is 67.05% as compared to 60.00% for the previous year.

**g) POWER AND FUEL**

The cost of power was ₹ 1233.21 Lakhs for the year 2016-17 as compared to ₹ 2255.52 Lakhs for the year 2015-16. Cost of power is ₹ 27.63 per kg of the production for the year 2016-17 as compared to power cost of ₹ 32.60 per kg of production for the previous year.

**h) SALARY AND WAGES**

The salary and wages & other employee benefits cost was ₹ 887.31 Lakhs for the year 2016-17 as compared to ₹ 1003.40 Lakhs for the year 2015-16. The Company has taken step to fully provide for the gratuity liability.

**i) INTEREST AND FINANCE COST**

The interest and finance cost was ₹ 1056.27 Lakhs for the year 2016-17 compared to ₹ 935.73 Lakhs for the year 2015-16. During the year the interest income earned was of ₹ 10.90 Lakhs compared to ₹ 91.65 Lakhs for the previous year.

**j) PROFITABILITY**

The Company earned Profit before Depreciation, Interest and Tax of ₹ 1356.20 Lakhs in the current year as against ₹ 2165.54 Lakhs in the previous year. The Company earned Profit before Depreciation and Tax of ₹ 310.83 Lakhs in the current year as compared to ₹ 1321.47 Lakhs in the previous year.

The Company earned Profit before Tax (after interest and depreciation) of ₹ (-) 406.90 Lakhs and Profit after Tax of ₹ (-) 347.97 Lakhs for the current financial year under review as against ₹ 527.53 Lakhs and ₹ 518.80 Lakhs respectively, for the previous financial year.

**k) RESOURCE MOBILISATION**

The Gross Fixed Assets (excluding capital work in progress) as at 31st March, 2017 were ₹ 18276.67 Lakhs as compared to ₹ 17992.50 Lakhs in the previous year. During the year, the Company had purchased fixed assets amounting to ₹ 284.17 Lakhs.

There were no debtors outstanding for more than six months in the year under review. (Previous Year Nil). The Net Current Assets as on 31<sup>st</sup> March, 2017 was ₹ 3023.51 Lakhs as against ₹ 2580.60 Lakhs in the previous year. Inventory level as on 31<sup>st</sup> March, 2017 was ₹ 4309.88 Lakhs, as against ₹ 4334.57 Lakhs in the previous year.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Mohite Industries Ltd

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Mohite Industries Limited, Vadgaon, Dist - Kolhapur – 416 112, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms 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 operative effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigations which would impact its financial position;
    - ii. the Company did not have any long-time contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund by the Company.

**For MORESHWAR G. DESHPANDE**

CHARTERED ACCOUNTANTS

Date : 12<sup>th</sup> May, 2017

Place : Vadgaon

**MORESHWAR DESHPANDE**

Proprietor

M.No.124163

## Annexure A to the Auditor's Report

The annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- i.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. In accordance with this program no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of inventories. No material discrepancies were noticed on physical verification of the stocks by the management as compared to book records.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans, investments, guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. The Central Government has specified to maintain the cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013. We are of the opinion that, prima facie, the prescribed accounts and cost records have been made and maintained.
- vii.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they become payable.
  - b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The Company has applied moneys raised by way of term loans for the purposes for which they were raised.
- x. According to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our 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.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For MORESHWAR G. DESHPANDE**  
CHARTERED ACCOUNTANTS

Date : 12<sup>th</sup> May, 2017

Place : Vadgaon

**MORESHWAR DESHPANDE**  
Proprietor  
M.No.124163

# Annexure B to the Auditor's 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 Mohite Industries Ltd ('the Company') as of 31 March 2017 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 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 responsibility 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.

### **Auditor's 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 of 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 Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about adequacy of the internal financial control 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.

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of 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 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 was operating effectively as at 31 March 2017, based on 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 MORESHWAR G. DESHPANDE**  
CHARTERED ACCOUNTANTS

Date: May, 2017

Madgaon

**MORESHWAR DESHPANDE**  
Proprietor  
M.No.124163



# BALANCE SHEET as at 31<sup>st</sup> March, 2017

(Amount In Lakhs)

| No        | Particulars   | Note | 31 <sup>st</sup> March 2017 | 31 <sup>st</sup> March 2016 |
|-----------|---|------|-----------------------------|-----------------------------|
| <b>I</b>  | <b>EQUITY &amp; LIABILITIES</b>                     |      |                             |                             |
|           | <b>1) Shareholders Fund</b>                         |      |                             |                             |
|           | a) Share Capital                                    | 1    | 2,009.97                    | 2,009.97                    |
|           | b) Reserves & Surplus                               | 2    | 6,522.49                    | 6,870.46                    |
|           | c) Money Received against Share Warrants            |      | -                           | -                           |
|           |   |      | <b>8,532.46</b>             | <b>8,880.43</b>             |
|           | <b>2) Share Application Money pending allotment</b> |      |                             |                             |
|           | <b>3) Non - Current Liabilities</b>                 |      |                             |                             |
|           | a) Long Term Borrowings                             | 3    | 3,785.90                    | 3,950.70                    |
|           | b) Deferred Tax Liability (Net)                     |      | 340.65                      | 399.57                      |
|           | c) Other Long Term Liabilities                      |      | -                           | -                           |
|           | d) Long Term Provisions                             |      | -                           | -                           |
|           |   |      | <b>4,126.55</b>             | <b>4,350.27</b>             |
|           | <b>4) Current Liabilities</b>                       |      |                             |                             |
|           | a) Short Term Borrowings                            | 4    | 3,941.72                    | 3,955.55                    |
|           | b) Trade Payables                                   | 5    | 477.25                      | 460.69                      |
|           | c) Other Current Liabilities                        | 6    | 564.43                      | 681.84                      |
|           | d) Short - Term Provisions                          | 7    | 107.56                      | 107.56                      |
|           |   |      | <b>5,090.96</b>             | <b>5,205.64</b>             |
|           | <b>Total</b>  |      | <b>17,749.97</b>            | <b>18,436.35</b>            |
| <b>II</b> | <b>ASSETS</b>                                       |      |                             |                             |
|           | <b>1) Non- Current Assets</b>                       |      |                             |                             |
|           | a) Fixed Assets                                     | 8    |                             |                             |
|           | i) Tangible Assets                                  |      | 7,930.61                    | 8,364.17                    |
|           | ii) Intangible Assets                               |      | -                           | -                           |
|           | iii) Capital Work in Progress                       |      | 13.17                       | 586.39                      |
|           | iv) Intangible Assets under Development             |      | -                           | -                           |
|           |   |      | <b>7,943.78</b>             | <b>8,950.55</b>             |
|           | b) Non - Current Investment                         | 9    | 13.60                       | 12.25                       |
|           | c) Deferred Tax Asset (Net)                         |      | -                           | -                           |
|           | d) Long Term Loans & Advances                       | 10   | 1,648.45                    | 1,657.74                    |
|           | e) Other Non-Current Assets                         | 11   | 29.67                       | 29.56                       |
|           |   |      | <b>9,635.50</b>             | <b>10,650.11</b>            |
|           | <b>2) Current Assets</b>                            |      |                             |                             |
|           | a) Current Investments                              |      | -                           | -                           |
|           | b) Inventories                                      | 12   | 3,608.48                    | 3,097.29                    |
|           | c) Trade Receivables                                | 13   | 4,309.88                    | 4,334.57                    |
|           | d) Cash and Bank Balances                           | 14   | 141.29                      | 309.64                      |
|           | e) Short - Term Loans & Advances                    | 15   | 54.82                       | 44.75                       |
|           | f) Other Current Assets                             |      | -                           | -                           |
|           |   |      | <b>8,114.47</b>             | <b>7,786.24</b>             |
|           | <b>Total</b>  |      | <b>17,749.97</b>            | <b>18,436.35</b>            |

As per our separate report attached

for **MORESHWAR G. DESHPANDE**

Chartered Accountants

**M. G. Deshpande**

Proprietor

Mem. No. 124163

Vadgaon

12<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of

**MOHITE INDUSTRIES LTD.**

**SHIVAJI MOHITE**

Chairman & MD DIN 00425441

**SHREYAS ALATKAR**

CFO

Vadgaon

12<sup>th</sup> May, 2017

**MONIKA MOHITE**

Jt. MD DIN 00425614

**ASHVINI KALEKAR**

Company Secretary

# PROFIT & LOSS ACCOUNT for the year ended on 31<sup>st</sup> March, 2017 ( Amount In Lakhs)

| No        | Particulars  | Note     | 31 <sup>st</sup> March 2017 | 31 <sup>st</sup> March 2016 |
|-----------|--|----------|-----------------------------|-----------------------------|
| <b>I</b>  | <b>INCOME</b>  |          |                             |                             |
|           | Revenue from operations  | 16       | 9,578.98                    | 12,838.00                   |
|           | Other income   | 17       | 29.19                       | 307.35                      |
|           | <b>Total revenue</b>   |          | <b>9,608.17</b>             | <b>13,145.35</b>            |
| <b>II</b> | <b>EXPENSES</b>  |          |                             |                             |
|           | Cost of material consumed  | 18       | 5,759.76                    | 7,250.10                    |
|           | Purchase of stock-in-trade   |          | -                           | -                           |
|           | Manufacturing & operating cost   | 19       | 1,652.93                    | 2,775.83                    |
|           | Changes in inventories of finished goods,<br>work in progress and stock in trade | 20       | (736.20)                    | (49.52)                     |
|           | Employee benefits cost   | 21       | 887.31                      | 1,003.40                    |
|           | Finance cost   | 22       | 1,045.37                    | 844.07                      |
|           | Depreciation and amortization expenses   | 23       | 717.72                      | 793.94                      |
|           | Other expenses   |          | -                           | -                           |
|           | <b>Total expenses</b>  |          | <b>9,326.89</b>             | <b>12,617.83</b>            |
|           | <b>Profit before extraordinary items &amp; tax</b>                               |          | <b>281.28</b>               | <b>527.53</b>               |
|           | Extraordinary items  | 24B(vii) | 688.17                      | -                           |
|           | Profit before tax  |          | <b>(406.90)</b>             | <b>527.53</b>               |
|           | Tax expense :-   |          |                             |                             |
|           | 1) Current tax   |          | -                           | 107.56                      |
|           | 2) Deferred tax  |          | (58.93)                     | (98.83)                     |
|           | <b>Profit for the year after tax</b>   |          | <b>(347.97)</b>             | <b>518.80</b>               |
|           | Earning per share<br>(of the face value of Rs.10 per equity share)               |          |                             |                             |
|           | 1) Basic   | 24B(v)   | (1.73)                      | 2.58                        |
|           | 2) Diluted   | 24B(v)   | (1.73)                      | 2.58                        |

As per our separate report attached

for **MORESHWAR G. DESHPANDE**  
Chartered Accountants

**M. G. Deshpande**  
Proprietor  
Mem. No. 124163

Vadgaon  
12<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of

**MOHITE INDUSTRIES LTD.**

**SHIVAJI MOHITE**  
Chairman & MD DIN 00425441

**SHREYAS ALATKAR**  
CFO

Vadgaon  
12<sup>th</sup> May, 2017

**MONIKA MOHITE**  
Jt. MD DIN 00425614

**ASHVINI KALEKAR**  
Company Secretary

# CASH FLOW STATEMENT for the year ended on 31<sup>st</sup> March, 2017

( Amount In Lakhs)

| Particulars  | Current Year    |                   | Previous Year |                 |
|--|-----------------|-------------------|---------------|-----------------|
| <b>A. Cash flow from Operating Activities</b>  |                 |                   |               |                 |
| Net Profit before Tax  |                 | (406.90)          |               | 527.53          |
| <b>Adjustments for :</b>   |                 |                   |               |                 |
| Depreciation   | 717.72          |                   | 793.94        |                 |
| Interest & Finance Charges   | 1,045.37        |                   | 844.07        |                 |
| Extraordinary Items  | 688.17          |                   | -             |                 |
| Profit on Sale of Land   | -               |                   | (249.41)      |                 |
| Dividend Received  | (1.35)          | 2,449.92          | (1.10)        | 1,387.51        |
| Operating profit before working capital changes  |                 | 2,043.02          |               | 1,915.03        |
| <b>Adjustments for :</b>   |                 |                   |               |                 |
| (Increase) / Decrease in :   |                 |                   |               |                 |
| Trade & Other Receivables  | 24.88           |                   | (2,266.78)    |                 |
| Inventories  | (511.19)        |                   | (101.21)      |                 |
| Increase / (Decrease) in :   |                 |                   |               |                 |
| Trade Payables & Other Liabilities   | 4.21            | (482.11)          | 54.31         | (2,313.67)      |
| Cash generation from operations  |                 | 1,560.91          |               | (398.64)        |
| Less: Taxes Paid   |                 | (1.07)            |               | (164.15)        |
| <b>Net Cash flow from Operating Activities</b>   |                 | <b>1,559.84</b>   |               | <b>(562.79)</b> |
| <b>B. Cash flow from Investing Activities</b>  |                 |                   |               |                 |
| Purchase of Fixed Assets   | (297.34)        |                   | (366.22)      |                 |
| Investment in Shares   | (1.35)          |                   | -             |                 |
| Proceeds from Sale of Fixed Assets   | -               |                   | 660.54        |                 |
| Dividend Received  | 1.35            |                   | 1.10          |                 |
| <b>Net Cash flow from Investing Activities before extraordinary items</b>                      | <b>(297.34)</b> |                   | <b>295.43</b> |                 |
| Less: Extraordinary Items  |                 |                   |               |                 |
| Performance guarantee payment & expenditure incurred during current year (refer note 24B(vii)) |                 | (101.79)          |               | -               |
| <b>Net Cash flow from Investing Activities before extraordinary items</b>                      | <b>(399.12)</b> |                   | <b>295.43</b> |                 |
| <b>C. Cash flow from Financing Activities</b>  |                 |                   |               |                 |
| Proceeds from Long Term Borrowings (Net)   | (47.60)         |                   | 1,513.62      |                 |
| Proceeds from Short Term Borrowings (Net)  | (13.83)         |                   | (10.05)       |                 |
| Proceeds from Unsecured Borrowings   | (222.26)        |                   | (366.37)      |                 |
| Interest & Finance Charges   | (1,045.37)      |                   | (844.07)      |                 |
| <b>Net Cash flow from Financing Activities</b>   |                 | <b>(1,329.06)</b> |               | <b>293.13</b>   |
| Net Increase /(Decrease) in Cash & Cash Equivalents  |                 | (168.35)          |               | 25.77           |
| Cash & Bank Balances as on 31/03/2016  |                 | 309.64            |               | 283.87          |
| Cash & Bank Balances as on 31/03/2017  |                 | 141.29            |               | 309.64          |

As per our separate report attached

for **MORESHWAR G. DESHPANDE**

Chartered Accountants

**M. G. Deshpande**

Proprietor

Mem. No. 124163

Vadgaon

12<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of

**MOHITE INDUSTRIES LTD.**

**SHIVAJI MOHITE**

Chairman & MD DIN 00425441

**SHREYAS ALATKAR**

CFO

Vadgaon

12<sup>th</sup> May, 2017

**MONIKA MOHITE**

Jt. MD DIN 00425614

**ASHVINI KALEKAR**

Company Secretary

**NOTE - 1**  
**SHARE CAPITAL**

( Amount In Lakhs)

| Particulars   | As at 31 <sup>st</sup> March 2017 |                 | As at 31 <sup>st</sup> March 2016 |                 |
|---|-----------------------------------|-----------------|-----------------------------------|-----------------|
|   | No of Shares                      | Amount          | No of Shares                      | Amount          |
| <b>AUTHORISED</b><br>2,60,00,000 Equity Shares of ₹ 10/- each,<br>(Previous Year 2,60,00,000)                                   |                                   | 2,600.00        |                                   | 2,600.00        |
| <b>ISSUED, SUBSCRIBED &amp; PAID-UP</b><br>2,00,99,700 Equity Shares of ₹10/- each fully paid up<br>(Previous Year 2,00,99,700) |                                   | 2,009.97        |                                   | 2,009.97        |
|   |                                   | <b>2,009.97</b> |                                   | <b>2,009.97</b> |

**Note :-**

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

**Equity Shares**

( Amount In Lakhs)

| Particulars                              | As at 31 <sup>st</sup> March 2017 |                 | As at 31 <sup>st</sup> March 2016 |                 |
|--|-----------------------------------|-----------------|-----------------------------------|-----------------|
|  | No of Shares                      | Amount          | No of Shares                      | Amount          |
| At the beginning of the reporting period | 20,099,700                        | 2,009.97        | 20,099,700                        | 2,009.97        |
| Movement during the reporting period     |                                   |                 |                                   |                 |
|  | <b>20,099,700</b>                 | <b>2,009.97</b> | <b>20,099,700</b>                 | <b>2,009.97</b> |

**b.** Company has only one class of equity share of par value ₹ 10 /-. Each holder of the equity shares is entitled to one vote per share.

**c. Details of Shareholders holding more than 5% shares in the Company**

( Amount In Lakhs)

| Particulars               | As at 31 <sup>st</sup> March 2017 |                           | As at 31 <sup>st</sup> March 2016 |                           |
|---------------------------|-----------------------------------|---------------------------|-----------------------------------|---------------------------|
|                           | No of Shares                      | % of Holding in the Class | No of Shares                      | % of Holding in the Class |
| Shivaji Ramchandra Mohite | 9,176,324                         | 45.65                     | 9,176,324                         | 45.65                     |
| Monika Shivaji Mohite     | 4,656,339                         | 23.17                     | 3,104,939                         | 15.45                     |
| Dilip Ramchandra Mohite   | -                                 | -                         | 1,500,000                         | 7.46                      |

**d.** During the previous five years, the company has not issued bonus shares/ bought back shares / issued shares for consideration other than cash.

**NOTE - 2**  
**RESERVE AND SURPLUS**

( Amount In Lakhs)

| Particulars   | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---|--------------------------------------|--------------------------------------|
| <b>Capital Reserve :</b><br>(Special Capital Incentive as per last Balance Sheet) | 30.00                                | 30.00                                |
| <b>General Reserve :</b>  |                                      |                                      |
| Opening Balance   | 6,840.46                             | 6,588.22                             |
| Add- Net Profit for the Current Year  | (347.97)                             | 518.80                               |
| Less- Short Provision of Income Tax   | -                                    | (266.55)                             |
| Net Surplus in the Statement of Profit & Loss                                     | 6,492.49                             | 6,840.46                             |
| <b>Total :</b>  | <b>6,522.49</b>                      | <b>6,870.46</b>                      |

**NOTE - 3**  
**LONG TERM BORROWINGS**

( Amount In Lakhs)

| Particulars  | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>A. Secured Loans</b>                                  |                                      |                                      |
| <b>a. Loans from Banks</b>                               |                                      |                                      |
| i. Bank of Baroda T/L                                    | -                                    | 30.10                                |
| ii. Parshwanath Bank - Vehicle Loan                      | 33.56                                | -                                    |
|  | <b>33.56</b>                         | <b>30.10</b>                         |
| <b>b. Loans from Financial Institutions &amp; Others</b> |                                      |                                      |
| i. LIC Loan against Policy                               | 1,019.80                             | 811.45                               |
| ii. LIC Loan against Property                            | 2,473.93                             | 2,657.60                             |
| iii. Daimler Finance - Vehicle Loan                      | 29.33                                | -                                    |
|  | 3,523.06                             | 3,469.05                             |
| <b>B. Unsecured Loans from Directors</b>                 | 229.28                               | 451.55                               |
| <b>Total</b>   | <b>3,785.90</b>                      | <b>3,950.70</b>                      |

**Notes**

1. Bank of Baroda term loan was secured by exclusive first charge on fixed assets (Present & Future) of the Company relating to the Hydro Power Project at Radhanagari.

**Collateral**

- a) Second Pari passu charge on the fixed asset of the Co. (except vehicles) relating to the textile Unit.
  - b) Pari passu charge on the current asset of the Company relating to the textile unit.
  - c) Personal guarantee of Mrs. Monika Mohite and Shri .Shivaji Mohite
2. Parshwanath Bank Vehicle Loan is secured by hypothecation of respective vehicle against which loan is sanctioned.
  3. LIC loan against policy is availed against assignment of Key Man Insurance Policies
  4. LIC loan against property is secured by exclusive first charge on personal property of directors located at Plot No. 1, Survey No. 250B/1A/4, E Ward, Nagala Park, Kolhapur.
  5. Daimler Finance Vehicle Loan is secured by hypothecation of respective vehicle against which loan is sanctioned.

## NOTE - 4 SHORT TERM BORROWINGS

( Amount In Lakhs)

| Particulars                               | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---|--------------------------------------|--------------------------------------|
| <b>Working Capital Facility from Bank</b> |                                      |                                      |
| i. Bank of Baroda                         | 2,164.65                             | 2,172.59                             |
| ii. IDBI Bank                             | 877.61                               | 893.45                               |
| iii. State Bank of India                  | 899.46                               | 889.51                               |
| <b>Total</b>                              | <b>3,941.72</b>                      | <b>3,955.55</b>                      |

### Note :-

Working Capital Facilities in (i) to (iii) and Non - Fund Limits are secured by First charge on entire stock of Raw material, Stock in Process, finished Goods, consumables, stores and spare, book debts on pari passu with other bank (present & future)

## NOTE - 5 TRADE PAYABLES

( Amount In Lakhs)

| Particulars    | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|----------------|--------------------------------------|--------------------------------------|
| Trade Payables | 477.25                               | 460.69                               |
| <b>Total</b>   | <b>477.25</b>                        | <b>460.69</b>                        |

## NOTE - 6 OTHER CURRENT LIABILITIES

( Amount In Lakhs)

| Particulars                           | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Current maturities of Long Term Loans | 510.53                               | 615.60                               |
| TDS/TCS & Other Payable               | 53.89                                | 66.24                                |
| <b>Total</b>                          | <b>564.43</b>                        | <b>681.84</b>                        |

## NOTE - 7 SHORT TERM PROVISIONS

( Amount In Lakhs)

| Particulars              | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--------------------------|--------------------------------------|--------------------------------------|
| Provision for Income Tax | 107.56                               | 107.56                               |
| <b>Total</b>             | <b>107.56</b>                        | <b>107.56</b>                        |

**NOTE - 8  
FIXED ASSETS**

(Amount in Lakhs)

| Particulars                         | GROSS BLOCK                  |               |                            |                              | DEPRECIATION         |                           |                               |                  |                            | Net Block as on 31.03.2016 |
|-------------------------------------|------------------------------|---------------|----------------------------|------------------------------|----------------------|---------------------------|-------------------------------|------------------|----------------------------|----------------------------|
|                                     | Gross Block as on 01.04.2016 | Additions     | Deductions/ Transfer/ Sale | Gross Block as on 31.03.2017 | Depn upto 01.04.2016 | Depn on Asset & Adjctment | Depn for 01.04.16 to 31.03.17 | Total Depn       | Net Block as on 31.03.2017 |                            |
| <b>1) TANGIBLE ASSETS</b>           |                              |               |                            |                              |                      |                           |                               |                  |                            |                            |
| a) Land                             | 46.55                        | -             | -                          | 46.55                        | -                    | -                         | -                             | -                | -                          | 46.55                      |
| b) Kagal MIDC Land                  | 138.83                       | -             | -                          | 138.83                       | -                    | -                         | -                             | -                | -                          | 138.83                     |
| c) Factory Building                 | 3,549.56                     | -             | -                          | 3,549.56                     | 1,088.93             | -                         | 77.50                         | 1,166.42         | 2,383.14                   | 2,460.64                   |
| d) Plant & Machinery                | 13,102.85                    | 164.15        | -                          | 13,266.99                    | 7,771.47             | -                         | 538.17                        | 8,309.64         | 4,957.36                   | 5,331.38                   |
| e) Electrical Installation          | 452.44                       | 5.46          | -                          | 457.89                       | 253.06               | -                         | 37.21                         | 290.28           | 167.61                     | 199.37                     |
| f) Office Equipment                 | 87.24                        | 3.30          | -                          | 90.54                        | 77.19                | -                         | 2.44                          | 79.63            | 10.91                      | 10.05                      |
| g) Laboratory Equipments (Imported) | 100.26                       | -             | -                          | 100.26                       | 94.44                | -                         | 0.19                          | 94.62            | 5.63                       | 5.82                       |
| h) Vehicles                         | 380.20                       | 111.27        | -                          | 491.46                       | 245.61               | -                         | 49.28                         | 294.89           | 196.57                     | 134.59                     |
| i) Furniture & Fixtures             | 102.59                       | -             | -                          | 102.59                       | 71.45                | -                         | 8.73                          | 80.18            | 22.41                      | 31.14                      |
| j) D. G. Sets - Imported            | 31.88                        | -             | -                          | 31.88                        | 26.08                | -                         | 4.20                          | 30.28            | 1.59                       | 5.80                       |
| k) Equipments Below ₹ 5000          | 0.10                         | -             | -                          | 0.10                         | 0.10                 | -                         | -                             | 0.10             | -                          | -                          |
| <b>TOTAL</b>                        | <b>17,992.50</b>             | <b>284.17</b> | <b>-</b>                   | <b>18,276.67</b>             | <b>9,628.33</b>      | <b>-</b>                  | <b>717.72</b>                 | <b>10,346.06</b> | <b>7,930.61</b>            | <b>8,364.17</b>            |
| <b>2) CAPITAL WORK IN PROGRESS</b>  |                              |               |                            |                              |                      |                           |                               |                  |                            |                            |
| (a) Capital WIP - Ambai             | 586.39                       | 2.59          | 588.97                     | -                            | -                    | -                         | -                             | -                | -                          | 586.39                     |
| (b) P & M Capital WIP - Textile     | -                            | 12.26         | -                          | 12.26                        | -                    | -                         | -                             | -                | 12.26                      | -                          |
| (c) P & M Capital WIP - Hydro       | -                            | 0.91          | -                          | 0.91                         | -                    | -                         | -                             | -                | 0.91                       | -                          |
| <b>TOTAL</b>                        | <b>586.39</b>                | <b>15.76</b>  | <b>588.97</b>              | <b>13.17</b>                 | <b>-</b>             | <b>-</b>                  | <b>-</b>                      | <b>-</b>         | <b>13.17</b>               | <b>586.39</b>              |
| <b>GRAND TOTAL</b>                  | <b>18,578.89</b>             | <b>299.93</b> | <b>588.97</b>              | <b>18,289.84</b>             | <b>9,628.33</b>      | <b>-</b>                  | <b>717.72</b>                 | <b>10,346.06</b> | <b>7,943.78</b>            | <b>8,950.55</b>            |
| <b>Previous Year</b>                | <b>18,623.81</b>             | <b>366.22</b> | <b>411.14</b>              | <b>18,578.89</b>             | <b>8,834.39</b>      | <b>-</b>                  | <b>793.94</b>                 | <b>9,628.33</b>  | <b>8,950.55</b>            | <b>9,789.42</b>            |

**NOTE - 9**
**NON-CURRENT INVESTMENT**

( Amount In Lakhs)

| Particulars  | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>INVESTMENT</b>  |                                      |                                      |
| <b>Investment (Quoted)</b>   |                                      |                                      |
| <b>Investments (Unquoted)</b>  |                                      |                                      |
| Shares of Parshwanath Co-Op.Bank Ltd.<br>2000 Equity Shares of ₹ 25/- Each (at cost)         | 1.85                                 | 0.50                                 |
| Kallappana Awade Ichalkaranji J.Co.Bank Ltd.<br>1000 Equity Shares of ₹ 500/- Each (at cost) | 5.00                                 | 5.00                                 |
| Mahalaxmi Co. OP. Bank Ltd.<br>175000 Equity Shares of ₹ 1/- Each (at cost)                  | 1.75                                 | 1.75                                 |
| Rajaram Babu S. Bank Ltd.<br>50000 Equity Shares of ₹ 10.2/- Each (at cost)                  | 5.00                                 | 5.00                                 |
| <b>Total :</b>   | <b>13.60</b>                         | <b>12.25</b>                         |

**NOTE - 10**
**LONG TERM LOANS AND ADVANCES**

( Amount In Lakhs)

| Particulars                    | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Advances Recoverable /MVAT/REC | 1,364.97                             | 1,371.00                             |
| TDS /Advance Tax / MAT Credit  | 278.02                               | 276.95                               |
| Cenvat/Duty Drawback / PLA     | 5.46                                 | 9.80                                 |
| <b>Total</b>                   | <b>1,648.45</b>                      | <b>1,657.74</b>                      |

**NOTE - 11**
**OTHER NON CURRENT ASSETS**

( Amount In Lakhs)

| Particulars                        | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|------------------------------------|--------------------------------------|--------------------------------------|
| Security Deposit with MSEB & Other | 29.67                                | 29.56                                |
| <b>Total</b>                       | <b>29.67</b>                         | <b>29.56</b>                         |

**NOTE - 12**
**INVENTORIES**

( Amount In Lakhs)

| Particulars  | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>(Valued at lower of cost or net realisable value)</b> |                                      |                                      |
| Raw Material   | 959.05                               | 1,115.70                             |
| Finished Goods   | 1,684.35                             | 1,085.38                             |
| Stock In Process   | 685.77                               | 719.02                               |
| Stores, Spares, Packing Material                         | 78.45                                | 146.81                               |
| Waste  | 200.86                               | 30.38                                |
| <b>Total</b>   | <b>3,608.48</b>                      | <b>3,097.29</b>                      |



**NOTE - 13****TRADE RECEIVABLES**

( Amount In Lakhs)

| Particulars  | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>(Unsecured, considered Good)</b>  |                                      |                                      |
| Outstanding for the period less than six months from the date they are due for payment | 4,309.88                             | 4,334.57                             |
| <b>Total</b>   | <b>4,309.88</b>                      | <b>4,334.57</b>                      |

**NOTE - 14****CASH & BANK BALANCES**

( Amount In Lakhs)

| Particulars                                | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>a) Cash and Cash Equivalents :</b>      |                                      |                                      |
| i) Cash in Hand                            | 3.97                                 | 5.98                                 |
| ii) Balances with Banks - Current Accounts | 7.94                                 | 39.40                                |
| iii) Balances with Bank - FDR              | 129.38                               | 264.26                               |
| <b>Total</b>                               | <b>141.29</b>                        | <b>309.64</b>                        |

**NOTE - 15****SHORT TERM LOANS AND ADVANCES**

( Amount In Lakhs)

| Particulars              | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--------------------------|--------------------------------------|--------------------------------------|
| Staff / Workers Advances | 3.96                                 | 3.35                                 |
| Prepaid Expenses         | 50.86                                | 41.40                                |
| <b>Total</b>             | <b>54.82</b>                         | <b>44.75</b>                         |

**Note-**

Short Term Loans and advances includes amount receivables from employees against interest free loan given to them in the ordinary course of business and as per rules of the Company.

**NOTE - 16****REVENUE FROM OPERATIONS**

( Amount In Lakhs)

| Particulars             | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|-------------------------|--------------------------------------|--------------------------------------|
| Export Sales            | -                                    | 371.61                               |
| Merchant Exports        | 814.26                               | 2,390.21                             |
| Domestic Sales          | 7,231.16                             | 8,541.29                             |
| Cotton Sales            | -                                    | 141.58                               |
| Cotton Waste Sales      | 51.19                                | 93.85                                |
| Jobwork Income          | 1.09                                 | 23.51                                |
| Hydro Power Units & REC | 1,481.27                             | 1,275.95                             |
| <b>Total</b>            | <b>9,578.98</b>                      | <b>12,838.00</b>                     |

**NOTE - 17**  
**OTHER INCOME**

( Amount In Lakhs)

| Particulars         | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---------------------|--------------------------------------|--------------------------------------|
| Dividend Received   | 1.35                                 | 1.10                                 |
| Exchange Gain       | 2.66                                 | 11.66                                |
| Profit on Land Sale | -                                    | 249.41                               |
| Other Income        | 25.18                                | 45.18                                |
| <b>Total</b>        | <b>29.19</b>                         | <b>307.35</b>                        |

**NOTE - 18**  
**COST OF MATERIAL CONSUMED**

( Amount In Lakhs)

| Particulars                            | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>Raw Material Consumed</b>           |                                      |                                      |
| Opening Stock                          | 1,115.70                             | 1,036.07                             |
| Add: Purchases                         | 5,272.64                             | 7,002.88                             |
| Less: Closing Stock                    | 959.05                               | 1,115.70                             |
| <b>Total</b>                           | <b>5,429.29</b>                      | <b>6,923.26</b>                      |
| <b>Packing Material</b>                |                                      |                                      |
| Opening Stock                          | 47.13                                | 69.50                                |
| Add: Purchases                         | 107.87                               | 142.23                               |
| Less: Closing Stock                    | 38.12                                | 47.13                                |
| <b>Total</b>                           | <b>116.88</b>                        | <b>164.60</b>                        |
| <b>Stores &amp; Spares Consumed</b>    |                                      |                                      |
| Opening Stock                          | 99.68                                | 105.25                               |
| Add: Purchases                         | 154.23                               | 156.67                               |
| Less: Closing Stock                    | 40.33                                | 99.68                                |
| <b>Total</b>                           | <b>213.58</b>                        | <b>162.24</b>                        |
| <b>Total Cost of material Consumed</b> | <b>5,759.76</b>                      | <b>7,250.10</b>                      |

**NOTE - 19**  
**MANUFACTURING & OPERATING COST**

( Amount In Lakhs)

| Particulars  | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| Power & Fuel   | 1,233.21                             | 2,255.52                             |
| Freight, Clearing & Forwarding                               | 2.75                                 | 5.08                                 |
| Repairs & Maintenance  | 47.03                                | 37.23                                |
| Mixing, Unloading, Procurement                               | 76.88                                | 29.11                                |
| Factory General Expenses                                     | 16.88                                | 46.01                                |
| Job Work Charges   | -                                    | 106.91                               |
| Transaction/Scheduling/Application/Wheeling Water Chgs-Hydro | 16.58                                | 21.61                                |
| <b>Total : (A)</b>   | <b>1,393.33</b>                      | <b>2,501.47</b>                      |
| <b>ADMINISTRATIVE EXPENSES</b>                               |                                      |                                      |
| Clearing & Forwarding-Imports                                | 3.85                                 | 1.77                                 |
| Printing & Stationery  | 2.08                                 | 3.97                                 |
| Postage and Telegram / Telephone                             | 4.71                                 | 6.33                                 |
| Travelling and Conveyance                                    | 44.44                                | 30.88                                |
| Advertisement  | 1.02                                 | 2.23                                 |
| Legal And Professional Fees                                  | 30.33                                | 63.05                                |
| Directors Remuneration                                       | 18.00                                | 18.00                                |
| Security Expenses  | 43.42                                | 37.91                                |
| Insurance  | 44.27                                | 47.52                                |
| Rent, Rates Taxes & Repairs                                  | 23.62                                | 18.03                                |
| REC Certificates Purchases                                   | 10.92                                | -                                    |
| Miscellaneous  | 32.12                                | 26.00                                |
| Payment to Statutory Auditors Audit Fees                     | 0.60                                 | 0.60                                 |
| Tax Audit Fees   | 0.10                                 | 0.10                                 |
| <b>Total (B)</b>   | <b>259.46</b>                        | <b>256.38</b>                        |
| <b>SELLING EXPENSES</b>                                      |                                      |                                      |
| Freight and Forwarding                                       | -                                    | 9.03                                 |
| Commission On Sales  | 0.14                                 | 8.95                                 |
| <b>Total :</b>   | <b>0.14</b>                          | <b>17.98</b>                         |
| <b>Total A + B + C</b>                                       | <b>1,652.93</b>                      | <b>2,775.83</b>                      |

**NOTE - 20**  
**CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK IN PROGRESS & STOCK IN TRADE**

( Amount In Lakhs)

| Particulars                           | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| <b>Closing Stock</b>                  |                                      |                                      |
| Finished Goods                        | 1,684.35                             | 1,085.38                             |
| Stock in Process                      | 685.77                               | 719.02                               |
| Waste                                 | 200.86                               | 30.38                                |
| <b>Total</b>                          | <b>2,570.98</b>                      | <b>1,834.78</b>                      |
| <b>Opening Stock</b>                  |                                      |                                      |
| Finished Goods                        | 1,085.38                             | 913.55                               |
| Stock in Process                      | 719.02                               | 837.93                               |
| Waste                                 | 30.38                                | 33.78                                |
| <b>Total</b>                          | <b>1,834.78</b>                      | <b>1,785.26</b>                      |
| <b>(Increase) / Decrease In Stock</b> | <b>(736.20)</b>                      | <b>(49.52)</b>                       |

**NOTE - 21**  
**EMPLOYEE BENEFIT COST**

( Amount In Lakhs)

| Particulars                     | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---------------------------------|--------------------------------------|--------------------------------------|
| <b>Payment to Workers</b>       |                                      |                                      |
| Salary, Wages , Stipend & Bonus | 832.34                               | 944.24                               |
| P.F. & ESI Contribution         | 52.10                                | 57.47                                |
| Staff / Labour Welfare Expenses | 2.87                                 | 1.68                                 |
| <b>Total</b>                    | <b>887.31</b>                        | <b>1,003.40</b>                      |

**NOTE - 22**  
**FINANCE COSTS**

( Amount In Lakhs)

| Particulars              | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--------------------------|--------------------------------------|--------------------------------------|
| Interest Expense         | 1,011.46                             | 857.03                               |
| Other Borrowing Expenses | 44.81                                | 78.70                                |
| Interest Received        | (10.90)                              | (91.65)                              |
| <b>Total</b>             | <b>1,045.37</b>                      | <b>844.07</b>                        |

**NOTE - 23**  
**DEPRECIATION AND AMORTISATION**

( Amount In Lakhs)

| Particulars                     | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Depreciation on Tangible Assets | 717.72                               | 793.94                               |
| <b>Total</b>                    | <b>717.72</b>                        | <b>793.94</b>                        |

**NOTE - 24**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE - 24A**  
**SIGNIFICANT ACCOUNTING POLICIES**

**i) Basic of Accounting**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis.

**ii) Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

**iii) Use of Estimates**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**iv) Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation / amortisation as per Schedule II of Companies Act, 2013. Costs include all expenses incurred to bring the asset to its present location and condition.

**v) Depreciation**

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation / amortisation is charged on a straight line basis so as to write-off the cost of the assets over the useful lives as prescribed in Schedule II of Companies Act, 2013.

**vi) Revenue Recognition**

**Sales**

Sales are accounted for on when the significant risks and rewards of ownership are transferred to the buyer.

**Other Income**

"The Company recognises income (including rent etc.) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty."

**vii) Leases**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss.

**viii) Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised as income in the statement of profit and loss.

**ix) Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

**x) Employee benefits**

**(i) Post-employment benefit plans**

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

**(ii) Other employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives.

**xi) Provision for Taxation**

Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

**xii) Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Foreign currency non-monetary assets are converted at exchange rates prevailing on the date of the transaction.

**xiii) Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**xiv) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

**NOTE - 24B**

**OTHER NOTES**

**i) Contingent Liabilities :**

**Contingent Liabilities not provided in respect of -**

( Amount In Lakhs)

| Particulars   | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---|--------------------------------------|--------------------------------------|
| 1. Claims not acknowledged as debts in respect of matters in appeals. | -                                    | -                                    |
| 2. Commitments  |                                      |                                      |
| a) Estimated amount of contracts remaining to be executed             | -                                    | -                                    |
| b) Other Commitments :  |                                      |                                      |
| Guarantee given by banks, counter guaranteed by the Company           | -                                    | -                                    |
| c) Other Significant Commitments                                      | -                                    | -                                    |

**ii) Disclosure under Accounting Standard 15-Employee Benefits (Revised):  
Actuarial Assumptions -**

( Amount In Lakhs)

| Particulars              | As at<br>31 <sup>st</sup> March 2017   | As at<br>31 <sup>st</sup> March 2016   |
|--------------------------|--|--|
| Discount Rate            | 8% p.a.                                | 8% p.a.                                |
| Mortality                | LIC (1994-96) Ultimate                 | LIC (1994-96)Ultimate                  |
| Salary Escalation Rate   | 6.50%                                  | 6.50%                                  |
| Turnover Rate            | 1% p.a. to 3% p.a.<br>Depending on Age | 1% p.a. to 3% p.a.<br>Depending on Age |
| Retirement Age (Years)   | 60                                     | 60                                     |
| Maximum Gratuity Payable | 157.84                                 | 113.79                                 |

- a) Gratuity is administrated through Group Gratuity Scheme with LIC of India.
- b) Salary Escalation Rate :-  
Future salary increases considered in acturial valuation takes into account inflation, seniority, promotion and other relevent factors, such as supply and demand in the employment market.
- c) Expected rate of return in plan assets :-  
This is based on actuaries expectations of the average long-term rate of return expected on investemnts of the fund during the estimated term of the obligations.
- d) Discount Rate :-  
The discount rate is based on the prevailling market yields of Indian Governemnt securities as at balance sheet date for the estimated term of the obligations.

**iii) Deferred Tax Liability / Assets at the end of the year :**

Deferred Tax Liability(net) comprises of:

( Amount In Lakhs)

| Particulars                            | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>(a) Deferred Tax Liability(net)</b> |                                      |                                      |
| (i) Depreciation & Amortization        | 340.65                               | 399.57                               |

**iv) Segment Reporting :**

Segment have been identified in line with Accounting Standard on Segment reporting (AS-17)

**Segment -wise information for the year ended 31<sup>st</sup> March 2017.**

( Amount In Lakhs)

| Particulars   | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---|--------------------------------------|--------------------------------------|
| <b>1. Segment Revenue</b>   |                                      |                                      |
| a) Textiles   | 8,097.70                             | 11,562.05                            |
| b) Hydro Power  | 1,481.27                             | 1,275.95                             |
| <b>Total :</b>  | <b>9,578.98</b>                      | <b>12,838.00</b>                     |
| Less : Inter segment revenue  | 732.04                               | 736.95                               |
| <b>Net sales /income from operations :</b>                          | <b>8,846.94</b>                      | <b>12,101.05</b>                     |
| <b>2. Segment Results - Profit/(Loss) before tax &amp; interest</b> |                                      |                                      |
| a) Textiles   | 279.93                               | 522.27                               |
| b) Hydro Power  | 1,046.72                             | 849.33                               |
| <b>Total :</b>  | <b>1,326.65</b>                      | <b>1,371.60</b>                      |
| Less :  |                                      |                                      |
| i) Interest   | 1,045.37                             | 844.07                               |
| ii) Other un-allocable expenditure net of un-allocable income       | 688.17                               | -                                    |
| <b>Profit Before Tax :</b>  | <b>(406.90)</b>                      | <b>527.53</b>                        |

( Amount In Lakhs)

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| <b>3. Segment Assets</b>      |                  |                  |
| a) Textiles                   | 14,222.35        | 13,336.50        |
| b) Hydro Power                | 3,527.62         | 5,099.84         |
| <b>Total :</b>                | <b>17,749.97</b> | <b>18,436.35</b> |
| <b>4. Segment Liabilities</b> |                  |                  |
| a) Textiles                   | 9,156.25         | 9,192.85         |
| b) Hydro Power                | 61.26            | 363.07           |
| <b>Total :</b>                | <b>9,217.50</b>  | <b>9,555.91</b>  |
| <b>5. Other Information</b>   |                  |                  |
| (i) Depreciation              |                  |                  |
| a) Textiles                   | 403.17           | 477.53           |
| b) Hydro Power                | 314.55           | 316.41           |
| <b>Total :</b>                | <b>717.72</b>    | <b>793.94</b>    |

**v) Earnings Per Share :**

Basic and diluted EPS after taxation

( Amount In Lakhs)

| Particulars                                     | As at<br>31 <sup>st</sup> March 2017 | As at<br>31 <sup>st</sup> March 2016 |
|---|--------------------------------------|--------------------------------------|
| Net profit after taxation (₹In Lacs)            | (347.97)                             | 518.80                               |
| Average No. of Equity Share Outstanding         | 20,099,700                           | 20,099,700                           |
| Basic and Diluted Earnings per Share (EPS) in ₹ | (1.73 )                              | 2.58                                 |

**vi) Related Party Disclosures:****A) Related Parties and their relationship****i) Key Management Personnel:**

- Mr. Shivaji R. Mohite, Chairman & Managing Director
- Mrs. Monika S. Mohite, Joint Managing Director
- Mr. Abhay S. Bhide, Executive Director & Chief Executive Officer
- Mr. Neehal M. Pathan, Non-Execute Director (resigned as director on 07/02/2017)
- Mr. Shreyas S. Alatkhar, Chief Financial Officer
- Ms. Ashwini P. Kalekar, Company Secretary

**Transactions with related parties**

(Amount in Lacs)

| Name of Party                 | Relation                | Nature of Transaction | 2016-17 | 2015-16 |
|-------------------------------|-------------------------|-----------------------|---------|---------|
| Mr. Shivaji Ramchandra Mohite | CMD                     | Remuneration          | 48.17   | 48.08   |
| Mrs. Monika Shivaji Mohite    | Jt. MD                  | Remuneration          | 24.17   | 24.08   |
| Mr. Abhay Shamrao Bhide       | Executive Director      | Remuneration          | 31.36   | 30.51   |
| Mr. Neehal M. Pathan          | Non- Executive Director | Remuneration          | 18.00   | 18.00   |



**vii) Extraordinary Items**

The Company had acquired 3.5 MW Hydro Power Project named 'Ambai Hydro Power Project' on BOT basis from Govt of Maharashtra at Kalamawadi Dam Foot, A/p Kalamawadi, Tal: Radhanagari, Dist: Kolhapur. The Company was unable to complete the construction of dam within stipulated time due to recessionary condition in textile business and increased expenditure for transmission line management. This resulted in postponement of project and ultimately cancellation by the Govt of Maharashtra. The segregation of extraordinary losses due to closure of construction operation is given below:

( Amount In Lakhs)

| Particulars  | Amount        |
|--|---------------|
| Capital Work in Progress till 31/03/2016               | 586.39        |
| Add:   |               |
| Performance Guarantee Payment                          | 99.20         |
| Expenditure for current year for Ambai Project         | 2.59          |
| <b>Total amount expended out as extraordinary item</b> | <b>688.17</b> |

**viii) Specified bank notes disclosures (SBNs)**

In accordance with MCA notification G.S.R. 308 (E ) dated March 30, 2017 details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 08, 2016 to December 30, 2016 is given below:

( Amount In ₹)

| Particulars                                  | SBNs    | ODNs    | Total   |
|--|---------|---------|---------|
| Closing cash in hand as on November 08, 2016 | 600,000 | 10,602  | 610,602 |
| Add: Permitted receipts                      | -       | 540,821 | 540,821 |
| Less: Permitted payments                     | -       | 398,233 | 398,233 |
| Less: Amount deposited in banks              | 600,000 | 8,000   | 608,000 |
| Closing cash in hand as on December 30, 2016 | -       | 145,190 | 145,190 |

As per our separate report attached

for **MORESHWAR G. DESHPANDE**

Chartered Accountants

**M. G. Deshpande**

Proprietor

Mem. No. 124163

Vadgaon

12<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of

**MOHITE INDUSTRIES LTD.****SHIVAJI MOHITE**  
Chairman & MD DIN 00425441**SHREYAS ALATKAR**  
CFO

Vadgaon

12<sup>th</sup> May, 2017**MONIKA MOHITE**  
Jt. MD DIN 00425614**ASHVINI KALEKAR**  
Company Secretary



## **MOHITE INDUSTRIES LIMITED**

### REGISTERED OFFICE

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