

Rapicut Carbides Limited

Regd. Office & Works :

119, GIDC Industrial Area,
Ankleshwar - 393 002, Gujarat (India)
Tel. : ++91 (2646) 251118, 221071
e-mail : info@rapicutcarbides.com
Web site : www.rapicutcarbides.com



An ISO 9001 CERTIFIED COMPANY

CIN : L28910GJ1977PLC002998

PAN No. AAACR8753N

To,
The Manager,
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001.

REF: KMS:BSE:ANNUAL-REPORT/2018

Date: 24th September, 2018

Subject: 41st Annual Report for the year 2017-18.

BSE Code: 500360

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed 41st Annual Report of the Company for the year 2017-18.

Kindly take the above document on your record and acknowledge.

Thanking you,

Yours faithfully,

For RAPICUT CARBIDES LIMITED




Kamlesh M. Shinde
(Company Secretary)

Rapicut Carbides Limited

AN ISO 9001:2015 COMPANY

FINISHED WEAR PARTS



SINTERED WEAR PARTS



METAL CUTTING



ISO MILLING INSERTS



MINING



TC POWDER



41

**FORTY FIRST
ANNUAL REPORT
2017-2018**

CERTIFICATE

Management system as per
ISO 9001 : 2015

In accordance with TÜV NORD CERT procedures, it is hereby certified that

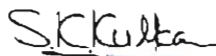
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Estate,
Ankleshwar - 393 002, Gujarat,
India

applies a management system in line with the above standard for the following scope

**Manufacture and Sale of Tungsten and Tungsten Carbide
Products for Mining and Engineering Applications**

Certificate Registration No. 04 100 990693
Audit Report No. 2.5-0062/1999

Valid until 04.08.2020
Valid from 04.08.2017
Initial certification 02.06.1999



Certification Body
at TÜV NORD CERT GmbH

Issue 18.07.2017
Place : Mumbai

This certification was conducted in accordance with the TÜV INDIA auditing and certification procedures and is subject to regular surveillance audits.

TÜV NORD CERT GmbH

Langemarckstrasse 20

45141 Essen

www.tuev-nord-cert.com

TUV India Pvt. Ltd., 801, Raheja Plaza - 1, L.B.S. Marg, Ghatkopar (W), Mumbai - 400 086, India www.tuv-nord.com/in



DAkkS
Deutsche
Akkreditierungsstelle
D-ZM-12007-01-01

QUALITY POLICY

TOTAL CUSTOMER SATISFACTION
SHALL BE OUR PRIME CORPORATE
OBJECTIVE. WE SHALL ACHIEVE THIS
THROUGH INCULCATING TEAM SPIRIT
IN EVERY MEMBER OF THE COMPANY.
THE SPIRIT OF EXCELLENCE IS THE
CORNER STONE OF ALL WE DO.
QUALITY WITH US IS A WAY OF LIFE.
VALUE FOR MONEY TO THE CUSTOMER
CONTINUOUS IMPROVEMENT AND
MOVING TOWARDS ZERO DEFECT IS
OUR CONSISTENT ENDEAVOUR.
WE SHALL CONTINUALLY MEET
STATUTORY & LEGAL REQUIREMENT
AND INTERESTED PARTY REQUIREMENT
ALONG WITH CUSTOMER
REQUIREMENT

A handwritten signature in black ink, appearing to read "J.C. Bhatia".

J.C. BHATIA
MANAGING DIRECTOR

BOARD OF DIRECTORS

J. C. Bhatia	Managing Director
L. M. Bijlani	Non-Executive Director
C. G. Cholera	Non-Executive Director
B. V. Dholakia	Independent Director
D. D. Kanitkar	Independent Director
C. J. Bhatia	Non Executive Director
Gayatri Parikh	Independent Director

Management Team

B. D. Markad
Sr. Vice President (Operations)

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary & Compliance Officer

A. C. Gandhi
Sr. Manager (Production)

Sanjay Kumar
DGM (Sales & Marketing)

Consultant Team

R. V. Krishnan
Marketing Consultant

K. S. Dave
HR & Admin Consultant

Registrars & Share Transfer Agents
Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
Safed Pool, Andheri-Kurla Road,
Andheri (E), Mumbai - 400 072.
Tel: 022-2851 5606 / 5644
Email: sharexindia@vsnl.com

Bankers
State Bank of India

Auditors
Maloo Bhatt & Co.
Chartered Accountants
Vadodara.

Registered Office & Works :
119, GIDC Industrial Area,
Ankleshwar - 393 002.
Ph. : 02646 - 251118
Fax : 02646 - 251019
CIN : L28910GJ1977PLC002998
E-mail : info@rapicutcarbides.com
investors@rapicutcarbides.com
Web : www.rapicutcarbides.com

Area Sales Offices At :
Door No. 78/84, 1st Floor,
Block- "B", Anandham Enclave,
Dharga Road, Zamin Pallavaram,
Chennai - 600 043.

1/29-B, Prince Gulam
Mohammed Road,
Kolkata - 700 026.

201-Sonal Building, Plot No.113,
RSC-11, Sector No. 1, Charkop,
Near King George School,
Kandivali (West),
Mumbai - 400 067.

7, Shivaji Housing Society,
Pune - 411 016.

Sales Representative
Bangalore

41ST ANNUAL REPORT

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NOTICE

41st Annual General Meeting

NOTICE is hereby given that 41st Annual General Meeting of the Members of Rapicut Carbides Limited will be held on Saturday, 22nd September, 2018 at 12.00 noon at Hotel Sadanand, Rajpipla Road, Ankleshwar - 393 002, Gujarat, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements comprising the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date, the reports of the Board and Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Shri. Chetan G Cholera (DIN: 00131143) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s Maloo Bhatt & Co., as Statutory Auditors:

“RESOLVED in partial modification of the resolution passed at the Fortieth Annual General Meeting of the Company held on 23rd September, 2017 and pursuant to the enforcement of first proviso and explanation to Section 139 of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 and all other applicable sections read with relevant rules under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) that M/s. Maloo Bhatt & Co., Chartered Accountants (Firm Registration No. 129572W), who were appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the Fortieth Annual General Meeting shall continue to hold such office till the conclusion of the Forty Forth Annual General Meeting without any ratification from the members at a remuneration inclusive of Goods and Service tax and such other tax(es) (as may be applicable) and reimbursement of all out-of-pocket expenses (including terms of payment) to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as a special resolution:
“RESOLVED THAT pursuant to the provisions of Section 196, 197 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, read with Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time in force and consent of the Company be and is hereby accorded to the re-appointment of Shri. Jagdish C Bhatia as a “Managing Director” of the Company, for a period of five years commencing from 1st August, 2018 upon the terms and conditions as set out hereunder, with further liberty to the Nomination and Remuneration Committee and/or Board of Directors to alter and vary the said terms and conditions in such manner as may be agreed to between the Directors and Shri. Jagdish C Bhatia.”

Basic Salary

Basic Salary of Rs. 21,00,000/- (Rupees Twenty One Lakhs only) per annum with the authority to the Board of Directors or the Remuneration Committee as may be constituted, to revise the basic salary not exceeding by 30% over the last salary drawn.

Perquisites & Allowances

The perquisites and allowances shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession for self and family including dependents, medical insurance, personal accident insurance and such other perquisites and/or allowances. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof, in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost. The amount of these perquisites and allowances will be restricted to an amount of Rs. 21,00,000/- (Rupees Twenty One Lakhs only) per annum with the authority to the Board of Directors or the Remuneration Committee as may be constituted, to revise the perquisites and allowances not exceeding 30% of the total value of the perquisites of the previous year.

The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income-tax law and gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income-tax law shall not be, in case of inadequate or absence of profit, included for the purpose of computation of the overall ceiling of remuneration in terms of Section IV of Part II of Schedule V to the Companies Act, 2013.

Commission

In the event of adequate profit in the financial year and as may be decided by the Board of Directors at the time of adoption of accounts, commission, in addition to the salary, perquisites and allowances as above, will be payable to the Managing Director not exceeding the ceiling in respect of overall remuneration as prescribed under Section 196, 197 and 198 of the Companies Act, 2013.

Other Benefits :

- i) Leave : 30 days leave once in every year of service, with liberty to encash unavailed leave at the end of his tenure.
- ii) Contribution to Provident Fund, Superannuation Fund/Annuity Fund in accordance with the rules of the Company.
- iii) The Managing Director will be provided with a Company maintained car with driver. If driver is not on pay roll of the Company, the reimbursement of Driver's salary to the Managing Director at actuals will be made. The provision of a telephone at the residence and one mobile for official use. The Company will bill long distance personal telephone calls. Car for use on Company's business and telephone at residence will not be considered as perquisites.
- iv) Gratuity at a rate not exceeding half a month's salary for each completed year of service.

Other Material Terms :

- i) Reimbursement of entertainment expenses, travelling and hotel expenses at actuals for the Company's business and/or allowances as per the Company's Rules shall be allowed.
- ii) No sitting fees shall be paid for attending the meeting of the Board or any Committee thereof.
- iii) The Managing Director shall not so long as he functions as such become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company without the prior approval of the Central Government.
- iv) The Managing Director shall not directly or indirectly engage himself in any employment or business without the previous sanction of the Board of Directors.
- v) The Managing Director shall devote his substantial time and attention to the business of the Company, perform his duties truly and faithfully and comply with the directives given to him from time to time by the Board and further he shall not disclose to any person, firm or company any confidential information. The above may be treated as an abstract of the terms of overall remuneration payable to Shri. Jagdish C Bhatia under section 197 of the Companies Act, 2013.

6. To consider and if thought fit, to pass, with or without modification(s) the following resolution as a special resolution:

"RESOLVED THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the payment of commission to the Directors (other than the Managing Director and Whole time Director) not exceeding 1% (one percent) per annum of the net profits of the Company calculated in accordance with the provisions of the said Act, such commission being divisible amongst the aforesaid Directors, in such proportion and in such manner as may be decided by the Board of Directors of the Company for a period of five financial year of the Company commencing from the financial year ending 31st March, 2018."

By Order of the Board

Date : 11th August, 2018
Place : Mumbai

Kamlesh M Shinde
(Company Secretary)

NOTES

1. A member entitled to attend and vote at 41st Annual General Meeting (hereinafter "the meeting") is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member of the Company. The Instrument appointing Proxy should, however be submitted at the Registered Office of the Company not less than Forty-Eight hours before the commencement of the meeting. Proxies submitted on behalf of Bodies Corporate, Societies, AMC's must be supported by appropriate resolutions, as applicable. Blank Proxy form is enclosed.

Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other person or shareholder.

2. Members/Proxies/Authorized Representatives are requested to bring their copy of the Annual Report to the meeting along with duly filled in Attendance Slip enclosed herewith for attending the meeting.
3. Corporate Members intending to send their Authorized Representative to attend the meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representative to attend and/or vote on their behalf at the meeting to the Company.
4. The Annual Report duly circulated to the Members of the Company is available on the Company's Website at 'www.rapicutcarbides.com' and on the website of Central Depository Services (India) Ltd. at www.evotingindia.com. Shareholders can register their queries, if any, on e-mail id: investors@rapicutcarbides.com.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 15th September, 2018 to Saturday, 22nd September, 2018 (both days inclusive) for the purpose of payment of dividend to the members whose name appear on Register of Members as on Friday, 14th September, 2018.
6. Dividend for the financial year ended 31st March, 2018, as recommended by the Board of Directors of the Company, if approved at the meeting will be paid to Members on or after 3rd October, 2018.
7. Members holding shares in the physical mode are requested to address their communications regarding transfer of shares, change of address etc., quoting their folio number(s) to the Company's Registrar & Share Transfer Agents:

Sharex Dynamic (India) Private Limited

Unit-1, Luthra Ind. Premises, 1st Floor, 44-E,
M Vasanti Marg, Andheri Kurla Rd, Safed Pool Andheri (E), Mumbai- 400072
Tel : 022 28515606 / 5644 Fax : 022 28512885
Email ID : sharexindia@vsnl.com
Website : www.sharexindia.com

8. In terms of Section 72 of the Companies Act, 2013, read with the applicable rules thereto, every holder of shares in the Company may nominate in the prescribed manner, a person to whom his/her shares in the Company shall vest in the event of his/her death. Nomination Form is attached at the end of the Annual Report.
9. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company at least one week before the date of the meeting to enable the Company to compile the information and provide replies at the meeting.
10. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity. Since trading is permitted in dematerialized form only, electronic transfer saves stamp duty and eliminates any possibility of loss of documents and bad deliveries.
The Shareholders can register their complaints, if any, on an e-mail ID of the Company: investors@rapicutcarbides.com/ or on the email id of the Registrar: sharexindia@vsnl.com.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. and 1.00 p.m. up to the day prior to the day of the meeting.
12. The Company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial years 2010-2011 to 2016-2017 on the website of the IEPF viz. www.iepf.gov.in/ and under "Investor Section" on the website of the Company viz. www.rapicutcarbides.com.
13. In Compliance with Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid and unclaimed dividends for the financial year ended 31st March, 2010 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

In terms of Section 124 of the Companies Act 2013, all unpaid and unclaimed dividend for the financial year ended 31st March 2011 will be transferred to the Investor Education and Protection Fund set up by the Government u/s 125 of the Companies Act 2013 on 29th October, 2018 and thereafter no claim shall lie against the Company in respect of the said unpaid or unclaimed amount. Shareholders may approach Central Government for claiming the dividend transferred to Investor Education and Protection Fund and follow the procedure as per Rule 7 of IEPF (Accounting Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as "IEPF Rules") for claiming unpaid dividend. The Company has uploaded the information in respect of Unclaimed Dividends for the years 2010-2011 to 2016-2017 on the website of the Company.

14. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to IEPF Demat Account. The Company had sent notice to all the members whose Dividends are lying unpaid / unclaimed against their name for seven consecutive years or more. Members are requested to claim the same. In case the dividends are not claimed, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

15. The Company's shares are listed on BSE Limited. The Company has paid the listing fees for the financial year 2018-19 to BSE Ltd. The Company has also paid custodial fees for the year 2018-19 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Company has served Annual Reports and other communications through physical mode. Members willing to avail various notices, communications and documents including Annual Reports in electronic mode are requested to write to the Company accordingly and register their e-mail ID's with the Company by intimating the same to the Registrar and Share Transfer Agents of the Company.
17. A route map showing directions to reach the venue of the 41st Annual General Meeting is given at the end of the Annual Report as per the requirement of Secretarial Standards-2 on "General Meeting".
18. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members, the facility to exercise their right to vote at the 41st Annual General Meeting by electronic means. The Instructions in this behalf are stated herein below:

Remote e-voting facility :

- A) The Company has appointed Central Depository Services (India) Limited ("CDSL") to provide the remote e-voting facility. In case of any query pertaining to e-voting, please visit Help & FAQ's section of CDSL e-voting website: www.evotingindia.com.
- B) Shri S. Samdani or in his absence Shri Suresh Kabra, Partners of M/s Samdani Shah and Kabra, Practicing Company Secretaries, Vadodara have been appointed as the Scrutinizer to scrutinize the e-voting process (including the polling papers received from the members who do not have access to the e-voting process) in a fair and transparent manner.
- C) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e., 15th September, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or investors@rapicutcarbides.com. However, if a person is already registered with CDSL for e-voting then existing user ID and password can be used for casting vote.
- D) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- E) The facility for voting through ballot papers shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- F) The Scrutinizer will immediately after the conclusion of voting at the meeting, count the votes cast at the meeting, thereafter will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer not later than 48 hours of conclusion of the meeting will submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

G) The results along with the Scrutinizer's Report will be placed on the website of the Company and on the website of Central Depository Services (India) Limited and will be communicated to BSE Limited.

H) **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 18th September, 2018, 9.00 am and ends on 21st September, 2018, 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Rapicut Carbides Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobile. The m-Voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the Mobile App while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Details of the Director seeking re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under:

Name of the Director	Shri Chetan G. Cholera	Shri Jagdish C Bhatia
Date of Birth	12th June, 1966	13th August, 1935
Date of Appointment	28th April, 2009	05th April, 1977
Qualification	D.M.E.	BA (Economics), LLB.
Experience in specific functional areas	Finance, Admin, Legal, Management.	Finance, Admin, Marketing, Legal, Management.
Directorships in other Public Companies	Nil	Nil
Chairman/ Member of the Committees of the Board of Directors of the Company	Member in Nomination and Remuneration Committee and Chairman in Stake Holder's Relationship Committee.	Member in Audit Committee and Stake Holder's Relationship Committee. Chairman in CSR Committee.
Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director	Nil	Nil
No. of Shares held in the Company	100	69010.
Inter-se Relationship between Directors	N/A	Father of Shri. Chander J Bhatia, Non Executive Director.
Director Identification Number	00131143.	00250737.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013.****Item No. 5**

The present term of Office of Shri. J.C. Bhatia, Managing Director of the Company has come to an end on July 31st, 2018. Upon the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company (The Board) at its meeting held on 26th May, 2018 has, subject to the approval of Members, reappointed Shri. J.C. Bhatia as Managing Director for a further period of five years with effect from 1st August, 2018. The terms & conditions including remuneration payable to Shri. J.C. Bhatia are set out in the draft of the agreement to be entered in to by the Company. Shri. J.C. Bhatia is one of the Promoter Directors of the Company. His invaluable effort and contribution has helped the Company successfully tide over economic down slide in the past and put the Company on a sustained growth path. Shri. J.C. Bhatia's reappointment as Managing Director will ensure that his astute leadership will take the Company forward and establish its brand equity amongst the peers.

Since Shri. J.C. Bhatia has attained the age of 83 years and maintains good health. He oversee all day to day operations of the Company and attends all the meetings of the Board and Committees in addition to attending general meetings of the members. Hence, approval for his re-appointment is sought from the Members of the Company by way of a Special resolution as required under Schedule V to the Act.

The above may be treated as an abstract of the terms of overall remuneration payable to Shri. Jagdish C. Bhatia under section 190 of the Companies Act, 2013.

The Board recommends the re-appointment of Shri. Jagdish C. Bhatia as the Managing Director of the Company.

Except Shri. Jagdish C. Bhatia and Shri. Chandrashekhar alias Chander J. Bhatia and their relatives to the extent of shareholdings, no other Director is concerned or interested in this Resolution.

Item No. 6

The Shareholders at their meeting held on 22nd September, 2012 has approved the payment of Commission to the non whole time Directors of the Company not exceeding 1% (one percent) per annum of the net profits of the Company for a period of 5 years commencing from the financial year ending 31st March, 2013 under the provisions of Section 309 of the erstwhile Companies Act, 1956 (now repealed and re-enacted as the Companies Act, 2013).

The Board of the Company comprises of highly experienced and proficient Directors who have been devoting their valuable time in guiding the Company with their mature advice and direction. It will be fit and proper to reward them by payment of Commission on net profits of the Company.

It is therefore proposed that the Directors of the Company other than Managing Director/Whole Time Director be paid, in addition to the sitting fees and reimbursement of expenses for attending the meetings of the Board and/or Committees thereof, Commission of 1% (one percent) on the net profits of the Company, calculated in accordance with the applicable provisions of the Companies Act, 2013 for a period of five financial years commencing from the financial year ending 31st March, 2018.

The proposed Special Resolution seeks to obtain the approval of the Shareholders for the said payment of Commission to Directors.

All the Directors except Shri. Jagdish C Bhatia are concerned or interested in passing of this Resolution.

The Board commends the Resolutions set out at item no. 5 and 6 of the Notice for your approval.

BOARD'S REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting their 41st Annual Report along with the Audited Financial Statements for the financial year ended 31st March, 2018. The Company operates only in one business segment viz., Tungsten and Tungsten Carbide Products.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lakhs)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Sales and Other Income	4258.11	4749.84
Profit before Depreciation and Tax (Including Deferred Tax)	511.05	503.55
Profit after Depreciation and Tax	316.38	297.62
Reassessment of Losses (Profit) on defined employee benefit plans and fair value of loan	55.43	(6.08)
Add: Profit brought forward from previous year	1094.76	908.64
Profit available for appropriation	1355.71	1212.34
Appropriations :		
Dividend and Dividend Tax	96.97	77.58
Transfer to General Reserve	40.00	40.00
Profit carried to Balance Sheet	1218.74	1094.76

INDIAN ACCOUNTING STANDARDS- IMPLEMENTATION

The Company has prepared Financial Statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') prescribed under Section 133 of the Companies Act, 2013.

DIVIDEND

After considering the earnings, requirement for funds and with the objective of aptly rewarding the shareholders, your Directors recommend a dividend of Rs.1.80 (18%) per equity share for the financial year 2017-18 (Previous year Rs.1.50 per equity share i.e.15%) subject to the approval of shareholders. If approved, the dividend will absorb Rs. 116.55 Lakhs, including Corporate Dividend Tax, Surcharge and Education Cess.

TRANSFER TO RESERVES

Your Directors propose to transfer Rs 40.00 Lakhs to the General Reserve out of the current year's profit and retain the balance amount of Rs. 1218.74 Lakhs in the Profit and Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations with the Stock Exchanges, is annexed to this report as "Annexure E".

CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

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

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such no amount of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) DIRECTORS

Shri Chetan G Cholera (DIN: 00131143) Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible and not being disqualified under Section 164 of the Companies Act, 2013, offers himself for re-appointment. Shri Chander J Bhatia resigned from the office of Executive Director during the year and will continue as Non-Executive Director of the Company.

(ii) KEY MANAGERIAL PERSONNEL.

There is no change in Key Managerial Personnel during the year.

(iii) DECLARATION OF INDEPENDENT DIRECTORS

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

(iv) ANNUAL EVALUATION OF BOARD

The Board has carried out an Annual Evaluation of its own performance, its Committees and individual Directors pursuant to provisions of the Companies Act, 2013. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure, Effectiveness of Board Process, Information and Functioning etc. In a separate Meeting of the Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole was evaluated taking into account the views of Executive Directors and Non-Executive Directors.

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

The Company's Policy relating to appointment of Directors and Key Managerial Personnel, payment of Managerial Remuneration, Director's Qualifications, positive attributes and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in "Annexure C" and is attached to this report.

BOARD MEETINGS HELD DURING THE FINANCIAL YEAR UNDER REVIEW

During the financial year ended 31st March, 2018 under review, the Company held Six (6) Board Meetings as under:

- | | | |
|---------------------|------------------------|------------------------|
| 1. 09th April, 2017 | 3. 12th August, 2017 | 5. 8th December, 2017 |
| 2. 27th May, 2017 | 4. 9th September, 2017 | 6. 10th February, 2018 |

All the Board Meetings were well attended and there was no gap of one hundred twenty days between any two Board Meetings.

COMPOSITION OF AUDIT COMMITTEE AND MEETINGS HELD DURING THE FINANCIAL YEAR

The Audit Committee consists of the following members:

1. Shri. Bhumitra V Dholakia- Chairman. (Independent Director).
2. Shri. Dhananjay D Kanitkar- Member. (Independent Director).
3. Shri. Jagdish C Bhatia- Member. (Managing Director).

During the financial year ended 31st March, 2018 under review, the Company held Five (5) Audit Committee Meetings as under:-

- | | | |
|----------------------|------------------------|------------------------|
| 1. 27th May, 2017 | 3. 9th September, 2017 | 5. 10th February, 2018 |
| 2. 12th August, 2017 | 4. 8th December, 2017 | |

All the committee meetings were well attended and the Board accepted recommendations of the audit committee.

NOMINATION AND REMUNERATION COMMITTEE AND STAKE HOLDERS RELATIONSHIP COMMITTEE

The Company has duly constituted Nomination and Remuneration Committee and Stake Holders Relationship Committee.

One meeting of Nomination and Remuneration Committee was held during the year under review ie on 10th February 2018 which was attended by all the members.

COMPLIANCE WITH SECRETARIAL STANDARDS

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- In the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- Such accounting policies as mentioned in Note 1, 2 and 29 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Financial Statements have been prepared on a going concern basis;
- Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDITORS

In compliance with the Companies (Audit and Auditors) Rules, 2014, the Company has appointed M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara for four years at 40th Annual General Meeting till the conclusion of 44th Annual General Meeting. The Statutory Auditor's report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Samdani Shah & Kabra, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the Financial Year ended 31st March, 2018. The Secretarial Audit Report in Form MR-3 is annexed herewith as "Annexure D". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

The provisions for the Cost Audit are not applicable to the Company and hence the Company is not required to appoint Cost Auditor. However cost records as specified under Section 148 (1) read with relevant Rules and accordingly such accounts and records are made and maintained by the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively with the size and nature of the business. Your Company has adopted policies and procedures 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 the timely preparation of reliable financial disclosure.

HEALTH, SAFETY AND MEASURES TAKEN ON ENVIRONMENT PRESERVATION.

The health and safety of the employees across its operations remains the highest priority for the Company. All endeavours are being taken to enhance safety standards and processes towards minimizing risks in all operations in the Company. Initiatives taken by Company on Health, Safety and on Environment Preservation are mentioned below:

- Company had appointed a dynamic safety officer supported by health committee, safety committee and fire committee.
- In association with union and workers Company implemented following programmes.

Swachha Rapidcut Abhiyan

- Workers contribute voluntarily twice a month for shramdaan and clean up the peripheral of company inside the compound.

Green Rapidcut Abhiyan :

- Company planted more than 100 plants during the year.

Safe Rapidcut Abhiyan :

- Safety equipments are provided to all workers as per safety needs.
- Helmets are made mandatory for all employees who commute on duty by two wheeler.

- All pressure vessels are being tested at scheduled intervals.
- Training on safety and fire is conducted periodically for all concerned committees that are entrusted with Safety.

Measures on Health

- Health awareness training program to all the workers by NGOs.
- Safety nose masks are provided to keep workers safe from any occupational health issues.

Measures taken on Environment Preservation

- Workers are educated for making minimum waste of food, cotton, plastics and plastic bags etc. These wastes are collected and disposed off regularly.

Tobacco free Rapidcut Ashiyan

- Workers are educated on health risks of consuming Tobacco. Company is successful in achieving tobacco free Rapidcut.

Accident at Factory:

- There were no accidents during the year under review.

WHISTLE BLOWER / VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism or Whistle Blower Policy has been established for directors, employees and other stakeholders to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The said Policy provides for adequate safeguards against victimization and direct access to the higher levels of supervisors. The same is also uploaded on the website of the Company.

CORPORATE GOVERNANCE AND REPORT THEREON

Pursuant to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and para C, D and E of Schedule V are not applicable to the Company as the paid up share capital of the Company is less than Rs. 10 Crores and net worth is also less than Rs. 25 Crores as on the last day of previous financial year. Hence, Corporate Governance Report is not furnished.

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

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

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

Pursuant to the requirement of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details pertaining to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are provided as follows:

A. CONSERVATION OF ENERGY

- Energy Conservation measures taken:
 - Close monitoring of consumption of electricity, Diesel and water.
 - Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.
 - Creating awareness among Workmen to conserve energy.
- Impact of measures:
 - Due to measures taken as described above, the overall power and fuel oil consumption at plants and office had decreased.
 - Details of total energy consumption :

Sr. No.	Particulars	2017-2018	2016-2017
(a)	Purchased:-		
	Electricity		
(i)	Unit (KWH)	22,29,105	23,68,464
(ii)	Total Amount (Rs in Lakhs)	169.80	178.26
(iii)	Rate/Unit (Rs.)	7.62	7.53
(b)	Own Generation		
(i)	Coal	Not Applicable	Not Applicable
(ii)	Furnace Oil- KI	Not Applicable	Not Applicable

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has not imported, innovated or adapted any technology during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs. In Lakhs

During the Period under review:	2017-18	2016-17
a) Foreign exchange earnings	17.09	26.30
b) Foreign exchange expenditure	1902.77	2146.20

RISK MANAGEMENT FRAMEWORK

The Company has the risk assessment and mitigation procedures in place and the Board has been kept informed of such assessment.

CORPORATE SOCIAL RESPONSIBILITY

Since the Company is not falling under all three criteria mentioned in Section 135 (1) of the Companies Act, 2013. The Company is not required to spend 2% of the average net profits of the three immediately preceding financial years mentioned in Section 135 (5) of the Companies Act, 2013, the statement to this effect is furnished in "Annexure A".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, the Company has not granted any loans, furnished guarantees and made investments during the financial year ended 31st March, 2018 as envisaged under Section 186 of the Companies Act, 2013.

RELATED PARTY DISCLOSURES

The particulars of Contracts or Arrangements entered into with related parties under Section 188 of the Companies Act, 2013 are furnished in "Annexure B" to this report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is placed on the Company's website. The web-link as required under Companies Act, 2013 is as under:

<http://www.rapicutcarbides.com/finance.htm>

MANAGERIAL REMUNERATION

Particulars of Employees pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Requirement under Rule 5	Details
1.	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year	Shri. Jagdish C Bhatia, Managing Director : 9.57 Shri. Chander J Bhatia, Executive Director : 8.58* Shri B V Dholakia, Independent Director : 0.367 Shri D D Kanitkar, Independent Director : 0.367 Shri L M Bijlani, Non Executive Director : 0.367 Shri C G Cholera, Non Executive Director : 0.367 Smt. Gayatri Parikh, Non Executive Director : 0.337
2.	Percentage increase in remuneration of each Director, Chief Financial Officer, Executive Director, Company Secretary	Shri. Jagdish C Bhatia, Managing Director : 8.21% Shri. Chander J Bhatia, Executive Director : 21.68% Shri. Ashwin R Master, Chief Financial Officer : 6.90% Shri. Kamlesh M Shinde, Company Secretary : 6.76%
3.	Percentage increase in the median remuneration of employees in the financial year	Increase by 9.89 %
4.	Number of permanent Employees as on 31st March, 2018 on the rolls of the Company	85 Employees

*Shri Chander J Bhatia was Executive Director till 9th February, 2018.

5.	Average percentile increase made in the salaries of employees other than the managerial personnel in 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.	Managerial Personnel : 12.14% Other Personnel : 13.38%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration is as per the Nomination and Remuneration Policy of the Company.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In terms of regulation 39(4) of the Listing Regulations, the details in respect of equity shares lying in the suspense accounts are given below:

Requirement under Rule 5	No. of Shareholders	No. of Shares
Aggregate outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2017	343	92118
Number of shareholders/legal heirs who approached to the issuer/Registrar for transfer of shares from suspense account during the Financial Year 2017-18	8	1349
Number of shareholders/legal heirs to whom shares were transferred from suspense account during the Financial Year 2017-18	8	1349
Aggregate outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2018	335	90769

The voting rights on the shares in the suspense account as on March 31, 2018 will remain frozen till the rightful owners of such shares claim the shares.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal Mechanism pertaining to Sexual Harassment of Women employees at workplace. There was no complaint received during the year under review. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on following items during the year under review:

1. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
3. The Company has not resorted to any Buy Back of its shares during the year under review.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere appreciation for the support and assistance extended by the Company's Suppliers, Bankers and Business Associates. Your Directors are thankful to the employees and the esteemed Shareholders for their continued support and the confidence reposed in the Company and its Management.

For and on behalf of the Board

Date : 11th August, 2018
Place : Mumbai

Chetan G. Cholera
(Director)

Jagdish C. Bhatia
(Managing Director)

Annexure A

Annual Report on Corporate Social Responsibility activities for the financial year 2017-18

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's CSR Policy provides for carrying out CSR activities in the area as mentioned in Schedule VII of Companies Act, 2013 and as amended from time to time. Weblink to the CSR Policy of the Company: www.rapicutcarbides.com/finance.htm

2. The Composition of CSR Committee:

1. Shri. Jagdish Bhatia – Chairman
2. Shri. Dhananjay D Kanitkar – Member
3. Shri. Bhumitra V Dholakia – Member

3. Average Net Profit of the Company for the last three financial years: Rs 3,31,35,466/-.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Company is not required to spend on CSR activities during the year 2017-18 as it is not falling under all three criteria mentioned in Section 135 (1) of the Companies Act, 2013.

5. Details of CSR Spent during the financial year :

- Total amount to be spent for the financial year: Not Applicable.
- Amount unspent, if any: Not Applicable.
- Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads 1. Direct Expenditure on projects or programs 2. Overheads:	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
-	-	-	-	-	-	-	-

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 Company shall provide the reasons for not spending the amount in its Board Report: Not Applicable.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Date : 11th August, 2018
Place : Mumbai

Jagdish C. Bhatia
Chairman of CSR Committee and Managing Director

Annexure B

FORM AOC-2 – RELATED PARTY TRANSACTIONS

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of 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 arm's length transactions under third proviso thereto. Followings are the transactions at Arm's Length and in the Ordinary Course of Business. There is no transaction which can be defined as the transaction not being at Arm's Length and not in the ordinary course of business.

Sr. No.	Particulars	Details of contracts or arrangements or transactions not at arm's length basis	Details of material contracts or arrangement or transactions at arm's length basis		
1.	Name(s) of the related party and nature of relationship	None	Smt. Dayawanti J Bhatia (Wife of Managing Director of the Company)	Shri. Chander J Bhatia (Executive Director of the Company)	Shri. Chander J Bhatia (Executive Director of the Company)
2.	Nature of contracts/ arrangements/transactions	None	Flat rented to Company for accommodation of Managing Director of the Company.	Flat rented to Company for its Mumbai Sales Branch Office.	Flat rented to Company for utilizing it as Company's Guest House
3.	Duration of the contracts	None	11 Months Leave and Licence Agreement for the period: 1) 1st January, 2017 to 30th November, 2017. 2) 1st December, 2017 to 31st October, 2018.	11 Months Leave and Licence Agreement effective from 1st April, 2017 to 28th February, 2018	11 Months Leave and Licence Agreement effective from 1st July, 2017 to 31st May, 2018
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	None	1085 Sq.ft. Flat on Rs. 60,000/- rent per month. Rent revised to Rs 76020/- pm effective from the month of February, 2017 for the rest of the Contract period and for the Contract period 1st December, 2017 to 31st October, 2018.	934 Sq.ft Flat on Rs. 20,000/- rent per month plus Society Charges and taxes at actuals.	1086 Sq.ft. Flat on Rs.15,000/- rent per month plus actual charges and taxes at actuals.
5.	Justification for entering into such contracts or arrangements or transactions	None	Not Applicable	Not Applicable	Not Applicable
6.	Date(s) of approval by the Board	None	1) 5th November, 2016 2) 8th December, 2017	12th February, 2017	27th May, 2017
7.	Amount paid as advances, if any:	None	Refundable Deposit of Rs 10,15,000/-	Refundable Deposit of Rs 4,50,000/-	Refundable Deposit of Rs 30,000/-
8.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	None	Not Applicable	Not Applicable	Not Applicable

For and on behalf of Board of Directors

Date : 11th August, 2018
Place : Mumbai

Chetan G. Cholera
Director

Jagdish C. Bhatia
Managing Director

Annexure C

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

POLICY RELATING TO APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND PAYMENT OF REMUNERATION

Introduction

In terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy of nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objectives

- Formulate criteria and terms and conditions with regard to person who are qualified to become Directors, Key Managerial Personnel, Senior Management Personnel and to determine their remuneration.
- Formulate criteria for evaluation of Directors, Key Managerial Personnel and Senior Management Personnel.
- Recommending to the Board, appointment and/or removal of Directors, Key Managerial Personnel, Senior Management Personnel.

Effective Date of Implementation

This policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on August 09, 2014. The policy shall be operative with immediate effect.

Definitions

Company: Company means Rapicut Carbides Limited.

Directors: Directors means the Directors of the Company whether executive or Non-Executive.

Board: Board means Board of Directors of the Company.

Committee: Committee means the Nomination and Remuneration Committee of the Company constituted by the Board.

Independent Director: A director mentioned under clause 49 of the Listing Agreement and Section 149 of the Companies Act, 2013 & who is a non-executive Director other than a nominee director appointed by the Banks, Financial Institutions.

Key Managerial Personnel: Key Managerial Personnel (hereinafter named as KMP) according to section 2(51) of the Companies Act, 2013, in relation to company, means-

- i) Chief Executive Officer or the Managing Director or the Manager
- ii) Company Secretary
- iii) Whole time Director
- iv) Chief Financial Officer
- v) Such other officer as may be prescribed.

Senior Management Personnel: Senior Management Personnel means all the members one level below the Executive Directors and includes the Functional Heads.

Applicability of Policy

The Policy shall be applicable to all the Directors (executive and non-executive) including Independent Directors, Key Managerial Personnel and Senior Management Personnel.

Appointment of Directors, KMP and Senior Management Personnel

- i) the candidate should possess adequate qualification, experience and expertise for the position he/she is considered for appointment;
- ii) the Committee shall formulate the criteria for determining qualifications, experience, personal traits for appointment of Directors, KMP and Senior Management Personnel;

- iii) the Committee shall have discretion to decide whether qualification, experience possessed by the candidate to be considered for appointment as Director, KMP and Senior Management Personnel is sufficient for the concerned profile;
- iv) the appointment of Directors, KMP and Senior Management Personnel shall be according to Section 149, 152, 196 and 203 of the Companies Act, 2013 & the Listing Agreement of BSE;
- v) the candidate recommended by the member for directorship shall not possess any disqualifications as mentioned under section 164 of the Companies Act, 2013;
- vi) the Committee authorises the Managing Director to select the candidate and recommend to the Committee for the relevant profile.

Remuneration to Directors, KMP and Senior Management Personnel

- i) the Committee shall recommend the remuneration to be paid to Managing Director, Executive Director, KMP and Senior Management Personnel;
- ii) the remuneration shall be sufficient and reasonable to attract and retain talent;
- iii) the remuneration payable to Directors, KMP and Senior Management Personnel shall not exceed the limits mentioned in Section 197 & 198 of the Companies Act, 2013 & Schedule V of the Companies Act, 2013;
- iv) all the directors of the Company shall be paid fixed percentage of commission on Net Profits;
- v) fixed sitting fees shall be paid to non-executive directors and independent directors for attending board meeting;
- vi) fixed monthly remuneration shall be paid to Managing Director, Executive Director, KMP and Senior Management Personnel;
- vii) the annual variable pay of Managing Director, Executive Director, KMP, Senior Management Personnel is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year, independent directors shall not be entitled to any stock option of the Company.
- viii) independent directors shall not be entitled to any stock option of the Company.

Resignation by Directors, KMP & Senior Management Personnel

- i) Director may tender his/her resignation as per the Section 168 of the Companies Act, 2013;
- ii) Managing Director, Executive Director, KMP and Senior Management Personnel may tender their resignation as per their employment contract and/or terms of appointment;

Removal of Directors, KMP & Senior Management Personnel

- i) Directors may be removed from their position as per Section 169 of the Companies Act, 2013 by passing an ordinary resolution;
- ii) Nominee Directors and Directors appointed by Tribunal shall not be removed as per Section 169 of the Companies Act, 2013 before the expiry of their term;
- iii) Managing Director, Executive Director, KMP and Senior Management Personnel may be removed from their position if they are found to breach any of the terms of their appointment.

Retirement of Directors, KMP & Senior Management Personnel

- i) the director shall retire by rotation as per the Section 152 of the Companies Act, 2013;
- ii) independent director shall not retire by rotation as per Section 152 of the Companies Act, 2013;
- iii) KMP & Senior Management Personnel shall retire as per the prevailing policy of the Company;
- iv) the Board will have discretion to retain Director, KMP & Senior Management Personnel in the same position and/or remuneration or otherwise even after attaining the age of retirement for the benefit of the Company.

ANNEXURE – D
Secretarial Audit Report

for the Financial Year ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Area,
Ankleshwar – 393 002,
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rapicut Carbides Limited (hereinafter referred to as '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 March 31, 2018, complied with the statutory provisions listed hereunder and also that the company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2018, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We further report that, there were no actions / events in pursuance of the following regulations requiring compliance thereof by the company during the period of this report:-

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii. The Listing Agreements entered into by the Company with the Stock Exchange "BSE Ltd". However, it is not mandatory for the company to comply with the provisions of Corporate Governance as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as it does not fall in the criteria for applicability of Corporate Governance though the company has voluntarily complied with these provisions as far as possible.

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;

- A. The Board of directors of the company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.
- B. Adequate notice is given to all the 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 clarification on the Agenda items before the meeting and for meaningful participation at the meeting.
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- D. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines.
- E. During the audit period there were no specific instances / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677

CP No. 2863

Vadodara,

Date: August 01, 2018

This Report is to be read with our letter of even date annexed as Appendix A and forms part of this report.

Appendix A

To,
The Members,
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Area,
Ankleshwar – 393 002,
Gujarat.

Our Secretarial Audit report of even date is to be read along with this letter, that:

- I. Maintenance of Secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. 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 and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
- iv. 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.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
FCS No. 3677
CP No. 2863

Vadodara,
Date: August 01, 2018

ANNEXURE - E

MANAGEMENT DISCUSSION AND ANALYSIS

TUNGSTEN CARBIDE INDUSTRY STRUCTURE, PERFORMANCE, DEVELOPMENT, OVERVIEW & OUTLOOK

Members are aware that NLC (Neyveli Lignite Corporation) order for Rs.7.50 Crores, in good measure, boosted sales in Financial Year 2016-17. It is a matter of satisfaction that despite absence of NLC business in Financial Year 2017-18, which is always tender driven, Company achieved sales (Rs.42.58 Crores) and Profit before tax (Rs.4.30 Crores) nearly as good as previous year (Rs.4.37 Crores). The said performance fructified as a result of marketing team accepting the challenge and raising the bar for generating add-on business in the existing product groups, notably, wear parts and intermediates. Their effort was ably supported by production team.

Company's entry into 2018-19 has been fairly smooth, in as much as, sales in the first quarter have been satisfactory and the quarters ahead hold promise of scaled up business.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The product-wise performance of the Company is mentioned below:-

Sr. No.	Particulars of Products Manufactured	12 Months ended 31/03/2018	12 Months ended 31/03/2017
1.	Metal Cutting	416008 (Nos)	397603 (Nos)
2.	Mining	938660 (Nos)	1150447 (Nos)
3.	Wear Parts	46032 (Nos)	37493 (Nos.)
4.	Intermediates	40634 (Kgs)	29862 (Kgs)
5.	TC Tool Room Products	20534 (Nos)	5761 (Nos)

Figures in item 3 (Wear Parts) and item 4 (Intermediates) above make a speaking statement. Wear Part numbers registered growth of 23% and Intermediates by weight 36%. These two product groups largely contributed towards making up revenue shortfall, which would have otherwise dented results by reason of absence of NLC business in Financial Year 2017-18.

OPPORTUNITIES, THREATS, RISKS & CONCERNS

Opportunities for business growth are by and large wholesome. It must be acknowledged that the Indexable Inserts project launched towards the close of Financial Year 2016-17 is yet to gain market momentum with consumers in private sector. Efforts towards sustained business volume are on and it is expected that before long positive results will be seen.

Barring competitive pricing issues which crop up on occasions, Company is not encountering any potential threat to its business stability and growth.

Main areas of concern as always are:

- Volatility in cost of principal raw materials viz; Tungsten Trioxide and Cobalt Metal Powder. Of late price fluctuations have been rather wild and at times alarming. Causes by and large are the same as enumerated in the Board Report of previous year. Company has in good measure successfully overcome the disturbing impact of these factors.
- Volatility in Rupee-USD equation which is quite pronounced adversely of late.
- Natural Calamities and/or accidents

INTERNAL CONTROL SYSTEMS THEIR ADEQUACY AND COMPLIANCE

- The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient system to ensure that assets are safeguarded against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

- Employees are one of the most critical resources in the business who can be continuously nurtured to maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. All personnel continue to strive for healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company.

Number of Employees at the Beginning of the year	110
Number of Employees Recruited during the year	06
Number of Employees Resigned during the year	05
Number of Employees Retired/Expired during the year	05
Number of Employees at the End of the year	106*

*Including Contractual Employees and Fixed Term Employees.

For and on behalf of Board of Directors

Date : 11th August, 2018
Place : Mumbai

Chetan G. Cholera
Director

Jagdish C. Bhatia
Managing Director

CEO/CFO CERTIFICATION

To,
The Board of Directors
Rapicut Carbides Limited.

1. We have reviewed the financial statements and the Cash Flow Statement of Rapicut Carbides Limited for the period ended 31st March, 2018 and to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the period ended 31st March, 2018 are fraudulent, illegal or violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - Significant changes in the Company's internal control over financial reporting during the period;
 - Significant changes, if any in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Date: 26th May, 2018
Place : Mumbai

Aswhin R. Master
Chief Financial Officer

Jagdish C. Bhatia
Managing Director

DECLARATION

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended 31st March, 2018.

Date : 26th May, 2018
Place : Mumbai.

Jagdish C. Bhatia
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of

Rapicut Carbides Limited

Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of Rapicut Carbides Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year for the year then ended, and a summary of significant accounting policies and other explanatory information. (herein after referred to as Ind AS financial statements)

Management's Responsibility for the Ind AS financial statements

The Management and Board of Directors of the company are 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 Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act, read with (Indian Accounting Standards) Rules, 2015.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, We enclose in the **Annexure-A** statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - The Balance Sheet, Statement of Profit and Loss, including other comprehensive income), its cash flows and the changes in equity dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015.
 - On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" and
 - In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 :
 - a) The Company has disclosed the impact of pending litigations as at 31st March, 2018 on its financial position in its financial statement.
 - b) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - c) There has been an occasion in case of the Company during the year under report to transfer sums to the Investor Education and Protection Fund. There was no delay in transferring such sums.

For Maloo Bhatt & Co.
Chartered Accountants
FR No 129572W

YASH BHATT
Partner

Date : 26th May, 2018
Place : Mumbai

Mem. No 117745

ANNEXURE-A

TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph 1 Our Report of even date to the members of Rapicut Carbides Limited on the accounts of the company for the year ended 31st March, 2018.

- 1) On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:
 - The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - All the title deeds of immovable properties are held in the name of the company.
- 2) The Inventory has been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and the book records are not material.
- 3) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4) In our opinion the Company has complied with provisions of section 185 & 186 of the Companies Act, 2013 wherever applicable in respect of loans, investments, guarantees and securities.
- 5) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and the rules framed there under to the extent notified.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained, however we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) According to the information and explanations given to us, and based on records of the company examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, goods & service tax custom duty, excise duty, service tax, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities in India:
- 8) According to the information and explanations given to us, there are dues of Central Excise and Service Tax which have not been deposited as the same are disputed. The disputed statutory dues aggregating to Rs.5.03/- lakhs, that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Name of the Dues	Forum where Dispute is pending	Amount (Rs. In Lacs)
1	Central Excise Act, 1944	Excise Duty	Commissioner (Appeal) CESTAT	0.10
2	Service Tax	Service Tax	Commissioner (Appeal)	4.93
			TOTAL	5.03

- 9) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders as at the balance sheet date.
- 10) In our opinion, the Company has not raised any money by way of public offer including debt instrument. The term loans outstanding at the end of the year were applied for the purposes for which they were raised.
- 11) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- 12) In our opinion managerial remuneration has been paid or provided in accordance with requisite approval wherever applicable, and mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- 13) The Company is not covered by Nidhi rules, 2014.
- 14) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 & 188 of the Companies act, 2013 wherever applicable and the details have been disclosed in the IndAs financial statement as required by the applicable accounting standards.
- 15) During the year the Company has not made any preferential allotment or private placement of share or convertible debentures, hence requirement of section 42 of the Companies Act, 2013 are not applicable.
- 16) During the year Company has not entered into any non-cash transaction with directors or person connected with him, hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- 17) Company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

For Maloo Bhatt & Co.
Chartered Accountants

YASH BHATT
Partner

Date : 26th May, 2018
Place : Mumbai

Mem. No.117745
FR No.129572W

ANNEXURE – B

INDEPENDENT AUDITOR'S REPORT

Independent Auditors' report to the members of Rapicut Carbides Limited ("the company") 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 the Company as of 31st March, 2018 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind As 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 controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind As financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, 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 Ind As 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 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 Ind As financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

For Maloo Bhatt & Co.
Chartered Accountants

YASH BHATT

Partner

Mem. No.117745

FR No.129572W

Date : 26th May, 2018

Place : Mumbai

DECLARATION WITH RESPECT TO UNMODIFIED OPINION

We hereby declare that Audited Financial Results for the financial year ended 31st March, 2018, which have been approved by the Board of Directors of the Company at their meeting held today, i.e, 26th May, 2018, the Statutory Auditors have not expressed any modified opinion(s) in their Audit Report.

The above declaration is made pursuant to Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date : 26th May, 2018

Place : Mumbai.

Aswhin R. Master
Chief Financial Officer

Jagdish C. Bhatia
Managing Director

BALANCE SHEET AT MARCH 31, 2018

(Amount in Rs.)

SR. NO.	PARTICULARS	NOTES	As at 31.03.2018	As At 31.03.2017	As At 01.04.2016
ASSETS					
1	Non-current Assets				
(a)	Property, plant and equipment	3-A	5,12,62,000	5,42,57,305	4,61,71,508
(b)	Capital work-in-progress	3-B	-	5,09,751	2,22,076
(c)	Other intangible assets	4	23,22,992	28,97,512	3,75,833
(d)	Intangible assets under development		-	-	-
(e)	Financial assets				
(i)	Investments	5	4,23,060	2,65,704	9,83,204
(ii)	Trade receivables	6	49,528	5,95,704	16,69,297
(iii)	Loans		-	-	-
(iv)	Other financial assets	7	40,42,557	36,06,173	36,33,173
(f)	Deferred tax assets (net)		-	-	-
(g)	Other non-current assets	8	-	-	-
	Total non-current assets		5,81,00,137	6,21,32,149	5,30,55,091
2	Current Assets				
(a)	Inventories	9	19,84,40,321	15,23,60,084	13,68,62,883
(b)	Financial assets				
(i)	Other investments				
(ii)	Trade receivables	6	6,83,01,978	4,01,82,735	5,00,42,527
(iii)	Cash and cash equivalents	10	59,75,077	73,57,019	88,31,549
(iv)	Bank balances other than (iii) above	11	40,75,874	35,63,732	47,95,373
(v)	Loans		-	-	-
(vi)	Other financial assets	7	1,10,000	70,000	44,000
(c)	Current Tax Assets (Net)	19	-	-	-
(d)	Other current assets	8	1,05,12,770	1,80,08,636	78,97,923
(e)	Assets classified as held for sale		-	-	-
	Total current assets		28,74,16,020	22,15,42,206	20,84,74,255
	Total assets		34,55,16,157	28,36,74,355	26,15,29,346
EQUITY AND LIABILITIES					
1	Equity				
(a)	Equity Share capital	12	5,37,12,450	5,37,12,450	5,37,12,450
(b)	Other equity	13	18,67,35,035	17,03,36,656	14,82,66,361
	Total equity		24,04,47,485	22,40,49,106	20,19,78,811
	Liabilities				
2	Non-current liabilities				
(a)	Financial liabilities				
(i)	Borrowings	14	7,40,504	32,88,365	1,08,479
(ii)	Trade payables	15	-	-	-
	- Due to Micro & Small Enterprises		-	-	-
	- Others		3,427	4,23,931	16,558
(iii)	Other financial liabilities	16	28,49,606	31,02,447	30,89,599
(b)	Provisions	17	79,48,661	19,18,322	20,75,944
(c)	Deferred tax liabilities (Net)		15,44,922	22,24,168	19,49,118
(d)	Other non-current liabilities	20	6,45,000	6,45,000	6,45,000
	Total non-current liabilities		1,37,32,120	1,16,02,233	78,84,698
3	Current liabilities				
(a)	Financial liabilities				
(i)	Borrowings	18	1,06,12,955	(1,80,37,204)	1,69,15,327
(ii)	Trade payables	15	-	-	-
	- Due to Micro & Small Enterprises		46,95,840	8,08,657	37,87,278
	- Others		4,92,90,441	4,35,20,646	1,44,41,217
(iii)	Other financial liabilities	16	31,05,483	42,64,083	5,19,651
(b)	Provisions	17	92,71,998	78,68,341	89,22,372
(c)	Current Tax Liabilities (Net)	19	34,18,976	20,07,735	24,59,982
(d)	Other current liabilities	20	1,09,40,859	75,90,758	46,20,010
	Total current liabilities		9,13,36,552	4,80,23,016	5,16,65,837
	Total liabilities		10,50,68,672	5,96,25,249	5,95,50,535
	Total equity and liabilities		34,55,16,157	28,36,74,355	26,15,29,346

Basis of preparation, measurement and significant accounting policies
First time adoption of Ind AS
Notes to Account

1
2
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Auditor's Report Signed in terms of our separate report of even date
For Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M. No. 117745
FR No. 1259572W

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary
M No. : 35836

Place : Mumbai
Date : 26th May, 2018.

D. D. Kanitkar
Independent Director
Din No.03523774

For and on behalf of the Board

J. C. Bhatia Managing Director
Din No. 00250737
L.M.Bijlani Non Executive Director
Din No. 01382116
C. G. Chohra Non Executive Director
Din No. 00131143
C. J. Bhatia Non Executive Director
Din No. 02644731
B. V. Dholakia Independent Director
Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529

PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rs.)

SR. NO.	PARTICULARS	NOTE NO.	Year Ended 31/03/18	Year Ended 31/03/17
I	Revenue from operations	21	42,53,51,346	47,31,90,524
II	Other income	22	4,60,131	17,94,027
III	Total Income		42,58,11,477	47,49,84,551
IV	Expenses			
a.	Cost of materials consumed	23	24,89,72,457	26,36,50,804
b.	Purchase of stock-in-trade		-	-
c.	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(32,77,336)	(65,97,822)
d.	Excise duty on sale of goods		74,98,625	5,37,74,931
e.	Employee benefits expense	25	5,68,04,096	5,10,40,966
f.	Finance costs	26	23,55,224	33,89,921
g.	Depreciation and amortisation expense	27	81,06,966	66,14,136
h.	Other expenses	28	6,23,53,791	5,93,70,192
	Total expenses		38,28,13,822	43,12,43,128
V	Profit before tax		4,29,97,655	4,37,41,423
VI	Tax expense			
	(1) Current tax		1,24,00,000	1,38,00,000
	(2) Earlier year tax		(3,61,462)	(95,635)
	(3) Deferred tax		(6,79,246)	2,75,050
VII	Profit for the year		3,16,38,363	2,97,62,008
VIII	Other Comprehensive Income			
a.	Item that will not be reclassified to Profit & Loss A/c			
	Fair value of gain on investment		1,57,356	-
	Remeasurment of employee benefit plan		(57,00,170)	-
b.	Item that will be reclassified to Profit & Loss A/c		-	-
IX	Total comprehensive Income for the year		2,60,95,549	2,97,62,008
	Earning per Equity Share			
	Basic		4.86	5.54
	Diluted		4.86	5.54

Basis of preparation, measurement and significant accounting policies
First time adoption of Ind AS
Notes to Account

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2
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Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529

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

(Amount in Rs.)

	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
I	CASH INFLOWS		
(01)	From Operating activities		
	(a) Profit from operating activities Adjustments :	4,29,97,655	4,37,41,423
	Depreciation and amortization	81,06,966	66,14,136
	Amortization of Stock	-	-
	Compensation	-	-
	Loss on sale of Fixed assets	-	238
	Loss on sale of Investment	-	-
	Assets written off	23,621	24,130
	Re-measurements of the actuarial provision for leave encashment	-	6,11,087
	Re-measurements of financial liability	-	(2,632)
	Other Income	(4,60,131)	(17,94,027)
	(b) Working capital changes :		
	Decrease in inventories	-	-
	Decrease in trade receivables	-	1,09,33,385
	Decrease in short-term loans and advances	-	-
	Decrease in other current assets	74,95,866	-
	Decrease in other current assets- Bank margin money	-	12,31,641
	Increase in trade payables	92,36,474	2,65,08,181
	Increase in other current liabilities and tax	47,61,342	25,18,501
	Increase in current and non current financial liabilities	-	37,57,280
	Increase in short term provisions	4,77,477	-
	Total of (1)	7,26,39,270	9,41,43,343
(02)	From Investing activities		
	(a) Proceeds from sale of fixed assets	-	4,762
	(b) Proceeds from sale of investments	-	13,42,300
	(c) Realisation of long term loans and advances from subsidiaries/associates/business venture	-	-
	(d) Decrease in other financial assets - non current	-	27,000
	(e) Decrease in other non current assets	-	-
	(f) Dividend received	-	21,000
	(g) Interest received	4,26,151	5,16,894
	(h) Other income	5,095	88,833
	(i) Export Incentive	28,885	-
	Total of (2)	4,60,131	20,00,789
(03)	From Financing activities		
	(a) Proceeds from issue of share capital	-	-
	(b) Share application money pending allotment	-	-
	(c) Proceeds from long-term Liabilities	-	-
	(d) Proceeds from non current gratuity & leave encashment provisions	12,56,349	-
	(e) Proceeds from other non current assets	-	-
	(f) Proceeds from short-term borrowings	2,86,50,159	-
	(g) Proceeds from long-term borrowings	-	31,79,886
	Total of (3)	2,99,06,508	31,79,886
	Total cash inflows (1+2+3)	10,30,05,909	9,93,24,018

(Amount in Rs.)

II	CASH OUTFLOWS		
(1)	From Operating activities		
	(a) compensation	-	-
	(Gain)/Loss on sale of Fixed assets	-	-
	Assets written off	-	-
	Provision/(Reversal)for Long Term	-	-
	(b) Working capital changes:	-	-
	Increase in inventories	4,60,80,237	1,54,97,201
	Increase in trade receivables	2,75,73,067	-
	Increase in other current assets- Bank margin money	5,12,142	-
	Increase in other financial asset - current	40,000	26,000
	Increase in other current assets	-	1,01,10,713
	Increase in other financial assets - non current	4,36,384	-
	Decrease in trade payables	-	-
	Decrease in current and non current financial liabilities	14,11,441	-
	Decrease in current provisions	-	8,93,576
	Decrease in provisions	-	3,18,077
	Decrease in non current liabilities	-	-
	Total of (1)	7,60,53,271	2,68,45,567
(2)	From Investing activities		
	(a) Purchase of tangible assets/Capital work in progress	39,29,741	1,48,16,122
	(b) Purchase of intangible assets/assets under development	1,21,269	27,22,295
	(c) Purchase of Investment	-	-
	(d) Investment in subsidiaries/associates/business venture	-	-
	(e) Payment of long-term loans and advances to subsidiaries/associates/business venture	-	-
	(f) Increase in long-term loans and advances	-	-
	(g) Increase in Short -term loans and advances	-	-
	(h) Increase in other non current assets	-	-
	Total of (2)	40,51,010	1,75,38,417
(3)	From Financing activities		
	(a) Repayment of long-term borrowings	25,47,861	-
	(b) Repayment of short-term borrowings	-	3,49,52,531
	(c) Dividend paid (including distribution tax)	96,97,171	77,57,668
	(d) Interest and other finance costs	-	-
	(e) Direct Tax Paid	1,20,38,538	1,37,04,365
	(f) prior period expenses	-	-
	Total of (3)	2,42,83,570	5,64,14,564
	Total cash outflows (1+2+3)	10,43,87,851	10,07,98,548
III	Net (decrease)/increase in cash and cash equivalents(I-II)	(13,81,942)	(14,74,530)
	Add: Cash and cash equivalents at the beginning of the period	73,57,019	88,31,549
IV	Cash and cash equivalents at the end of the period	59,75,077	73,57,019

Notes :

- Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 notified under Companies (Indian Accounting Standards) Rules, 2015.
- Purchase of fixed assets includes movements of capital work-in-progress between the beginning and the end of the year.
- Previous year figure regrouped/recasted wherever necessary.

Auditor's Report Signed in terms of our separate report of even date
For Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M. No. 117745
FR No. 1259572W

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Chief Financial Officer

Kamlesh M. Shinde
Company Secretary
M No. : 35836

D. D. Kanitkar
Independent Director
Din No.03523774

Place : Mumbai
Date : 26th May, 2018.

For and on behalf of the Board

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Din No. 01382116
C. G. Cholera Non Executive Director
Din No. 00131143
C. J. Bhatia Non Executive Director
Din No. 02644731
B. V. Dholakia Independent Director
Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529

Statement of Changes in Equity for the year ended 31st March, 2018.

A. Equity Share Capital

(Amount in Rs.)

	As at 1st April, 2016	Changes in Equity Share Capital during 2016-17	Balance as at 31st March, 2017	Changes in Equity Share Capital during 2017-18	Balance as at 31st March, 2018
Equity Share Capital	5,37,12,450	-	5,37,12,450	-	5,37,12,450

B. Other Equity

(Amount in Rs.)

Particulars	Reserves & Surplus				Other Reserves (Govt. Subsidy)	Other items of other comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings			
Balance as at 1st April 2016	29,06,317	1,27,15,948	4,10,00,000	9,08,63,642		7,80,454	14,82,66,361
Total comprehensive income for the year				2,97,62,008			2,97,62,008
Dividend & dividend tax paid				(77,57,668)			(77,57,668)
Fair value of investment						(5,42,500)	(5,42,500)
Transfer to / from retained earnings			40,00,000	(40,00,000)			-
Fair value of car loan				(2,632)			(2,632)
Re-measurements of the actuarial provision for leave encashment				6,11,087			6,11,087
Closing balance as at 31st March 2017	29,06,317	1,27,15,948	4,50,00,000	10,94,76,437		2,37,954	17,03,36,656
Total comprehensive income for the year				3,16,38,363		1,57,356	3,17,95,719
Dividend & dividend tax paid				(96,97,171)			(96,97,171)
Transfer to retained earnings			40,00,000	(40,00,000)			-
Re-measurements of the actuarial provision for Gratuity						(57,00,170)	(57,00,170)
Closing balance as at 31st March 2018	29,06,317	1,27,15,948	4,90,00,000	12,74,17,629	-	(53,04,860)	18,67,35,035

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NOTES to the Financial Statements for the year ended 31st March 2018

Note No. 1.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

1. Company Overview

Rapicut Carbides Limited (RCL) was incorporated as a Public Limited Company in April 1977 and an integrated unit was set up at Ankleshwar, Gujarat for manufacturing of Tungsten Carbide Tips, Inserts and other Carbide products from ore stage. Commercial Production Commenced in October 1979.

Gujarat Drillwell Pvt. Ltd was merged with the Company in the year 1993.

The Company has listed its equity shares with Bombay Stock Exchange in the year 1980.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. The company has adopted Ind AS from the year 1st April, 2017 with 1st April, 2016 being the date of transition. The comparative figures in the Balance Sheet as at 31st March, 2017 and 1st April 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2017 has to be restated accordingly. The Company has adopted all applicable Ind AS standards and the adoption was carried out in accordance with Ind AS 101 'First Time Adoption of Indian Accounting Standards'.

a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2018 have been prepared in accordance with the Ind AS notified above. For all periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);

Assets held for sale – measured at fair value less cost to sale;

Defined benefit plans – plan assets measured at fair value All assets and liabilities has been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company. The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized.

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(iii) Recognition of deferred tax assets

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3 Standards Issued but not yet effective

Ind - AS 115 "Revenue from Contract with Customers: The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

4 Current verses Non Current Classification :

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non - current. Deferred tax assets and liabilities are classified as non – current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Note No. 2

2.1 Significant Accounting Policies

A) Plant, Property & Equipment:

All the property, plant and equipment's have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS, i.e. 1st April 2016 as permitted under Ind AS 101. Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence. Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are Charged to the statement of profit and loss for the period during which such expenses are incurred. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B) Depreciation & Amortization:

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion. Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.
- b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C) Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows

from the asset. The useful lives of intangible assets are assessed as either finite or infinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired. Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D) Impairment of Non-Current Assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and

In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less cost disposal, recent market transactions are taken in to account. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

a. Raw materials and packing materials:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

c. Traded goods:

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Retirement benefits:

a) Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits:

i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund and Super annuations, a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities and super annuation.

ii) Defined Contribution Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity LIC scheme. Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c) Other Long-Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

H) Foreign Currency:

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees, which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

I) Financial Instruments:

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

J) Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition measurement:

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement. Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

2.2) Financial Liabilities:

(i) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(iv) Trade and Other Payables:

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(v) Derecognition of Financial Liabilities:

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

K) Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are charged to the Statement of Profit and Loss.

L) Taxes:

(a) Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Sales / value added taxes / Goods and service Tax:

Expenses and assets are recognised net of the amount of sales/ value added taxes paid/ Goods and service Tax, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included in the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products:

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(b) Other Income:

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

N) Dividend / Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

O) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares Outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

P) Segment Reporting:

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates

Q) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the Company has a present obligation as a result of past event,
- (ii) a probable outflow of resources is expected to settle the obligation; and
- (iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- (ii) a present obligation arising from past events, when no reliable estimate is possible,
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

Note No. 3

(Amount in Rs.)

A	Property, Plant and Equipment	Leasehold Land	Buildings	Plant & Machinery and Electrical Fitting	Data Process Equipment	Furniture Fixture & Office Equipment	Vehicles	Total
	Gross Block							
	Gross carrying amount							
	Balance at April 1, 2016	3,52,174	2,22,00,383	8,08,78,554	23,01,258	22,47,729	36,44,950	11,16,25,048
	Additions	-	12,66,264	98,71,390	6,49,239	9,12,178	18,29,378	1,45,28,449
	Disposals	-	-	25,55,130	-	1,00,000	-	26,55,130
	Effect of foreign currency exchange differences	-	-	-	-	-	-	-
	Balance at March 31, 2017	3,52,174	2,34,66,647	8,81,94,814	29,50,497	30,59,907	54,74,328	12,34,98,367
	Additions	-	-	38,94,708	4,44,202	1,00,584	-	44,39,494
	Disposals	-	-	4,72,429	-	-	-	4,72,429
	Effect of foreign currency exchange differences	-	-	-	-	-	-	-
	Balance at March 31, 2018	3,52,174	2,34,66,647	9,16,17,093	33,94,699	31,60,491	54,74,328	12,74,65,432

(Amount in Rs.)

	Accumulated depreciation	Leasehold Land	Buildings	Plant & Machinery and Electrical Fitting	Data Process Equipment	Furniture Fixture & Office Equipment	Vehicles	Total
Balance at April 1, 2016		1,36,607	1,04,47,095	5,04,90,477	14,19,569	12,46,686	17,13,103	6,54,53,537
Additions		3,557	5,60,129	48,65,447	2,61,428	1,97,781	5,25,178	64,13,520
Disposals		-	-	25,31,000	-	95,000	-	26,26,000
Balance at March 31, 2017		1,40,164	1,10,07,224	5,28,24,924	16,80,997	13,49,467	22,38,281	6,92,41,057
Additions		3,557	5,92,306	57,29,242	3,12,801	2,09,770	5,63,510	74,11,186
Disposals		-	-	4,48,808	-	-	-	4,48,808
Balance at March 31, 2018		1,43,721	1,15,99,530	5,81,05,357	19,93,797	15,59,236	28,01,791	7,62,03,432

(Amount in Rs.)

	Net Block	Leasehold Land	Buildings	Plant & Machinery and Electrical Fitting	Data Process Equipment	Furniture Fixture & Office Equipment	Vehicles	Total
Net carrying amount								
Balance at April 1, 2016		2,15,567	1,17,53,288	3,03,88,077	8,81,689	10,01,043	19,31,847	4,61,71,508
Deemed Cost								
Balance at March 31, 2017		2,12,010	1,24,59,423	3,53,69,890	12,69,500	17,10,435	32,36,047	5,42,57,305
Balance at March 31, 2018		2,08,453	1,18,67,117	3,35,11,736	14,00,902	16,01,255	26,72,537	5,12,62,000

(Amount in Rs.)

B	Capital Work in Progress	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
	Machinery Under Installation	-	5,09,751	2,22,076
	Total	-	5,09,751	2,22,076

Notes

3.1 On transition to IndAS, Property, Plant and Equipment are carried at net block. As it is deemed cost as per IndAS 101.

3.2 In accordance with the Ind AS 36 "Impairment of Assets", the management has during the year carried out and exercise of identifying the assets that would have been impaired in respect of each unit. On the basis of this review carried out by the Management, impairment loss on Fixed Assets has been accounted in profit & loss account during the year.

Note No. 4

(Amount in Rs.)

	Other Intangible assets	Technical Know-how	Software	Total
Gross Block				
Gross carrying amount				
Balance at April 1, 2016		27,32,635	-	27,32,635
Additions		-	27,22,295	27,22,295
Disposals		21,26,954	-	21,26,954
Balance at March 31, 2017		6,05,681	27,22,295	33,27,976
Additions		-	1,21,269	1,21,269
Disposals		-	-	-
Balance at March 31, 2018		6,05,681	28,43,564	34,49,245

(Amount in Rs.)

	Accumulated amortisation	Technical Know-how	Software	Total
Balance at April 1, 2016		23,56,802	-	23,56,802
Additions		1,21,136	79,480	2,00,616
Disposals		21,26,954	-	21,26,954
Balance at March 31, 2017		3,50,984	79,480	4,30,464
Additions		1,21,136	5,74,652	6,95,788
Disposals		-	-	-
Balance at March 31, 2018		4,72,121	6,54,132	11,26,253

(Amount in Rs.)

	Net Block	Technical Know-how	Software	Total
Balance at April 1, 2016		3,75,833	-	3,75,833
Deemed cost				
Balance at March 31, 2017		2,54,697	26,42,815	28,97,512
Balance at March 31, 2018		1,33,560	21,89,432	23,22,992

Notes

4.1 On transition to Ind AS, Intangibles are carried at net block. As it is deemed cost as per Ind AS 101.

Note No. 5

Investments	As at 31/03/18		As at 31/03/17		As at 01/04/16	
	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
Note for accounting policy on Investments refer no. - J						
Non-current						
Quoted investments						
a) Investments in Equity Instruments at FVTOCI	-	-	-	-	17,500	7,17,500
- Rapicut Carbides Ltd. (see 5.1 below)						
Un-Quoted investments						
a) Investments in Equity Instruments at FVTOCI	1,581	4,11,060	1,581	2,53,704	1,581	2,53,704
- Bharuch Enviro Infrastructure Ltd.						
b) Investments in Govt. Security	-	12,000	-	12,000	-	12,000
- National Saving Certificate						
Total	1,581	4,23,060	1,581	2,65,704	19,081	9,83,204
Aggregate amount of quoted investments	-	-	-	-	17500	717,500
Market value of quoted investments	-	-	-	-	17500	717,500
Aggregate amount of unquoted investments	1,581	423,060	1,581	265,704	1581	265,704
Aggregate amount of impairment in value of investments	-	-	-	-	-	-

Note

5.1 The said shares have devolved on the company in lieu of 17,500 equity shares of Gujarat Drilwell Pvt. Ltd. pursuant to Gujarat High Court order and are held in Trust on behalf of the Company. These Shares have been disposed off.

Note No. 6

(Amount in Rs.)

Trade receivables	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
Trade receivables	-	-	-
Secured, considered good	-	-	-
Unsecured, considered good	49,528	595,704	1,669,297
Doubtful	-	-	-
Allowance for doubtful debts (expected credit loss allowance)	-	-	-
TOTAL	49,528	595,704	1,669,297
Current			
Trade receivables	-	-	-
Secured, considered good	-	-	-
Unsecured, considered good	6,83,01,978	4,01,82,735	5,00,42,527
Doubtful	-	-	-
Allowance for doubtful debts (expected credit loss allowance)	-	-	-
TOTAL	6,83,01,978	4,01,82,735	5,00,42,527

6.1 Ageing of Trade Receivables

(Amount in Rs.)

Particulars	Ageing			Total
	Upto 6 months	6- 12 months	above 12 months	
Unsecured consider good				
As at 01.04.2016	4,70,43,922	29,98,605	16,69,297	5,17,11,824
As at 31.03.2017	4,00,33,862	1,48,873	5,95,704	4,07,78,439
As at 31.03.2018	6,82,12,997	88,981	49,528	6,83,51,506

Note 6.2 All trade receivable are non interest bearing and receivable are settled within normal credit period approved by the company.

Note No. 7

(Amount in Rs.)

Other financial assets	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
Security deposits	40,42,557	36,06,173	36,33,173
Advances	-	-	-
Operating lease receivable	-	-	-
TOTAL	40,42,557	36,06,173	36,33,173
Current			
Security deposits	-	-	-
TOTAL	-	-	-
Tender Deposit	1,10,000	70,000	44,000
Operating lease receivable	-	-	-
TOTAL	1,10,000	70,000	44,000

Note No. 8

(Amount in Rs.)

Other assets	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
Capital Advances	-	-	-
Advances to related parties	-	-	-
Others (specify nature)	-	-	-
TOTAL	-	-	-
Current			
Capital Advances	23,895	-	12,20,856
Advances to related parties	-	-	-
Advances to parties	1,64,738	1,42,76,726	35,21,968
Advances to employee	61,879	1,76,662	2,37,438
Amount due from customers under construction contracts	-	-	-
Prepaid expenses	11,42,161	9,78,721	7,55,465
Interest accrued but not received	3,05,813	2,45,518	2,99,777
Insurance claim receivable	2,11,762	2,41,051	3,08,419
Receivable / Recoverable from Revenue Authority	86,02,522	20,89,958	15,54,000
TOTAL	1,05,12,770	1,80,08,636	78,97,923

Note : Interest accrued but not received includes interest accrued on various fixed deposit with bank held as margin money.

Receivable / Recoverable from Revenue Authority includes:

(Amount in Rs.)

	As at 31/03/18	As at 31/03/17	As at 01/04/16
Balance with TDS Authorities	4,019	-	15,022
Balance with customs & excise	2,69,779	17,22,708	14,49,678
Balance with VAT authorities	3,73,890	3,67,250	89,300
Balance with GST authorities	79,54,834	-	-
TOTAL	86,02,522	20,89,958	15,54,000

Note No. 9

(Amount in Rs.)

	As at 31/03/18	As at 31/03/17	As at 01/04/16
Inventories			
a) Inventories (lower of cost and net realisable value) (As taken, valued & certified by the management)			
- Raw materials	6,42,98,862	2,13,83,022	1,40,28,900
- Work-in-progress	7,63,21,699	7,10,14,737	7,22,12,197
- Finished goods	3,07,86,882	3,31,30,728	2,53,35,446
- Stores, Spares	2,39,28,454	2,32,48,373	2,09,95,910
- Loose Tools	31,04,424	30,46,882	23,81,217
- Goods in-transit	-	5,36,342	19,09,213
TOTAL	19,84,40,321	15,23,60,084	13,68,62,883

The cost of Inventories recognised as an expenses during the year was Rs.26,79,048 (P.Y. Rs. 5,63,557)

Note No. 10

(Amount in Rs.)

Cash and cash equivalents	As at 31/03/18	As at 31/03/17	As at 01/04/16
Balances With Banks	59,01,038	72,52,856	87,79,569
Cheques, drafts on hand	-	-	-
Cash on hand	74,039	1,04,163	51,980
Others	-	-	-
Cash and cash equivalents as per balance sheet	59,75,077	73,57,019	88,31,549

Note No. 11

(Amount in Rs.)

Bank balances other than (Note no. 10) above	As at 31/03/18	As at 31/03/17	As at 01/04/16
Balances With Banks			
Margin Money	40,75,874	35,63,732	47,95,373
Year mark balances maturity less than 12 months	-	-	-
TOTAL	40,75,874	35,63,732	47,95,373

Note :- Fixed deposit are kept as margin against various letter of credit / guarantee

Note No. 12

(Amount in Rs.)

Equity Share Capital	As at 31/03/18	As at 31/03/17	As at 01/04/16
Share Capital:			
(a) Authorised:	8,00,00,000	8,00,00,000	8,00,00,000
80,00,000 (Last Year 80,00,000) Equity Shares of Rs.10/each			
(b) Issued, Subscribed & Paid Up			
Shares at the End of the accounting period			
53,71,245 (L.Y.53,71,245) Equity Shares of Rs.10/- Each	5,37,12,450	5,37,12,450	5,37,12,450
(Include,35,17,747/- Equity Shares issued as Bonus Shares & 60,384 Equity Shares allotted as fully paid shares to shareholders of erstwhile Gujarat Drilwell Pvt. Ltd for consideration other than cash)			
TOTAL	5,37,12,450	5,37,12,450	5,37,12,450

(No. of Shares)

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.			
At the beginning of the period	53,71,245	53,71,245	53,71,245
Add : Shares issued during the year	-	-	-
Less: Shares bought back during the year	-	-	-
Outstanding at the end of the period	53,71,245	53,71,245	53,71,245

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs. 10 per share.

(e) Details of shareholders holding more than 5% shares in the company - Equity Share of Rs. 10/- each fully paid up.	No. of Shares holding 31/03/18	%	No. of Shares holding 31/03/17	%	No. of Shares holding 01/04/16	%
Pragya Equities Pvt. Ltd.	9,56,172	17.80	6,25,646	11.65	6,25,746	11.65
Dayawanti J Bhatia	3,00,585	5.60	3,00,585	5.60	3,00,585	5.60
Bharti Chetan Cholera	-	-	1,96,423	3.66	2,85,537	5.32
(f) Aggregate number of shares issued and bonus for consideration other than cash during the period of five years immediately preceeding the reporting date	32,22,747		32,22,747		32,22,747	
(g) The company has not issued any right shares nor there has been buy back of shares during period of five years immediately preceding the reporting date	NIL		NIL		NIL	

Note No. 13
Other equity

(Amount in Rs.)

Particulars	Reserves & Surplus				Other Reserves (Govt. Subsidy)	Other items of other comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings			
Balance as at 1st April, 2016	29,06,317	1,27,15,948	4,10,00,000	9,08,63,642	-	7,80,454	14,82,66,361
Total comprehensive income for the year	-	-	-	2,97,62,008	-	-	2,97,62,008
Dividend & dividend tax paid	-	-	-	(77,57,668)	-	-	(77,57,668)
Fair value of investment	-	-	-	-	-	(5,42,500)	(5,42,500)
Transfer to / from retained earnings	-	-	40,00,000	(40,00,000)	-	-	-
Fair value of car loan	-	-	-	(2,632)	-	-	(2,632)
Re-measurements of the actuarial provision for leave encashment	-	-	-	6,11,087	-	-	6,11,087
Closing balance as at 31 March 2017	29,06,317	1,27,15,948	4,50,00,000	10,94,76,437	-	2,37,954	17,03,36,656
Total comprehensive income for the year	-	-	-	3,16,38,363	-	1,57,356	3,17,95,719
Dividend & dividend tax paid	-	-	-	(96,97,171)	-	-	(96,97,171)
Transfer to retained earnings	-	-	40,00,000	(40,00,000)	-	-	-
Re-measurements of the actuarial provision for Gratuity	-	-	-	-	-	(57,00,170)	-
Closing balance as at 31 March 2018	29,06,317	1,27,15,948	4,90,00,000	12,74,17,629	-	(53,04,860)	18,67,35,035

Note :-
Nature of Reserves

13.1 Capital Reserve : represents the amount due to remission of capital liability on one time settlement from financial institution during the year 2001-2002.

13.2 Securities Premium Reserve : represents the amount received in excess of par value of securities i.e equity shares. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

13.3 General Reserve : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

13.4 Retained Earnings : represent the undistributed profits of the Company

13.5 Other Comprehensive Income Reserve : represent the balance in equity for items to be accounted in Other Comprehensive Income.

Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

Note No. 14

(Amount in Rs.)

Non-current borrowings	As at 31/03/18	As at 31/03/17	As at 01/04/16
Unsecured - at amortised cost			
(i) Term loans			
- State Bank of India - Car Loan	7,40,504	10,51,445	1,08,479
Secured - at amortised cost			
(i) Term loans			
- State Bank of India	-	22,36,920	-
Total non-current borrowings	7,40,504	32,88,365	1,08,479

Note :-
Secured Loan

Term Loan from State Bank of India is secured against Hypothecation of Inventories & book debts.

Company's Immovable properties form part of the Collateral security and the working Directors have given their Personal Guarantee for the same.

Unsecured Loan

Term loan facilities availed from State Bank of India is secured against hypothication of vehicle.

Maturity Profile of Term Loans are as set out below :

(Amount in Rs.)

Sr. No.	Financial Years	Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2018-19	22,03,387	2,92,610	24,95,997
	Sub Total	22,03,387	2,92,610	24,95,997
(b)	2019-20	-	3,22,431	3,22,431
(c)	2020-21	-	3,55,534	3,55,534
(d)	2022 & above	-	62,539	62,539
	Sub Total	-	7,40,504	7,40,504
	Total	22,03,387	10,33,114	32,36,501

Rs. 24,95,997 is shown in current maturities (on 31.03.2017 Rs. 39,65,051/- and 31.03.2016 Rs. 3,09,354/-)

Note No. 15

(Amount in Rs.)

Trade payable	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
Sundry Creditors			
(i) Due to Micro & Small Enterprises	-	-	-
(ii) Others	3,427	4,23,931	16,558
TOTAL	3,427	4,23,931	16,558
Current			
Sundry Creditors			
(i) Due to Micro & Small Enterprises	46,95,840	8,08,657	37,87,278
(ii) Others	4,92,90,441	4,35,20,646	1,44,41,217
TOTAL	5,39,86,281	4,43,29,303	1,82,28,495

Note :-15.1

There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

Note :-15.2

All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

Note No. 16

(Amount in Rs.)

Other financial liabilities	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
a) Interest accrued	-	-	-
b) Unpaid dividends	28,49,606	31,02,447	30,89,599
TOTAL	28,49,606	31,02,447	30,89,599

(Amount in Rs.)

Current	As at 31/03/18	As at 31/03/17	As at 01/04/16
a) Current maturities of long-term debt	24,95,997	39,65,888	3,06,719
b) Current maturities of finance lease obligations			
c) Interest accrued			
d) Unpaid dividends	6,09,486	2,98,195	2,12,932
TOTAL	31,05,483	42,64,083	5,19,651

Note - 16.1

Unclaimed dividend do not include any amount, due & outstanding, to be credited to Investors Education and Protection Fund.

Note - 16.2

Current maturities of long term debt to the extent of Rs. 22,03,387 are secured by way of charge on company assets and guarantee of working directors and balance Rs. 2,92,610 are unsecured.

Note No. 17

(Amount in Rs.)

Provisions	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non-current			
Employee benefit - leave encashment	2,011,056	1,918,322	20,75,944
Employee benefit - gratuity	5,937,605	-	-
TOTAL	7,948,661	1,918,322	20,75,944

Current			
Employee benefit - leave encashment	6,62,989	5,87,409	7,47,864
Employee benefit - other provision	47,77,850	50,32,358	28,10,122
Employee benefit - gratuity	8,50,600	-	-
Provision for expenses	29,80,559	22,48,574	53,64,386
TOTAL	92,71,998	78,68,341	89,22,372

Note No. 18

(Amount in Rs.)

Current borrowings	As at 31/03/18	As at 31/03/17	As at 01/04/16
Unsecured - at amortised cost			
a) Loans repayable on demand			
- from banks State Bank of India - Cash Credit	10,612,955	(18,037,204)	16,915,327
- from others	-	-	-
b) Loans from related parties	-	-	-
c) Loans from other parties	-	-	-
d) Deposits	-	-	-
e) Other loans	-	-	-
Secured - at amortised cost			
a) Loans repayable on demand			
- from banks (Bank overdraft)	-	-	-
b) Loans from related parties	-	-	-
c) Loans from bank	-	-	-
d) Loans from other parties	-	-	-
e) Deposits	-	-	-
f) Others loans	-	-	-
TOTAL	10,612,955	(18,037,204)	16,915,327

Secured Loan

Cash Credit from State Bank of India is secured against Hypothecation of Inventories & book debts.

Company's Immovable properties form part of the Collateral security and the Working Directors have given their Personal Guarantee for the same. Loan is repayable on demand.

Note No. 19

(Amount in Rs.)

Current tax assets and liabilities	As at 31/03/18	As at 31/03/17	As at 01/04/16
Current tax assets			
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-	-
Tax refund receivable	-	-	-
Others	-	-	-
TOTAL	-	-	-
Current tax liabilities			
Income tax payable	34,18,976	20,07,735	24,59,982
Others	-	-	-
TOTAL	34,18,976	20,07,735	24,59,982

Note No. 20

(Amount in Rs.)

Other current liabilities	As at 31/03/18	As at 31/03/17	As at 01/04/16
Non current			
Security deposit from distributors	6,45,000	6,45,000	6,45,000
TOTAL	6,45,000	6,45,000	6,45,000
Current			
Advances / Credit from customers	4,04,352	29,02,810	7,67,138
Statutory Dues payable	1,05,36,507	46,87,948	38,52,872
TOTAL	1,09,40,859	75,90,758	46,20,010

Note - 20.1

Statutory dues includes indirect taxes, tax deducted at source, ESIC, provident fund, professional tax and other local authority taxes.

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Amount in Rs.)

PARTICULARS	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Revenue From Operations	21		
Sale of Products		42,54,64,205	47,32,85,487
Less : Returns, Discounts etc.		1,12,859	94,963
Net Sales		42,53,51,346	47,31,90,524
Other Operating Revenues		-	-
TOTAL		42,53,51,346	47,31,90,524

With effect from 1st July,2017, Goods and Service Tax(GST) was Introduced and hence, the revenue from operation for the period 01.07.2017 to 31.03.2018 is net of GST.However for the period 01.04.17to 30.06.2017 is inclusive of excise duty amounting to Rs.74,98,625/-

(Amount in Rs.)

Other Income:	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Interest Income	22	4,26,151	5,16,894
Misc Income		5,095	88,833
Dividend Income		-	21,000
Profit on Sale of Investment		-	11,67,300
Incentive on Export		28,885	-
TOTAL		4,60,131	17,94,027

(Amount in Rs.)

Cost Of Materials Consumed:	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Purchases Raw-Materials	23	29,18,88,297	27,10,04,926
Add: Opening Balance of Stock		2,13,83,022	1,40,28,900
		31,32,71,319	28,50,33,826
Less: Closing Balance of Stock		6,42,98,862	2,13,83,022
Consumption of Materials		24,89,72,457	26,36,50,804

(Amount in Rs.)

Changes In Inventories	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Finished Goods	24		
At the beginning of the Accounting Period		3,31,30,728	2,53,35,446
At the end of the Accounting Period		3,11,01,102	3,31,30,728
		20,29,626	(77,95,282)
Work-In-Process			
At the beginning of the Accounting Period		7,10,14,737	7,22,12,197
At the end of the Accounting Period		7,63,21,699	7,10,14,737
		(53,06,962)	11,97,460
TOTAL		(32,77,336)	(65,97,822)

(Amount in Rs.)

Employee Benefits Expense	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Salary and Wages	25		
Factory Wages		2,15,56,679	2,01,34,286
Office Staff Salary		1,57,87,253	1,37,76,529
Marketing Staff Salary & Incentives		18,83,577	18,63,344
Directors Remuneration		45,51,159	44,67,347
Contribution to Provident & Other Funds			
Contribution to Provident Fund		33,08,895	29,75,494
Contribution to Employees State Ins.Fund		2,90,103	3,51,183
Contribution to Other Funds		2,412	1,806
Contribution to Gratuity Fund		26,81,793	13,00,950
Contribution to Super Annuation Fund		14,75,231	9,79,694
Other Expenses			
Workers & Staff Welfare		22,31,972	18,37,073
Bonus & Exgratia		15,96,802	17,90,013
Leave With Wages		4,21,216	5,00,951
Perquisites to Employees		9,19,504	10,62,296
Recruitment Expenses		97,500	-
TOTAL		5,68,04,096	5,10,40,966

(Amount in Rs.)

Financial Costs:	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Interest Expenses	26		
Interest to Bank		13,94,201	24,87,086
Interest to Bank On Vehicle Loan		1,07,707	1,40,773
Interest to Bank On Term Loan		4,02,444	55,341
Interest on TDS & Other Taxes		1,017	13,061
Bank Charges		4,49,855	6,93,660
TOTAL		23,55,224	33,89,921

(Amount in Rs.)

Depreciation And Amortization Expenses:	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
Depreciation	27	81,06,966	66,14,136
TOTAL		81,06,966	66,14,136

(Amount in Rs.)

Other Expenses:	NOTE No.	Year Ended 31/03/18	Year Ended 31/03/17
A. Manufacturing Expense :	28		
Consumption Of Stores And Spare Parts		2,62,95,255	2,33,77,127
Opening Stock		1,74,90,530	1,66,32,402
Add : Purchases		4,37,85,785	4,00,09,529
Less : Closing Stock		2,70,32,878	2,62,95,255
		1,67,52,907	1,37,14,274
Freight Inward		2,44,029	2,16,321
Power & Fuel		1,74,20,076	1,81,87,930
Water Charges		4,38,091	4,52,160
Repair to Machinery		32,55,721	36,64,826
SUB TOTAL		3,81,10,824	3,62,35,511
B. Administrative Expense			
Car Hire Expenses		3,09,457	3,10,317
Festival Celebration Expenses		2,08,413	1,84,400
Donation		-	400
Subscription/Membership Fees		2,92,750	2,27,090
Electricity Expenses		22,957	23,998
Rates & Taxes		3,82,208	3,86,202
General Expenses		3,39,927	4,14,775
Garden Exps		1,14,640	91,455
Rent		8,58,856	8,51,996
Insurance		4,31,094	4,68,631
Legal Expenses		86,930	59,435
Service Tax		66,625	1,24,546
News Paper & Periodicals		73,404	57,710
Payment to The Auditors		1,17,692	97,128
Postage Telephone & Courier Exp.		5,81,949	6,29,538
Professional Charges		66,82,016	55,67,560
Printing & Stationery		8,69,134	6,75,384
Repair to Buildings		11,48,483	9,01,489
Repair & Maintenance (General)		20,19,878	15,15,629
Loss on sale of Assets		-	238
Loss on Impairment of Assets		23,621	24,130
Security Guard Exp.		17,82,639	16,38,124
Vehicle Running Expenses(conveyance)		1,92,892	1,69,503
Share Transfer Exps (Sharex)		29,250	28,166
Statutory Filing Fees		13,700	57,060
Directors Commission		4,83,531	4,76,711
Directors Sitting Fee		1,15,000	75,000
SUB TOTAL		1,72,47,044	1,50,56,615
C. Selling & Distribution Expense			
Advertisement Exps.		2,38,969	3,90,928
Freight & Cartage(Outward)		17,25,988	17,42,963
Dr./Cr. Balance W/Off		3,18,721	1,09,642
Sales Commission & Incentives		3,54,898	4,56,827
Turn Over/ Cash Discount		10,51,962	7,93,951
Gvat Tax Expenses/Entry Tax Kolkata		2,19,684	16,22,992
Octroi		-	21,371
Packing Material		21,41,891	19,73,609
Sales Promotion/Conference Exp		92,927	55,521
Travelling Expenses		4,95,721	8,18,328
Teravelling Expenses (Marketing)		3,27,844	91,934
Commercial Claims Paid		27,318	-
SUB TOTAL		69,95,923	80,78,066
TOTAL		6,23,53,791	5,93,70,192

Note No. 29

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

- As per opinion of the Board of Directors the Current Assets, Loans and Advances and Current Liabilities as reflected in the Balance Sheet represent the value they would realize to become payable as the case may be in the ordinary course of business.
- We have relied on the management representation in respect of determining reuse / sale of T.C. scrap, worn out Cylpebs and acceptance of rejection claims.
- Exchange difference amounting to Rs.6,55,261/- (P.Y. Rs. 12,07,658/-) has been adjusted in the cost of corresponding raw materials/consumables, Rs.657/- (P.Y. Rs. .6,239/-) has been adjusted in export sales
- Micro Small and Medium Enterprise Development Act, 2006

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act,2006 following information disclosed to the extent identifiable

(Amount in Rs.)

	Particulars	2017-18	2016-17
a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year	46,95,840	8,08,657
	(ii) The interest due on above	-	-
	Total of (i) & (ii)	46,95,840	8,08,657
b)	The amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to suppliers beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Act.	-	-

- Provision for taxation has been made during the year as per completed Income Tax Assessment of the Company.
- Segment Reporting. The Company has only one business segment "Tungsten and Tungsten Carbide Products" as primary segment as required by Ind AS 108 "Operating Segment" under the companies (Indian accounting standard) Rules 2015. The secondary segment is geographical which is given as under:

(Amount in Rs.)

Sr. No.	Sales & Services	2017-18	2016-17
a)	Within India	42,36,42,476	47,02,18,701
	Outside India	17,08,870	29,71,823
	TOTAL	42,53,51,346	47,31,90,524

Sr. No.	Other Income	2017-18	2016-17
a)	Within India	4,60,131	17,94,027
	Outside India	-	-
	TOTAL	4,60,131	17,94,027

7. Related Party Disclosure as per Ind AS 24 issued by Institute of Chartered Accountant of India.

Part. A – Details of related parties.

Sr. No.	Nature of relationships	2017-18	2016-17
1	Key Management Personnel	Mr. J. C. Bhatia	Managing Director
		Mr. C. J. Bhatia	Non Executive Director
		Mr. L. M. Bijlani	Non Executive Director
		Mr. C. G. Cholera	Non Executive Director
		Mr. D. D. Kanitkar	Independent Director
		Mr. B. V. Dholakia	Independent Director
		Mrs. Gayatri Parikh	Independent Director
		Mr. A. R. Master	Chief Financial Officer
		Mr. K. M. Shinde	Company Secretary

Part. B – Disclosure of Transactions between the Company and Related Parties.

(Amount in Rs.)

Sr. No.	Nature of Service	Name	Year Ended 31st March, 2018	Year Ended 31st March, 2017
1	Remuneration	Mr. J. C. Bhatia	29,07,828	26,29,746
2	Remuneration	Mr. C. J. Bhatia	19,40,589	21,14,473
3	Rent	Mr. C. J. Bhatia	4,55,280	4,55,280
4	Sitting Fees	Mr. L. M. Bijlani	25,000	15,000
5	Commission	Mr. L. M. Bijlani	96,707	95,343
6	Sitting Fees	Mr. C. G. Cholera	25,000	15,000
7	Commission	Mr. C. G. Cholera	96,706	95,342
8	Sitting Fees	Mr. D. D. Kanitkar	25,000	20,000
9	Commission	Mr. D. D. Kanitkar	96,706	95,342
10	Sitting Fees	Mr. B. V. Dholakia	25,000	20,000
11	Commission	Mr. B. V. Dholakia	96,706	95,342
12	Sitting Fees	Mrs. Gayatri Parikh	15,000	5,000
13	Commission	Mrs. Gayatri Parikh	96,706	95,342
14	Salary	Mr. A. R. Master	14,96,207	13,67,644
15	Salary	Mr. K. M. Shinde	7,53,326	6,67,242

8. Deferred Tax Liability

(Amount in Rs.)

Sr. No.	Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
1	Deferred Tax Liability		
	Related to Fixed Assets - Depreciation	25,81,469	30,52,637
2	Deferred Tax Assets		
	Disallowance U/s 43-B of Income Tax Act (Leave Encashment)	(7,36,766)	(8,28,470)
	Re-measurement of Gratuity	(2,99,781)	-
	Total – Net Deferred Tax Liability	15,44,922	22,24,168

9. Contingent Liabilities and Commitment

(To the extent not provided only)

- Company's Income Tax Assessments have been completed up to the Assessment year 2016-17. In the opinion of the management, provision made in books is sufficient to cover liabilities in respect of pending assessments.
- Company's VAT Assessments have been completed up to the Financial Year 2013-14.
- Show Cause Notices / Demands for Excise / Service Tax / Income Tax claims raised by Department and contested by the Company are Rs.8.00 lakhs (P.Y. Rs. 12.75 lakhs). The Company has paid Rs.2.97 lakhs (P.Y. Rs. 3.00 lakhs) under protest. Management has taken legal opinion that the provision made in the books is sufficient to cover the liabilities
- Contingent Liabilities

(Amount in Rs.)

Sr. No.	Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
a)	Claim against the company not acknowledged as debts	8,00,247	9,74,675
b)	Guarantees / Letters of Credit	1,81,816	78,57,557
c)	Other money for which the Company's commitments / Liability Commitments	78,66,584	NIL
d)	Estimated amount of contract remaining to be executed on Capital account and not provide for	55,754	NIL
e)	Uncalled Liability on Shares and other Investment partly paid	NIL	NIL
f)	Other commitments / Counter Guarantee	NIL	NIL
g)	Issue of Securities for specific purpose	NIL	NIL
h)	Detail of any assets other than Fixed Assets and Non-current Investments which do not have a value on realization on the Ordinary Course of Business at least Equal to the amount at which they are stated	NIL	NIL

10. Payment to The Auditors As:

(Amount in Rs.)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
For Statutory Fees	75,000	75,000
For Taxation Matters	NIL	NIL
For Management Services	NIL	NIL
For Other Services	25,000	25,000
For Reimbursement of Expenses	17,692	22,128
TOTAL	1,17,692	1,22,128

11. As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below:

(Amount in Rs.)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Expenses recognized for defined Contribution Plan		
Company's contribution to Provident Fund	33,08,895	29,75,494
Company's contribution to ESIC	2,90,103	3,51,183
Company's contribution to Super Annuation Fund	14,75,231	9,79,694
TOTAL	50,74,229	43,06,371

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund. The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan - Gratuity

All Employees who have completed five years or more of service are entitled to benefits of Gratuity.

The Company has the Employee's Group Gratuity Scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is unfunded. Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as at 31st March, 2018 and 31st March, 2017 being the respective Measurement dates:

A) Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

(Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Present Value of Defined Benefit Obligation at the beginning of the year	1,81,83,956	1,28,85,862
Current Service Cost	8,94,342	6,14,976
Interest Cost	10,81,419	10,30,869
Components of Actuarial (gain) / loss		
Due to Change in financial assumptionns	(3,02,118)	14,72,680
Due to Change in demographic assumption	-	27,551
Due to experience adjustments	(14,46,135)	36,21,967
Past service cost	11,81,841	-
Benefits paid	(21,59,241)	(14,69,949)
Present Value of Defined Benefit obligation at the end of the year	1,74,34,064	1,81,83,956

B) Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

(Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Fair Value of Plan Assets at the beginning of the year	1,04,71,648	99,26,629
Return on plan assets including interest Income	8,40,377	7,14,018
Contributions	14,93,075	13,00,950
Benefits paid	(21,59,241)	(14,69,949)
Actuarial gain / (loss)	NIL	NIL
Fair value of Plan Assets at the end of the year	1,06,45,859	1,04,71,648

C) Expenses recognized in Profit and Loss

(Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Current Service Cost	8,94,342	6,14,976
Past service cost and loss/(gain) on curtailments and settlement	11,81,841	13,00,950
Interest Cost	5,04,927	10,30,869
Opening service cost and interest cost	-	(16,45,845)
Net Cost recognized in Statement of Profit and Loss	25,81,110	13,00,950

D) Expenses recognized in Other Comprehensive Income (Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Components of actuarial gain / losses on obligations:		
Due to change financial assumptions	(3,02,118)	14,72,680
Due to change in demographic assumptions	-	27,551
Due to experience adjustments	(14,46,135)	36,21,967
Return on Plan Assets excluding amounts included in Interest Income	(2,63,885)	(7,14,018)
Opening Provision to be made	77,12,308	(44,08,180)
Net Cost recognized in Other Comprehensive Income	57,00,170	-

E) Assumptions used to determine the Defined Benefit Obligations: (Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Mortality rate	0.09% to 1.15%	0.09% to 1.15%
Discount rate (per annum)	7.35%	6.95%
Expected rate of Return on Plan Assets (per annum)	-	-
Expected rate of increase in Salary (per annum)	8.00%	8.00%
Expected Average remaining working lives of Employees (Years)	5.00% at younger age and 1.00% at older age	5.00% at younger age and 1.00% at older age

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IndAs.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

F) Sensitivity Analysis :

Particulars	Change in Assumption	Change in Assumption
For the year ended 31st March 2017		(Amount in Rs.)
Discount Rate	+ 0.5%	1,77,85,527
	- 0.5%	1,86,01,459
Salary Growth Rate	+ 0.5%	1,85,65,168
	- 0.5%	1,78,11,780
Withdrawal rate	W. R. x 110%	1,81,80,233
	W. R. x 90%	1,81,87,549
For the year ended 31st March 2018		
Discount Rate	+ 0.5%	1,70,72,291
	- 0.5%	1,78,13,566
Salary Growth Rate	+ 0.5%	1,77,94,291
	- 0.5%	1,70,78,970
Withdrawal rate	W. R. x 110%	1,74,28,708
	W. R. x 90%	1,74,39,454

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if

two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet. The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

G) History of Experience adjustments is as follows: (Amount in Rs.)

Particulars	Gratuity
For the year ended 31st March 2017	
Plan Liabilities – (loss) / gain	1,81,83,956
Plan Assets – (loss) / gain	1,04,71,647
For the year ended 31st March 2018	
Plan Liabilities – (loss) / gain	1,74,34,064
Plan Assets – (loss) / gain	1,06,45,859

H) Estimate of Expected Benefit Payments (Amount in Rs.)

Particulars	Gratuity
1st April, 2018 to 31st March, 2019	50,65,519
1st April, 2019 to 31st March, 2020	23,31,174
1st April, 2020 to 31st March, 2021	19,81,621
1st April, 2021 to 31st March, 2022	19,69,877
1st April, 2022 to 31st March, 2023	20,09,577
1st April, 2023 to 31st March, 2024 and onwards	71,71,602

I) Statement of Employee Benefit Provision (Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Fair Value of Plan Assets	1,06,45,859	1,04,71,647
Present Value of Obligation	1,74,34,064	1,81,83,956
Opening Balance	-	(77,12,308)
Amount recognized in Balance Sheet	67,88,205	-

J) Current and Non – Current provision for Gratuity. (Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Current	8,50,600	8,94,342
Non-Current	59,37,605	68,17,966
Opening Balance	-	(77,12,308)
Total	67,88,205	-

K) Reconciliation of net defined benefit liability (Amount in Rs.)

Particulars	Gratuity	
	As at 31st March 2018	As at 31st March 2017
Opening provision in books of accounts	-	-
Employee Benefit Expense – Table C	25,81,110	13,00,950
Amounts recognized in other comprehensive income	57,,00,170	-
Contributions to plan assets	(14,93,075)	(13,00,950)
Closing provision in books of accounts	67,88,205	-

- L) Gratuity payable as per revised accounting Ind AS 19 & actuarial valuation submitted by independent actuaries difference of fair market value of defined plan & present value of defined plan has been provided in other comprehensive income amounting to Rs. 57,00,170/- including past service cost, interest cost and liability of earlier year and difference in actuarial liability including service cost and interest cost for the year 31.03.2018 of Rs. 10,88,035/- is Recognized in Profit & loss account

Unfunded defined plan: leave encashment

- A) Reconciliation of opening and closing balances of the Present Value of the Defined Unfunded Benefit Obligation
(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Present Value of Unfunded Defined Benefit obligation at the beginning of the year	25,05,731	28,23,805
Current Service Cost	4,23,518	3,95,996
Interest Cost	1,53,736	2,17,433
Components of Actuarial (gain) / loss		
Due to Change in financial assumptionns	(55,154)	1,02,420
Due to Change in demographic assumption	1,44,230	-
Due to experience adjustments	(3,38,542)	(8,31,852)
Benefits paid	(1,59,474)	(2,02,071)
Present Value of Defined Benefit obligation at the end of the year	26,74,045	25,05,731

- B) Expenses recognized in Profit and Loss
(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Current Service Cost	4,23,518	3,95,996
Interest Cost	1,53,736	2,17,433
Re-measurements of obligation	(2,49,466)	(7,29,432)
Benefit paid	(1,59,474)	1,77,010
Net Cost recognized in Statement of Profit and Loss	1,68,314	2,93,013

- C) Components of actuarial gain/losses on obligation
(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Components of actuarial gain / losses on obligations:		
Due to change financial assumptions	(55,154)	1,02,420
Due to change in demographic assumptions	1,44,230	-
Due to experience adjustments	(3,38,542)	(8,31,852)
Net actuarial gain/loss	(2,49,466)	(7,29,432)

D) Assumptions used to determine the Defined Benefit Obligations:

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Mortality rate	0.09% to 1.15%	0.09% to 1.15%
Discount rate (per annum)	7.35%	6.95%
Expected rate of Return on Plan Assets (per annum)	-	-
Expected rate of increase in Salary (per annum)	8.00%	8.00%
Expected Average remaining working lives of Employees (Years)	5.00% at younger age and 1.00% at older age	5.00% at younger age and 1.00% at older age
Leave Availment Rate	1.00%	0.00%
Leave Encashment Rate	1.00%	0.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IndAs.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

E) Sensitivity Analysis :

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
For the year ended 31st March 2017		(Amount in Rs.)
Discount Rate	+ 0.5%	24,36,493
	- 0.5%	25,79,037
Salary Growth Rate	+ 0.5%	25,77,619
	- 0.5%	24,37,181
Withdrawal rate	W. R. x 110%	25,03,811
	W. R. x 90%	25,07,699
For the year ended 31st March 2018		
Discount Rate	+ 0.5%	26,08,379
	- 0.5%	27,43,385
Salary Growth Rate	+ 0.5%	27,42,621
	- 0.5%	26,08,471
Withdrawal rate	W. R. x 110%	26,70,873
	W. R. x 90%	26,77,307

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet. The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

F) History of Experience adjustments is as follows: (Amount in Rs.)

Particulars	Leave Encashment
For the year ended 31st March 2017	
Plan Liabilities – (loss) / gain	25,05,731
Plan Assets – (loss) / gain	-
For the year ended 31st March 2018	
Plan Liabilities – (loss) / gain	26,74,045
Plan Assets – (loss) / gain	-

G) Estimate of Expected Benefit Payments (Amount in Rs.)

Particulars	Leave Encashment
1st April, 2018 to 31st March, 2019	6,62,989
1st April, 2019 to 31st March, 2020	3,74,609
1st April, 2020 to 31st March, 2021	3,07,508
1st April, 2021 to 31st March, 2022	2,39,535
1st April, 2022 to 31st March, 2023	2,66,428
1st April, 2023 to 31st March, 2024 and onwards	12,60,894

H) Statement of Employee Benefit Provision (Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Fair Value of Plan Assets	26,74,045	25,05,731
Present Value of Obligation	-	-
Amount recognized in Balance Sheet	26,74,045	25,05,731

I) Current and Non - Current provision for Gratuity. (Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Current	6,62,989	5,87,409
Non-Current	20,11,056	19,18,322
Total	26,74,045	25,05,731

J) Reconciliation of net defined benefit liability (Amount in Rs.)

Particulars	Leave Encashment	
	As at 31st March 2018	As at 31st March 2017
Opening provision in books of accounts	25,05,731	28,23,805
Employee Benefit Expense – Table B	1,68,314	2,93,013
Re-measurement of opening balance	-	(6,11,087)
Closing provision in books of accounts	26,74,045	25,05,731

12. Earnings per share (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share:		Number of Shares	
Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017
(i)	Issued Equity Shares	53,71,245	53,71,245
	Weighted Average Shares outstanding – Basic and Diluted	53,71,245	53,71,245

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Rs.)

Sr. No.	Particulars	As at 31st March 2018	As at 31st March 2017
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	2,60,95,549	2,97,62,008
(ii)	Basic Earning per Equity Share	4.86	5.54
(iii)	Face Value per Equity Share	10.00	10.00

13. Operating Lease Commitments (Company is a Lessee)

The Company does not have any operating leasing arrangement in respect of vehicles and there are no commitment with respect to lease rental payable.

14. Events Occurring after Balance Sheet

a) The financial statements were approved for issue by the board of directors on May 26, 2018.

b) Dividend proposed to be distributed

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Dividend proposed for Equity Shareholders @ Rs 1.80 per share	96,68,241	80,56,868
Total	96,68,241	80,56,868

15. Value of Imports calculated of C.I.F. basis by the Company the financial year in respect of :

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Raw Materials	18,79,43,554	21,20,84,680
Components and Spare Parts	23,33,722	9,12,985
Capital Goods	-	16,22,213
Total	19,02,77,276	21,46,19,878

16. Expenditure in Foreign Currency during the Financial year on account of:

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Books & Periodicals	NIL	NIL
Membership Fees	NIL	NIL
Foreign Travelling	NIL	NIL
Fees and Taxes	NIL	NIL
Total	NIL	NIL

17. The amount remitted during the year in Foreign currency:

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
On account of dividends	NIL	NIL

18. Earning In Foreign Exchange:

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Exports of Goods on FOB Basis	17,08,870	26,29,834
Interest and Dividends	NIL	NIL
Other Income	NIL	NIL
Total	17,08,870	26,29,834

19. Break up of Consumption:

(Amount in Rs.)

	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
a)	Raw Materials		
	Indigenous	7,88,83,118	4,71,39,370
	%	31.68	17.87
	Imported	17,00,89,340	21,65,11,434
	%	68.32	82.13
	Total Consumption	24,89,72,458	26,36,50,804

(Amount in Rs.)

	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
b)	Spare Parts & Components		
	Indigenous	1,43,36,305	1,25,32,879
	%	85.57	91.39
	Imported	24,16,602	11,81,395
	%	14.43	8.61
	Total Consumption	1,67,52,907	1,37,14,274

20. Consumption of Raw Materials

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Blue Tungsten Oxide	127260380	18,13,71,013
Oxide of Metal	72237250	3,41,10,009
Cobalt	35063988	2,34,44,222
Tungsten Carbide Powder	4440285	38,71,800
Yellow Tungsten Oxide	NIL	NIL
Tanbc	4526479	40,36,703
Tungsten Metal Powder	NIL	84,97,016
Cemented Carbides	586705	9,99,473
Crushed TC Fragments	1364810	34,49,850
Others	3492561	38,70,714
Total	24,89,72,458	26,36,50,804

21. Opening / Closing Stock of Raw Material

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Blue Tungsten Oxide	3,40,72,506	1,29,34,656
Oxide of Metal	1,79,22,000	19,50,000
Cobalt	60,46,139	27,95,469
Tungsten Carbide Powder	1,73,746	7,45,630
Tanbc	39,95,004	22,09,655
Others	20,89,467	7,47,612
Total	6,42,98,862	2,13,83,022

22. Turnover

Tungsten & Tungsten Carbide Products

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
a) Manufactured		
i) Sintered	29,91,72,204	37,79,54,646
ii) Intermediary Products	11,51,71,524	8,74,93,567
b) Purchased		
i) Resale of Raw Material	1,10,07,618	77,42,419
Total	42,53,51,346	47,31,90,632

23. Opening / Closing Stock – Finished Goods

Tungsten & Tungsten Carbide Product

(Amount in Rs.)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
a) Manufactured	3,11,01,102	3,31,30,728
b) Purchased	NIL	NIL
Total	3,11,01,102	3,31,30,728

24. Financial Instruments

i) Fair value measurement hierarchy:

(Rs. In Lakhs)

Particulars	As at 31st March, 2018			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial assets				
At Fair Value through Profit and Loss				
Mutual Funds				
At FVTOCI				
Investment in Equity instruments	4.23		4.23	
Investment in Debt instruments				
At Amortised cost				
Trade Receivables	683.50			
Cash and cash equivalents	59.75			
Bank balances other than above	40.76			
Other asset	41.53			
Total	829.77		4.23	

(Rs. In Lakhs)

Particulars	As at 31st March, 2018			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial liabilities				
Trade Payables	539.90			
Borrowings	113.53			
Other Financial liabilities	59.55			
Total	712.98			

(Rs. In Lakhs)

Particulars	As at 31st March, 2017			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial assets				
At Fair Value through Profit and Loss				
Mutual Funds				
At FVTOCI				
Investment in Equity instruments	2.66		2.66	
Investment in Debt instruments				
At Amortised cost				
Trade Receivables	407.78			
Cash and cash equivalents	73.57			
Bank balances other than above	35.63			
Other assets	36.76			
Total	556.40		2.66	
Financial liabilities				
Trade Payables	447.53			
Borrowings	-147.49			
Other Financial liabilities	73.67			
Total	373.71			

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined using NAV.
- Valuation of unquoted equity shares is done by external valuation agency.
- Changes in Level 2 fair value are analysed at the end of each reporting period.

25. Financial Risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk.
- Liquidity risk, and
- Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposit and other receivables. Credit risk is managed through continuous monitoring of receivables and follow up of overdues.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer, default risk of the industry and country in which the customer operates, Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

(Rs. In Lakhs)			
	Particulars	As at 31st March, 2018	As at 31st March, 2017
A	Balance at the beginning of the year	683.50	407.78
b	Provision made during the year	-	-
c	Provision reversed during the year	-	-
d	Balance at the end of the year	683.50	407.78

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. The Company's ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition.

Maturities of Financial Liabilities

The table herewith analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for:

The amount disclosed in the table are the contractual undiscounted cash flow, Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

(Rs. In Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
As at 31st March, 2018			
Non-derivatives			
Other Financial Liabilities	31.05	28.50	59.55
Borrowings	106.12	7.41	113.53
Trade payables	539.86	0.03	539.89
Total Non-derivative liabilities	677.03	35.94	712.97

Particulars	Less than 1 year	More than 1 year	Total
As at 31st March, 2017			
Non-derivatives			
Other Financial Liabilities	42.64	31.02	73.66
Borrowings	(180.37)	32.88	(147.49)
Trade payables	443.29	4.24	447.53
Total Non-derivative liabilities	305.56	68.14	373.70

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other price risk such as commodity risk, Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

Price Risk

The Company is mainly exposed to the price risk due its investment in equity instruments and equity & debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

Management Policy

The Company maintains its portfolio in accordance with framework set by risk management policies duly monitored by competent professionals.

26. Capital management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern; and
- To provide an adequate return to shareholders through optimization of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(Amount in Rs.)

For the year ended	31st March, 2018	31st March, 2017
Debt (includes non-current, current borrowings and current maturities of long term debt)	1,38,49,456	(1,07,82,951)
Less : Cash and cash equivalents	59,75,077	73,57,019
Net Debt	78,74,379	(1,81,39,970)
Total Equity	24,29,29,910	22,40,49,106
Net debt to total equity ratio	0.030	-0.080

27. Use of Estimates and Judgments

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in these notes.

28. Details of Hypothecation of Assets

Inventory and Debtors are Hypothecated as security for working capital borrowings.

29. Commission to Non-Executive Director

Remuneration of Rs 4.84 Lacs to the Non-Executive Director is subject to approval of shareholders in the ensuing Annual General Meeting.

30. Figures of the previous year have been re-grouped/re-arranged wherever necessary to conform to this year's classification as per Schedule III of the companies Act, 2013.

Auditor's Report signed in terms of our separate report of even date

FOR, Maloo Bhatt & Co.
Chartered Accountants

A. R. Master
Chief Finance Officer

Yash Bhatt
Partner
M.No.117745
FR.No. 1259572W

K. M. Shinde
Company Secretary
Membership No. 35836

Date : 26th May, 2018
Place : Mumbai

For and on behalf of the Board Rapicut Carbides Ltd.

J. C. Bhatia Managing Director
Din No. 00250737

L. M. Bijlani Non - Executive Director
Din No. 01382116

C. G. Cholera Non - Executive Director
Din No. 00131143

C. J. Bhatia Non - Executive Director
Din No. 02644731

B. V. Dholakia Independent Director
Din No. 01871816

Gayatri Parikh Independent Director
Din No. 00045529

D. D. Kanitkar Independent Director
Din No. 03523774

Principal differences between Ind AS and Indian GAAP

Measurement and Recognition difference for year ended 31st March 2017

1. Proposed Dividend

Under Indian GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders. Under Ind AS a proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. There the proposed dividend and the dividend distribution tax of Rs. 77,57,668/- as on 31st March, 2016 has been derecognised and recognised during 2016-17 on payment.

2. Government Subsidy

Ind-AS 20 is based on the principle that all government grants would normally have certain obligations attached to them and these grants should be recognised as income over the periods which bear the cost of meeting the obligation. It, therefore, specifically prohibits recognition of grants directly in the shareholders' funds and amount of Rs. 18,41,597/- has been transferred to retained earnings as on 1st April 2016.

3. Car Loan

Finance cost relating to financial liability designated as fair value through profit and loss account are included in finance cost as per Ind AS 23 and 26 and corresponding financial liability of Term Loan has been re-stated at fair value amounting to Rs. 2,635/- as on 1st April 2016 and Rs. 837/- as on 31st March 2017.

4. Provision for Leave Encashment

Adjustment for valuation of leave encashment on actuarial basis was made as per Ind AS 19 of employment benefit not under defined benefit plan. The Impact of change in the actuarial assumption and adjustment of Rs. 6,11,090/- as on 1st April 2016 has been accounted for in profit and loss account and retained earnings.

5. Investment

Investment is recognised as financial assets and same is re-stated at fair value on the reporting date and fair value are recognised in other comprehensive income as per Ind AS 107 amounting to Rs. 5,45,500/- of Rapicut Carbides Ltd and Rs. 2,37,954/- of Bharuch Enviro Infrastructure Ltd as on 1st April 2016.

6. Bonus Issue Expenses

All deferred revenue expenses are to be written-off since they do not meet the recognition criteria of an asset. Hence Bonus issue expenses are being written off as per Ind AS 1 and amount of Rs. 3,02,075/- has been adjusted in profit and loss account as on 1st April 2016 and Rs. 1,51,037/- as on 31st March 2017.

7. Deferred Tax

The Group has accounted for deferred tax on the various adjustments between Indian GAAP and Ind AS at the tax rate at which they are expected to be reversed and impact of balance sheet approach applied under Ind AS against profit and loss approach under Indian GAAP.

8. Other Equity

Adjustment to retained earnings and other comprehensive income has been made in accordance with Ind AS for the above mentioned line items. Actuarial gains and losses are recognised in Other Comprehensive Income as per Ind AS 19 which were recognised in Statement of Profit and Loss under Indian GAAP.

9. Statement of Cash Flows

The impact of transition from Indian GAAP to Ind AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under Ind AS in Balance Sheet, Statement of Profit and Loss and difference in the definition of Cash and Cash Equivalents and these two GAAP's.

10. Re-Grouping

Re grouping of all Assets and Liabilities per Ind AS is carried out for 1st April 2016 and 31st March-2017.

Statement of Changes in Equity for the year ended 31st March, 2018.

A. Equity Share Capital

(Amount in Rs.)

	As at 1st April, 2016	Changes in Equity Share Capital during 2016-17	Balance as at 31st March 2017	Changes in Equity Share Capital during 2017-18	Balance as at 31st March 2018
Equity Share Capital	5,37,12,450	-	5,37,12,450	-	5,37,12,450

B. Other equity

(Amount in Rs.)

Particulars	Reserves & Surplus				Other Reserves (Govt. Subsidy)	Other items of other comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings			
Balance as at 1st April, 2016	29,06,317	1,27,15,948	4,10,00,000	9,08,63,642	-	7,80,454	14,82,66,361
Total comprehensive income for the year	-	-	-	2,97,62,008	-	-	2,97,62,008
Dividend & dividend tax paid	-	-	-	(77,57,668)	-	-	(77,57,668)
Fair value of investment	-	-	-	-	-	(5,42,500)	(5,42,500)
Transfer to / from retained earnings	-	-	40,00,000	(40,00,000)	-	-	-
Fair value of car loan	-	-	-	(2,632)	-	-	(2,632)
Re-measurements of the actuarial provision for leave encashment	-	-	-	6,11,087	-	-	6,11,087
Closing balance as at 31st March 2017	29,06,317	1,27,15,948	4,50,00,000	10,94,76,437	-	2,37,954	17,03,36,656
Total comprehensive income for the year	-	-	-	3,16,38,363	-	1,57,356	3,17,95,719
Dividend & dividend tax paid	-	-	-	(96,97,171)	-	-	(96,97,171)
Transfer to retained earnings	-	-	40,00,000	(40,00,000)	-	-	-
Re-measurements of the actuarial provision for Gratuity	-	-	-	-	-	(57,00,170)	-
Closing balance as at 31st March 2018	29,06,317	1,27,15,948	4,90,00,000	12,74,17,629	-	(53,04,860)	18,67,35,035

Auditor's Report signed in terms of our separate report of even date

For and on behalf of the Board
Rapicut Carbides Ltd.

FOR, Maloo Bhatt & Co.
Chartered Accountants

A. R. Master
Chief Finance Officer

J. C. Bhatia
Din No. 00250737

Managing Director

L. M. Bijlani
Din No. 01382116

Non - Executive Director

Yash Bhatt
Partner
M.No.117745
FR.No. 1259572W

K. M. Shinde
Company Secretary
Membership No. 35836

C. G. Cholera
Din No. 00131143

Non - Executive Director

C. J. Bhatia
Din No. 02644731

Non - Executive Director

B. V. Dholakia
Din No. 01871816

Independent Director

Gayatri Parikh
Din No. 00045529

Independent Director

Date : 26th May, 2018
Place : Mumbai

D. D. Kanitkar
Din No. 03523774

Independent Director

Reconciliation of Balance Sheet as at 31st March, 2017

(Amount in Rs.)

Sr. No.	Particulars	NOTE NO.	Reclassified Indian GAAP as at 31.03.2017	IND AS Adjustments	Restated IND as at 31.03.2017
	<u>ASSETS</u>				
1	Non-current assets				
	a. Property, plant and equipment		5,42,57,305	-	5,42,57,305
	b. Capital work-in-progress		5,09,751	-	5,09,751
	c. Other Intangible Assets		28,97,512	-	28,97,512
	d. Intangible assets under development		-	-	-
	h. Financial assets		-	-	-
	(i) Investments	5	27,750	2,37,954	2,65,704
	(ii) Trade Receivables		5,95,704	-	5,95,704
	(iii) Loans		36,06,173	-	36,06,173
	(iv) Others		-	-	-
	i. Deferred tax assets (Net)		-	-	-
	j. Other non-current assets - Bonus Issue Expenses	6	1,51,037	(1,51,037)	-
2	Current assets				
	a. Inventories		15,23,60,084	-	15,23,60,084
	b. Financial assets		-	-	-
	(i) Investments		-	-	-
	(ii) Trade receivables		4,01,82,735	-	4,01,82,735
	(iii) Cash and cash equivalents		73,57,019	-	73,57,019
	(iv) Bank Balances other than (iii) above		35,63,732	-	35,63,732
	(v) Loans		-	-	-
	(vi) Others		70,000	-	70,000
	c. Current Tax Assets (Net)		-	-	-
	d. Other current assets		1,80,08,636	-	1,80,08,636
	Total Assets		28,35,87,438	86,917	28,36,74,355
	<u>EQUITY AND LIABILITIES</u>				
1	Equity				
	a. Equity Share capital		5,37,12,450		5,37,12,450
	b. Other equity	8	17,02,50,576	86,080	17,03,36,656
	Liabilities				
	Non-current liabilities				
	a. Financial liabilities				
	(i) Borrowings		32,88,365		32,88,365
	(ii) Trade Payables		-		-
	- Due to Micro & Small Enterprises		-	-	-
	- Others		4,23,931	-	4,23,931
	(iii) Other Financial Liabilities		31,02,447		31,02,447
	b. Provisions		19,18,322		19,18,322
	c. Deferred tax liabilities (Net)		22,24,168		22,24,168
	d. Other non-current liabilities		-		-
			6,45,000		6,45,000
2	Current liabilities				
	a. Financial liabilities				
	(i) Borrowings		(1,80,37,204)		(1,80,37,204)
	(ii) Trade Payables		-		-
	- Due to Micro & Small Enterprises		8,08,657		8,08,657
	- Others		4,35,20,646		4,35,20,646
	(iii) Other Financial Liabilities	3	42,63,246	837	42,64,083
	b. Provisions		78,68,341		78,68,341
	c. Current Tax Liabilities (Net)		20,07,735		20,07,735
	d. Other current liabilities		75,90,758		75,90,758
	Total Equity and Liabilities		28,35,87,438	86,917	28,36,74,355

Reconciliation of Other Equity as at 31st March 2017

(Amount in Rs.)

Reserves & Surplus						
Particulars	Capital Reserve	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings	Other Reserves (Govt Subsidy)	Other items of other comprehensive income
Opening balance as at 31 Mar 2017 (Previous GAAP)	29,06,317	1,27,15,948	4,50,00,000	10,77,86,714	18,41,597	
Changes in accounting policy & prior period errors						
Government Subsidy Ind As No. 20				18,41,597	-18,41,597	
Fair value of car loan Ind As No. 23, 26				-837		
Fair value of investment Ind As No. 107						2,37,954
Re-measurements of deferred expenditure Ind As No. 1				-1,51,037		
Restated balance as at 31 Mar 2017 (Ind AS)	29,06,317	1,27,15,948	4,50,00,000	10,94,76,437	-	2,37,954

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

(Amount in Rs.)

Sr. No.	Particulars	NOTE NO.	Indian GAAP as at 31/03/2017	IND AS Impacts	Restated 31/03/2017
1	Revenue From Operations				
	Revenue from Operations	1	41,94,15,593	5,37,74,931	47,31,90,524
	Other Income		17,94,027	-	17,94,027
	Total Revenue		42,12,09,620		47,49,84,551
2	Expenses:				
	Cost of Material Consumed		26,36,50,804	-	26,36,50,804
	Purchase of Stock-In-Trade		-	-	-
	Changes In Inventories of Finished Goods		(65,97,822)	-	(65,97,822)
	Work-In-Progress & Stock -In-Trade		-	-	-
	Excise duty on sale of goods	1	-	5,37,74,931	5,37,74,931
	Employee Benefits Expenses		5,10,40,966	-	5,10,40,966
	Finance Costs	3	33,89,084	837	33,89,921
	Depreciation And Amortization Expense		66,14,136	-	66,14,136
	Other Expenses	6	5,95,21,230	(1,51,038)	5,93,70,192
	Total Expenses		37,76,18,398		43,12,43,128
	Profit Before Exceptional Items and Tax		4,35,91,222	-	4,37,41,423
	Exceptional Items - Prior Period		-	-	-
	Profit Before Tax Expense		4,35,91,222	-	4,37,41,423
	Current Tax		1,38,00,000	-	1,38,00,000
	Earlier Years Tax		(95,635)	-	(95,635)
	Deferred Tax		2,75,050	-	2,75,050
	Profit For The Period From Continuing Operations		2,96,11,807	-	2,97,62,008
	Profit From Discontinuing Operations				
	Tax Expense Of Discontinuing Operations				
	Profit From Discontinuing Operations (After Tax)				
	Profit For The Period		2,96,11,807		2,97,62,008
	Other Comprehensive Income				
	A] i) Items that will not be reclassified to profit or loss		-	-	-
	ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
	B] i) Items that will be classified to profit or loss				
	ii) Income tax relating to items that will be reclassified to profit or loss				
	Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period).		2,96,11,807		2,97,62,008
	Earning Per Equity Share				
	Basic		5.51		5.54
	Diluted		5.51		5.54

Summary of reconciliation of movement in Profit and Loss on transition to Ind AS for the year ended 31st March, 2017

	Net profit as per IGAAP	2,96,11,807	
	Add / (Less): Adjustments or GAAP differences		
1	Impact of measuring financial instruments at amortised cost	-837	
2	Reversal of charge of bonus issue expenses	1,51,038	
3	Reversal of adhoc provision on leave encashment	-	
	Net profit (before OCI) as per Ind-AS	2,97,62,008	
4	Impact of measuring financial instruments at fair value through OCI	-	
	Total Comprehensive Income as per Ind-AS	2,97,62,008	

Transition to Ind AS
Basis of preparation

For all period up to and including the year ended 31st March, 2017, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2018 are the Company's first annual Ind AS financial statements and have been prepared in accordance with Ind AS. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods beginning on or after 1st April, 2016 as described in the Accounting Policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April, 2016 the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as at 1st April, 2016 and its previously published Indian GAAP financial statements for the quarter ended 1st March, 2017 and year ended 31st March, 2017.

Impact of Transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity/shareholders' funds and profit and loss for the financial period, for the periods previously reported under Indian GAAP following the date of transition to Ind AS.

Reconciliation of Balance Sheet as at 1st April, 2016

(Amount in Rs.)

Sr. No.	Particulars	NOTE NO.	Reclassified Indian GAAP as at 01.04.2016	IND AS Adjustments	Restated IND as at 01.04.2016
	<u>ASSETS</u>				
1	Non-current assets				
	a. Property, plant and equipment		4,61,71,508		4,61,71,508
	b. Capital work-in-progress		2,22,076		2,22,076
	c. Investment property				
	d. Goodwill				
	e. Other Intangible Assets		3,75,833		3,75,833
	f. Intangible assets under development				
	g. Biological assets other than bearer plants				
	h. Financial assets				
	-Investments	5	2,02,750	7,80,454	9,83,204
	-Trade Receivables		16,69,297	-	16,69,297
	-Loans				
	-Others		36,33,173		36,33,173
	i. Deferred tax assets (Net)				
	j. Other non-current assets - Bonus Issue Expenses	6	3,02,075	-3,02,075	-
2	Current assets				
	a. Inventories		13,68,62,883		13,68,62,883
	b. Financial assets				
	(i) Investments				
	(ii) Trade receivables		5,00,42,527		5,00,42,527
	(iii) Cash and cash equivalents		88,31,549		88,31,549
	(iv) Bank Balances other than (iii) above		47,95,373		47,95,373
	(v) Loans		-		-
	(vi) Others		44,000		44,000
	c. Current Tax Assets (Net)				-
	d. Other current assets		78,97,923		78,97,923
	Total Assets		26,10,50,967	4,78,379	26,15,29,346

(Amount in Rs.)

Sr. No.	Particulars	NOTE NO.	Reclassified Indian GAAP as at 01.04.2016	IND AS Adjustments	Restated IND as at 01.04.2016
	<u>EQUITY AND LIABILITIES</u>				
1	Equity				
	a. Equity Share capital		5,37,12,450		5,37,12,450
	b. Other equity	8	14,06,38,769	76,27,592	14,82,66,361
	Liabilities				
	Non-current liabilities				
	a. Financial liabilities				
	(i) Borrowings		1,08,479	-	1,08,479
	(ii) Trade Payables				
	- Due to Micro & Small Enterprises		-	-	-
	- Others		16,558	-	16,558
	(iii) Other Financial Liabilities		30,89,599	-	30,89,599
	b. Provisions	4	14,64,854	6,11,090	20,75,944
	c. Deferred tax liabilities (Net)	7	19,49,118		19,49,118
	d. Other non-current liabilities		6,45,000		6,45,000
2	Current liabilities				
	a. Financial liabilities				
	(i) Borrowings		1,69,15,327		1,69,15,327
	(ii) Trade Payables				
	- Due to Micro & Small Enterprises		37,87,278		37,87,278
	- Others		1,44,41,217		1,44,41,217
	(iii) Other Financial Liabilities	3	5,22,286	-2,635	5,19,651
	b. Provisions	1	1,66,80,040	-77,57,668	89,22,372
	c. Current Tax Liabilities (Net)		24,59,982		24,59,982
	d. Other current liabilities		46,20,010		46,20,010
	Total Equity and Liabilities		26,10,50,967	4,78,379	26,15,29,346

Reconciliation of Other Equity as at 1st April, 2016

(Amount in Rs.)

Reserves & Surplus							
Particulars	Capital Reserve	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings	Other Reserves (Govt Subsidy)	Other items of other comprehensive income	Total
Opening balance as at 1 Apr 2016 (Previous GAAP)	29,06,317	1,27,15,948	4,10,00,000	8,21,74,907	18,41,597		14,06,38,769
Changes in accounting policy & prior period errors							-
Dividend & dividend tax paid				77,57,668			77,57,668
Government Subsidy Ind As No 20				18,41,597	-18,41,597		-
Fair value of car loan Ind As No.23, 26				2,635			2,635
Re-measurements of the actuarial provision for leave encashment Ind As No.				-6,11,090			-6,11,090
Fair value of investment Ind As No.107						5,42,500	5,42,500
Fair value of investment Ind As No.107						2,37,954	2,37,954
Re-measurements of deferred expenditure Ind As No.1				-3,02,075			-3,02,075
Restated balance as at 1 Apr 2016 (Ind AS)	29,06,317	1,27,15,948	4,10,00,000	9,08,63,642		7,80,454	14,82,66,361

KIND ATTENTION : SHARE HOLDER'S

This letter has been sent with an intention to aware the shareholders of the company who are holding shares of the Company in physical mode about the recent amendment in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made by SEBI by notification in official gazette on June 08, 2018.

By introducing the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, SEBI has amended the regulation 40(1) of the SEBI Listing Regulations, 2015 whereby except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository which will come into effect from 180 day from the date of notification.

Thus, from December 05, 2018, the shareholders will not be able to transfer their shares in physical mode. They will be required to dematerialize it first before transferring to anybody.

We hereby direct your attention towards this amendment and advise you to dematerialize your shares in our company. In addition to the legal provisions, the holding of securities in dematerialized form will give the following benefits:

- Immediate transfer of shares
- No stamp duty applicable
- Credit of dividend directly to the bank account through ECS
- Direct credit of corporate action like bonus/ split/ right etc.
- No additional holding/ transaction cost to Shareholders pursuant to SEBI directions of January 28, 2005.
- Avoidance of loss through loss in transit, theft, mutilation, forging of share certificates.
- Widely accepted for pledging against borrowings with lower interest rates.
- Details of investors are obtained from the Beneficiary Position (Benpos) and hence cannot be manipulated by companies while giving corporate benefits etc.
- Investor may view the details of total shareholding in the Demat account through EASI/EASIEST online services provided by Depositories (CDSL/NSDL)

Before opting for dematerialization, you are also requested to keep your KYC Details updated as mentioned in attached KYC letter to avoid chances of rejection of dematerialization request by the Company/ RTA.

You may contact your Depository Participants to dematerialize your shareholding. You may also keep in touch with the Company or Sharex Dynamic (India) Private Limited, RTA of the Company for any assistance in the matter.

RAPICUT CARBIDES LTD.

Registered Office : Plot No.119, GIDC Industrial Area, Ankleshwar - 393 002 (Gujarat).

CIN : L28910GJ1977PLC002998 Phone No: +91-2646-251118, Fax: +91-2646-251019

Email: investors@rapicutcarbides.com, Website: www.rapicutcarbides.com

FORM NO. MGT-11

PROXY FORM

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

Name of the Member(s):

Registered address:

E-mail ID:

Folio No. / *DP ID No.....and *Client ID:

(*applicable for investors holding shares in electronic form.)

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name: E-mail ID:

Address

Signature, or failing him/her

2. Name: E-mail ID:

Address

Signature, or failing him/her

3. Name: E-mail ID:

Address

Signature, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting, to be held on Saturday, 22nd September, 2018 at 12.00 Noon. at Hotel Sadanand, Rajpipla Road, Ankleshwar - 393 002, (Gujarat) and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

*I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For	Against
	Ordinary Business		
1	To receive, consider and adopt the Audited Financial Statements comprising the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date, the Reports of the Board and Auditors thereon.		
2	To declare a dividend for the financial year ended 31st March, 2018.		
3	To appoint a Director in place of Shri. Chetan G Cholera (DIN: 00131143) who retires by rotation and being eligible, offers himself for re-appointment.		
4	To ratify the appointment of M/s Maloo Bhatt & Co., as Statutory Auditors.		
	Special Business		
5	To Re-appoint Shri. Jagdish C Bhatia as Managing Director for 5 years commencing from 1st August, 2018.		
6	To approve payment of 1% Commission to Non-Executive Directors for 5 years commencing from financial year ending 31st March, 2018.		

Signed this day of 2018.

Affix
Revenue
Stamp

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

• Please put a (✓) in the appropriate column against the resolutions indicated in the Box. Alternatively you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Those members who have multiple folios with different joint holders may use copies of this Proxy form.

Form No. SH-13-Nomination Form
[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,
(Name of the Company) _____
(Address of the Company) _____
_____ Pin code _____

I/ We _____
residing at _____

_____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following person in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) Particulars of Nominee

Name: _____		Date of Birth: ____/____/____	
Father's/ Mother's/ Spouse's name: _____		Occupation: _____	Nationality: _____
E-mail id: _____			
Phone No : _____	Relationship with the security holder: _____		
Address: _____ _____ _____ Pin code _____			

Please affix recent passport size photograph of the Nominee signed across

Signature of the Nominee

3) In case Nominee is a Minor

Date of birth: ____/____/____	Date of attaining Majority ____/____/____	Name of guardian: _____
Address of guardian: _____ _____ Pin code _____		

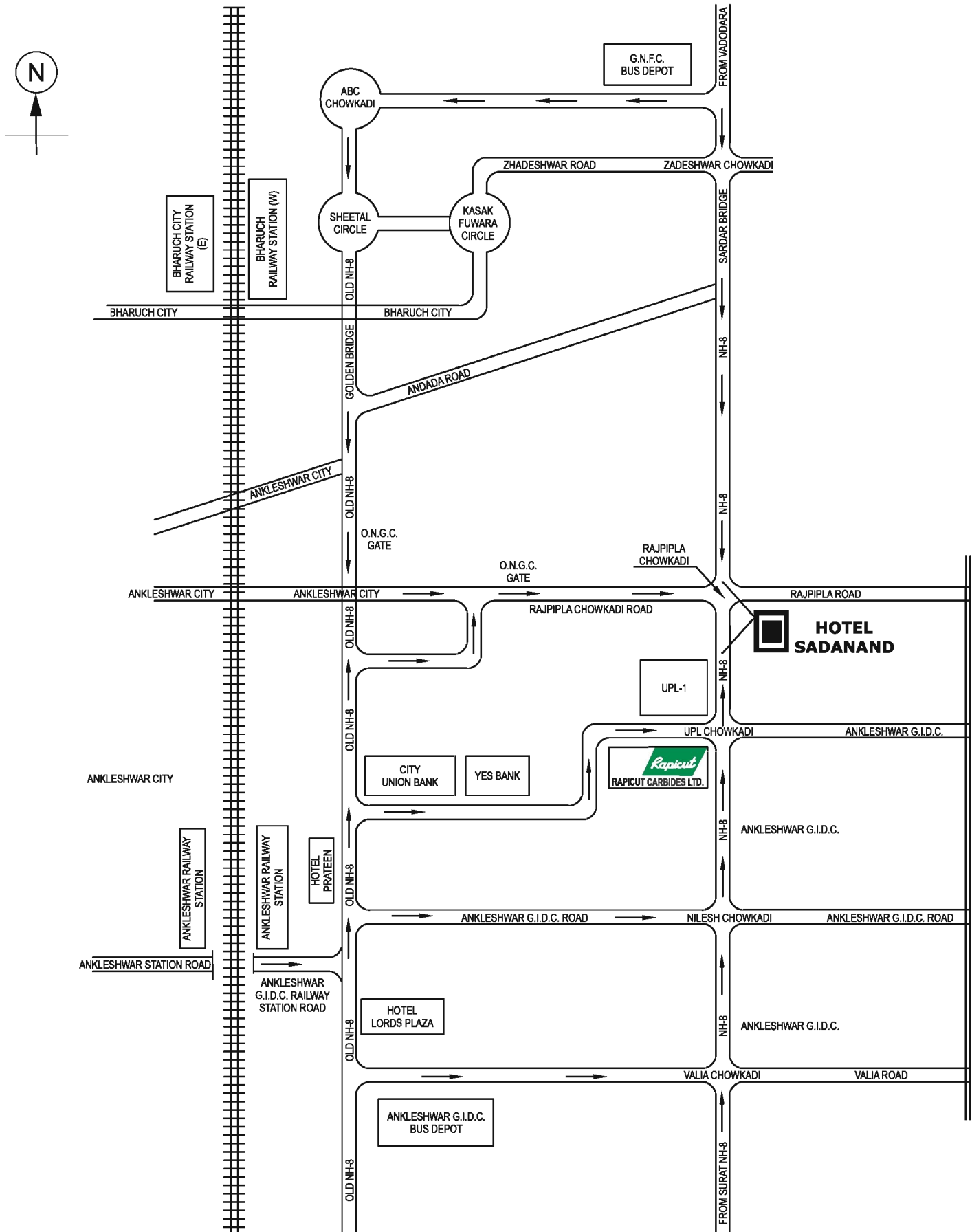
Name of the Security Holder(s)	Signature
1. _____	_____
2. _____	_____
3. _____	_____
Name of witness	Signature of Witness with date
Address of witness: _____ _____ _____ Pin code _____	_____
Place: _____ Date: ____/____/____	

Please fill this Nomination form in Duplicate after carefully reading the instruction given below:

1. The Nomination can be made by individual's only holdings shares singly or jointly. Non individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in "duplicate" should be lodged with the Registrar and Share transfer Agent of the Company i.e. M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., Unit -1 Luthra Ind Premises, Safed Pul, Andheri Kurla Road, Andheri East, Mumbai 400072. The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/ dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. Affixing photograph of the Nominee is not mandatory and if affixed the nominee should sign across the photograph.

FOR OFFICE USE ONLY		
Nomination Registration No.	Date of Registration	Signature of Employee with Code No.

ROUTE MAP TO THE VENUE OF THE AGM .



From :

If undelivered please return to :
RAPICUT CARBIDES LIMITED
Registered Office :
Plot No. 119, GIDC,
Ankleshwar - 393 002.

