MULLER & PHIPPS (INDIA) LIMITED

ONE HUNDRED ONE ANNUAL REPORT
2017-2018

MULLER& PHIPPS (INDIA) LIMITED

CIN NO. L63090MH1917PLC007897

ONE HUNDRED ONE ANNUAL REPORT 2017-2018

DIRECTORS :
Mr. Milan Dalal
Mr. Raymond Simkins
Mrs. Kamlini Maniar (Woman Independent Director)

REGISTERED OFFICE :
204 ,Madhva Commercial Premises,
C-4 Bandra Kurla Complex,
Bandra East,
Mumbai -400 051.
Phone No. 26591191
Fax No. 26591186
Email Id: mnpco@mulphico.co.in

AUDITORS :
K.F. Jetsey & Co.

SECRETARIAL AUDITORS :
Sanjay Soman & Associates
Company Secretaries

BANKERS:
State Bank of India
Syndicate Bank

REGISTRARS& TRANSFER AGENTS :
Link Intime India Pvt Ltd
C-101,247 Park,
LBSMarg, Vikhroli (W) Mumbai 400 083
Tel No. 022-49186000

REGIONAL OFFICES/DEPOTS :
Mumbai, Indore,Raipur
Delhi,Ghaziabad,
Chandigarh,Calcutta, Cuttack,
Patna, Kochi,

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NOTICE

Notice is hereby given that the **ONE HUNDRED ONE ANNUAL GENERAL MEETING (AGM) OF MULLER & PHIPPS (INDIA) LIMITED** will be held at Kilchand Conference Room, Indian Merchant Chambers, 2nd floor, Churchagte, Mumbai -400 020 on Monday 24th September, 2018 at 04:30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :

(a) the Audited Standalone Financial Statements of the Company for the Financial year ended March 31, 2018, together with the Reports of the Directors and Auditors thereon and

(b) the Audited Consolidated Financial Statement of the Company for the Financial year ended March 31, 2018, together with the Reports of the Auditors thereon.

2. To appoint a Director in place of Mr. Raymond Simkins who retires by rotation and being eligible, offers himself for reappointment.

3. To appoint M/s. K F Jetsey & Co., Chartered Accountants (Firm Registration No.104209W issued by the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Registered office:
204, Madhava, Commercial Premies,
Bandra Kurla Complex,
Near Family Court, Bandra East,
Mumbai 400 051

By Order of the Board
For MULLER AND PHIPPS (INDIA) LTD

MILAN DALAL
DIRECTOR
DIN00062453

Place: Mumbai
Date: 14th August, 2018.

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him self / her self and such proxy need not be a member of the Company. Proxies, in order to be effective must be received by the Company not less than 48 hours before the Meeting. A Member or his proxy is requested to produce at the entrance of the meeting hall Admission Slip forwarded to the Member, duly completed and signed in accordance with the specimen signature registered with the Company. A Member or his proxy is requested to bring the Annual Report sent to the Member, as extra copy will not be supplied due to high cost of paper and printing.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September, 2018 to 24th September, 2018 (both days inclusive) for the purpose of AGM.

3. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company / RTA for assistance in this regard.

4. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. To support the "Green Initiative" members who have not registered their e-mail addresses are requested to register the same with RTA / Depositories.

5. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The members, whose names appear in the Register of Members / list of Beneficial owner as on September 16, 2018 , i.e the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10:30 am on 21st September 2018 and will end at 5:30 pm on 23rd September 2018. The Company has appointed Mr. Rajesh Kanojia, Practising Advocate, to act as the Scrutinizer, for conducting the scrutiny of the votes cast.

6. As per Clause 35A of the Listing Agreement, the results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mulphico.co.in and the website of NSDL.

7. Annexure to item No.2 of the Notice in relation to the details of Directors retiring by rotation and seeking reappointment as Director at the Annual General Meeting. (in pursuance of Clause 49 of the Listing Agreement)

Name	**Mr. Raymond Simkins**
Date of Birth & Age	03.06.1943 (74 years)
Appointed on	18.07.1982
Qualification	M.E.
Expertise/Experience	Commercial, Marketing Operations and International Business
Shareholding	NIL
Directorship in Other Public Companies	Foods and Inns Limited Getz Pharma Private Limited Finns Frozen Foods (India) Limited

Registered office:
204, Madhava, Commercial Premies,
Bandra Kurla Complex,
Near Family Court, Bandra East,
Mumbai 400 051

By Order of the Board
For MULLER AND PHIPPS (INDIA) LTD

MILAN DALAL
DIRECTOR
DIN00062453

Place: Mumbai
Date: 14th August, 2018.

REPORT OF THE BOARD OF DIRECTORS

The Members of Muller & Phipps India Limited

Your Directors present the **ONE HUNDRED ONE ANNUAL REPORT** of your Company together with the Audited Financial Statements of Accounts for the year ended 31st March, 2018.

The Financial Statement are prepared in accordance with Indian Accounting Standards (Ind AS). In accordance with the notification issued by Ministry of Corporate Affairs, the Company has adopted Ind AS with effect from April 1, 2017 being 1st Ind AS financial statement with transition date of April 1, 2016. Accordingly, figures for the financial year 2017 has been restated in accordance with Ind. As.

1. FINANCIAL RESULTS

Amount (₹ lacs)

Particulars	**2017-18**	2016-17
Gross Sales	313.96	343.38
Profit / (Loss) after interest and Finance Charges	**(04.81)**	05.91
Provision for Depreciation	1.02	1.13
Net profit/ (Loss) before exceptional item and tax	**(03.79)**	4.78
Add/ Less Exceptional Items	**-**	-
Provision for taxation	-	1.36
Prior period adjustments	-	-
Profit/(Loss)for the year	**(03.79)**	3.42
Add: Profit/(Loss) Balance brought forward from Previous Year	**(552.20)**	(558.17)
Balance available for appropriation	**(554.93)**	(552.20)

During the year sales were ₹ 313.96 Lakh against ₹ 343.38 Lakh in the previous year. The sales has been narrowed down due to rough market condition for consumer products and incremental input cost on in-house brands.

2. TRANSFER TO RESERVES

Due to carried forward losses in previous year , the Company has adjusted the current year loss in the carried forward losses.

3. DIVIDEND

In the view of carried forward losses, Directors do not recommend any dividend for the year under report.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company. The Company is engaged in trading and distribution of Cosmetics and Toiletries and medicated Preparations.

5. THE STATE OF COMPANY AFFAIRS - MANAGEMENT ANALYSIS

The year under review, looking at market condition for consumer products the growth has been competitive. However, there has been down word trend in the coming year on account lower demand and higher competition.

6. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT

There has been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

7. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal control procedures commensurate with the size of the Company and the nature of its W business, For the purchase of inventory and fixed assets and for the sale of Goods.

8. DETAILS OF SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANY:

Name of the Company	CIN	% of shares held
Muller and Phipps Industrial Services Limited	U74140MH1988PLC047489	100%
Muller and Phipps Agencies Limited	U51900MH1981PLC025416	100%

9. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Particulars	Muller and Phipps Agencies Limited	Muller and Phipps Industrial Services Limited
Date of Incorporation	12-Oct-1981	26-May-1988
Percentage of Capital held by the Company	100%	100%
Reporting period of subsidiary	NA	NA
Authorised share capital	₹500000/-	₹500000/-
Paid-up share capital	₹500000/-	₹500000/-
Revenue	₹32180/-	113923/-
Profit/(Loss) before Tax	(₹39562/-)	(₹4150/-)
Taxes	NIL	NIL
PAT	(₹39562/-)	(₹4150/-)
Companies share in profit / (Loss)	100%	100%

10. ASSOCIATE COMPANY AND JOINT VENTURE

As on the date of this Report, there is no joint venture company..

11. FIXED DEPOSITS

The Company has not accepted any Fixed deposit during the financial year 2017-18.

12. AUDITORS

Appointment of Statutory Auditors

M/s. K.F. Jetsey & Co, Chartered Accountants, Mumbai, bearing ICAI Registration No. 104209W who hold office as Auditors of your Company up to the conclusion of the forthcoming Annual General Meeting, offer themselves for the reappointment being eligible. A certificate has been obtained from them pursuant to Section 141(3)(g) of the Companies Act,2013 to the effect that their appointment, if made, would be within the limits provided therein.

13. AUDITORS' REPORT: Directors' note on Auditor's qualifications

The Directors have noted the remark about the net worth of the Company is eroded and there are no profit from the operational activities. The Directors are hopeful of positive out come of efforts to revive the business with additional products in current portfolio in coming years which will help company to be profitable again. Accordingly, the Directors had prepared the annual accounts on a going concern basis.

14. SHARE CAPITAL

During the year under report, the Company has not issued any shares.

15. NOMINATION AND REMUNERATION COMMITTEE, RISK MANAGEMENT COMMITTEE OR ANY OTHER COMMITTEE

The provisions pertaining to Corporate Governance do not apply to the Company and hence there is no requirement of constitution of any Committee.

16. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return prepared in Form MGT-9 in pursuance of Section 92 of the Companies Act, 2013 is annexed and forms part of this Report.

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

The nature of business being dealing in consumer products retailing, providing information with regard to conservation of energy and technology absorption as required under Section 134(3)of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules,2014 and forming part of this Report does not arise for your Company.

Foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows as per table below:

Amount in ₹

Particulars	2017-18	2016-17
Foreign Exchange Earnings in terms of actual inflows	Nil	Nil
Foreign Exchange Outgo in terms of actual outflows -Travel expenses (Note 30)	Nil	Nil

18. CORPORATE SOCIAL RESPONSIBILITY

Since the Company's net worth as well as its net loss are both below the minimum prescribed limits, the provisions of clause(o) of Section 134(3) of the Companies Act,2013 read together with Rule9 of the Companies (Corporate Social Responsibility) Rules,2014 do not apply and hence disclosures on Corporate Social Responsibility are not required to be given.

19. DIRECTORS:

In terms of the Articles of Association of the Company. Mr. Raymond Simkins retire at the ensuing Annual General Meeting and being eligible offers himself for the reappointment.

20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year 2017-2018, the Board of Directors met 4(four)times as per table below in the year 2017-18

First Quarter	Second Quarter	Third Quarter	Fourth quarter
April 2017 to June 2017	July 2017 to September 2017	October 2017 to December 2017	January 2018 to March 2018
11th August 2017	09th Nov 2017	8th Feb 2018	30th May 2018

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register

Maintained under Section 189 of the Companies Act, 2013 and hence no information is required to be furnished. Details of investments in all bodies corporate are given in Note 5 in the Financial Statements.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company's contracts or arrangements with related parties of which the details are given in Note No. 36 of the Financial Statements.

a **Holding Company :** Development Holding Asia Ltd. **Subsidiaries :**
Muller and Phipps (Industrial Services) Ltd. Muller and Phipps Agencies Ltd.

b **Other parties where the company has entered in transaction during the year Fellow Subsidiary:**
GetzBros. Company Limited
Associates:
Foods and Inns Ltd. Western Press Pvt. Ltd
Pharmpak Pvt. Limited

c **Directors and their Relatives:**
Mr. Milan Dalal - Director

23. MANAGERIAL REMUNERATION

The company does not have any appointment in this category in the year under review.

24. SECRETARIAL AUDIT REPORT AND COST AUDIT REPORT

M/s Sanjay Soman & Associates, Company Secretaries in Whole-time Practice, Mumbai, were appointed Secretarial Auditors of the Company by the Board, pursuant to the provisions of Section 204 of the Companies Act,2013 and the Rules made there under.

The Secretarial Audit Report issued by M/s Sanjay Soman & Associates is attached in Annexure3 and forms part of this Report.

Directors have noted the qualifications reported in the said Report and submit the following replies: does not contain any qualification, reservation or adverse remark or disclaimer.

1. The Company will undertake to regularize the appointments of the Independent Directors and Compliance officer as per provisions of Sec 149(4) of listing agreement

2. The Company also undertakes to keep record for the purpose of monitoring the changes in the shareholdings as required under section 93 of the Companies Act 2013 for the purpose of reporting the same in MGT10 within stipulated time from such change. in top 8 shareholders including the promoters.

3. The Directors have already noted and assured completion of the records pertaining to Fixed Assets.

   Given the nature of the Company's activities, the provisions relating to submission of Cost Auditors' Report do not apply to the Company.

25. CORPORATE GOVERNANCE CERTIFICATE

The provisions pertaining to Corporate Governance do not apply to the Company and hence the Company is not required to furnish any certificate with regard to Corporate Governance.

26. RISK MANAGEMENT POLICY

The provisions pertaining to Corporate Governance do not apply to the Company and hence the Company is not required to furnish any report regarding Risk Management Policy.

27. PARTICULARS OF EMPLOYEES

During the year under report, there was no employee of the category mentioned in Section 197(12) of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules,2014 and hence information in this regard is not required to be furnished.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE: Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014

There were no instances during the year attracting the provisions of Rule 8(5) (vii) of the Companies (Accounts) Rules,2014.

However, the details of litigations pending the final result as per note 31 of financial statements are disclosed under Contingent liabilities.

29. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year covered under this Report and of the loss of your Company for the year;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. The Annual Accounts have been prepared on a going concern basis.
5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls Are adequate and were operating effectively.
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively**.**

30. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of your Company.

FOR AND ON BEHALF OF THE BOARD

	Milan Dalal	**Raymond Simkins**
Place : Mumbai	**Director**	**Director**
Dated: 14th August, 2018	**DIN 00062453**	**DIN 01573312**

Annexure 1 to Report of Board of Directors

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

For the financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	**L63090MH1917PLC007897**
2.	Registration Date	**12th October 1917**
3.	Name of the Company	**Muller& Phipps India Limited**
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered Office & contact details	**204, Second Floor, Madava Commercial Comlex, Bandra Kurla Complex, Bandra East Mumbai -4000 51.**
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar &Transfer Agent, if any.	LinkIn time India Pvt Limited C-101,247 Park, LBS Marg, Vikhroli (West), Mumbai 400083.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the product/ service	%to total turnover of the company
1.	Medicated Dental Products (Cavisan and Cavifast)	30550	44.94%
2.	Ayurvedic Skin Ointment (Nixoderm)	24233	46.88%
3.	Home Care Product (Alfa Plus)	24249	08.18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S l . No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1	Muller and Phipps Industrial Services Limited	U74140MH1988PLC047489	Subsidiary	100%	2(87)
2	Muller and Phipps Agencies Limited	U51900MH1981PLC025416	Subsidiary	100%	2(87)

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

A. Category-wise Share Holding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year – 2017				Shareholding at the end of the year – 2018			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares
(A)	Shareholding of Promoter and Promoter Group								
[1]	Indian								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)								
	Sub Total (A)(1)	-	-	-	-	-	-	-	-
[2]	Foreign								

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year – 2017				Shareholding at the end of the year – 2018			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares
(a)	Individuals(Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	3,22,680	3,22,680	51.63	-	3,22,680	3,22,680	51.63
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)								
	Sub Total (A)(2)	-	3,22,680	3,22,680	51.63	-	3,22,680	3,22,680	51.63
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**-**	**3,22,680**	**3,22,680**	**51.63**	**-**	**3,22,680**	**3,22,680**	**51.63**
(B)	Public Shareholding								
[1]	Institutions								
(a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	100	100	0.02	-	100	100	0.02
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other (Specify)								
	Sub Total (B)(1)	-	100	100	0.02	-	100	100	0.02
[2]	Non-Institutions								
(a)	Bodies Corporate	136622	425	137047	21.94	1,36,720	425	1,37,145	**21.94**
(i)	Indian	-	-	-	-	-	-	-	-
(ii)	Overseas	-	-	-	-	-	-	-	-
(b)	Individuals								
(i)	Individual shareholders holding nominal share capital upto₹2 lakh.	92,058	44,653	1,36,711	21.87	93,461	44,102	1,37,563	22.01
(ii)	Individual shareholders holding nominal share capital in excess of ₹2 lakh	-	-	-	-	-	-	-	-
(c)	Any Other (Specify)								
	Clearing Member	365	-	365	0.06	304	-	304	-
	Non Resident Indians (Repat)	100	250	350	0.06	37	-	37	0.005
	Non Resident Indians (Non Repat)	33	-	33	0.01	100	250	350	0.06
	Other Directors/Relatives	15,655	5000	20,655	3.30	19,429	5000	24,429	3.95
	Other Directors	2350	--	2350	0.38	2350	--	2350	0.38
	Trusts	42	-	42	0.01	42	-	42	0.01
	Hindu Undivided Family	4667	--	4667	0.75				
	Sub Total (B)(2)	2,51,892	50,328	3,02,220	48.36	2,52,443	49,777	3,02,220	48.36
	Total Public Shareholding(B)=(B) (1)+(B)(2)	**2,51,892**	**50,428**	**3,02,320**	**48.37**	**2,52,443**	**49,877**	**3,02,320**	**48.37**
	Total (A)+(B)	**2,51,892**	**3,73,108**	**6,25,000**	**100.00**	**2,52,443**	**3,72,557**	**6,25,000**	**100.00**
(C)	Shares held by custodians and against which depository receipts have been issued								
[1]	Promoter and Promoter Group	-	-	-	-	-	-	-	-
[2]	Public	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**2,51,892**	**3,73,108**	**6,25,000**	**100.00**	**2,52,443**	**3,72,557**	**6,25,000**	**100.00**

B. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 2017			Shareholding at the end of the year 2018			% change in share-holding during the year
		No.of shares	%of total shares of the company	%of shares pled-ged/ encum-bered to total	No.of shares	%of total shares of the company	%of shares pled-ged/ encum-bered to total	
1.	Development Holdings Asia Limited	322680	51.6288		322680	51.6288		

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

Sl. No.	Particulars	Shareholding at the beginning of the year 2017		Cumulative Shareholding during the year 2018	
		No.of shares	%of total shares of the Company	No.of shares	%of total shares of the Company
	At the beginning of the year	322680	51.6288	322680	51.6288
	Date wise increase/ decrease in promoters' share-holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/Sweat Equity etc.)	No Changes in the promoters shareholdings from 1-4-2017 to 31-3-2018			
	Atthe end of the year			322680	51.6288

D. **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs/ADRs)**

Sr No.	Name&Type of Transaction	Shareholding at the beginning of the year –2017 2017		Reason	Cumulative Shareholding at the end of the year –2018	
		NO.OF SHARES HELD	%OF TOTAL SHARES OF THE COMPANY		NOOF SHARES HELD	%OF TOTAL SHARES OF THE COMPANY
1	SWAR INVESTMENTS AND TRADING CO PVT LTD	56350	9.0160		56350	9.0160
2	SATYAJYOTI HOLDINGS PRIVATE LIMITED	49525	7.9240		49525	7.9240
3	DRAVYA FINANCE LTD.,	10650	1.7040		10650	1.7040
4	VISHAL GANDHI	10028	1.6040		10028	1.6045
5	CHANDRAPRABHA GANDHI	11835	1.8936	Sell	7797	1.2475
6	PURSARTH TRADING PRIVATE LIMITED.	0	0		6867	1.0987
7	REKHA B DALAL	0	0		6000	0.9600
8	SHREE BAHUBALI INTL. LIMITED	5146	0.8234		0000	0.0000
9	SHREE BAHUBALI STOCK TRADING PRIVATE LTD	0	0	Purchase	5146	0.8234
10	SATYAN B DALAL	0	0		4000	0.6400
11	VSL SECURITIES PRIVATE LIMITED	3312	0.5299		3312	0.52990
12	SWARNADHARA HOLDINGS PRIVATE LIMITED	3000	0.4800		3000	0.48000

Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 2017		Cumulative shareholding during the year 2018	
		No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
1	**Mr. Milan B. Dalal**				
	At the beginning of the year	**2,350.00**	**0.376**	**2350**	**0.3760**
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	**2,350.00**	**0.3760**	**2350**	**0.3760**
2	**Mr. Ray Simkins**				
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	-	-	-	-

3	**Mrs.Kamlini C. Maniar**				
	Atthe beginning of the year	-	-	-	-
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equityetc.)				
	At the end of the year	-	-	-	-
4	**KEY MANAGERIAL PERSONNEL**	**NIL**	**NIL**	**NIL**	**NIL**

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

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
In debt ness at the beginning of the year	-	-	-	-
(i) Principal amount	-	1,89,00,000	-	1,89,00,000
(ii) Interest due but not paid	-	99,10,554	-	99,10,554
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)		2,88,10,554		2,88,10,554
Change in indebtedness during the financial year	-	-	-	-
• Addition		20,39,207		20,39,207
• Reduction	-	-	-	-
Net change	-	20,39,207	-	20,39,207
Indebtedness at the end of the year	-	-	-	-
(i) Principal amount	-	1,89,00,000	-	1,89,00,000
(ii) Interest due but not paid	-	1,19,49,761	-	1,19,49,761
(iii) Interest accrued but not due	-	-	-	-

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

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

Sr. No.	Name of the Person and Designation	Particulars of Remuneration	Total Amount
	Mr. P. V. Mohan. President-Operation	Gross Salary	₹9,71,000/-

B. **Remuneration to other Directors:**

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
1	**Other Non-Executive Directors**	**Milan Dalal**		**Ray Simkins**	
	Fee for attending Board/Committee Meetings	₹20000/-		5000/-	₹25000/-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (3) of	₹20000/-	--	5000/-	₹25000/-
	Other Non. Exe. Dir.				
2	**Independent Directors:Z**	**Mrs. Kamlini Maniar**			**Total**
	Fee for attending Board/Committee Meetings	₹ 10.000/-			₹ 10000/-
	Commission	-			
	Others, please specify	-			
	Total (1)	₹ 10,000/-			₹ 35,000/-
	Total B 1+B2 = 1(3) + 2(1)	**₹35,000/-**			**₹35,000/-**

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD The Company has no Key Managerial Personnel other than the Director

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1.	Gross salary				
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-	-
	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit -others, specify	-	-	-	-
5.	Others,please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/COMPOUNDING

There were no penalties, punishment and compounding of offences during the year ended March 31, 2018

Annexure 2 to Report of Board of Directors

Directors and Related party Disclosure and particulars of Transactions :

1 (As per note no. 36 of Financial Statements for 2017-2018)

Notes to the financial statements for the year ended 31st March, 2018

Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Subsidiaries				Associates						Key Management Personnel	
	Getz Bros. Co. Ltd.		Muller & Phipps Agencies Ltd.		Muller & Phipps (Industrial Services) Ltd.		Foods and Inns Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions														
Purchase of Goods	-	-	-	-	-	-	-	18,35,700	-	-	**1,46,77,897**	50,58,184	-	-
Directors Fees	-	-	-	-	-	-	-	-	-	-	-	-	**20,000**	20,000
Printing and Stationery	-	-	-	-	-	-	-	-	**1,38,438**	1,04,153	-	-	-	-
Interest Expenses	-	-	**32,000**	32,000	-	-	**23,12,497**	23,12,488	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	**76,806**	55,357	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end														
Intercorporate Loans payable	-	-	**4,00,000**	4,00,000	-	-	**1,85,00,000**	1,85,00,000	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	**13,30,760**	12,53,954	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	-	-	-	-	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	-	-	-	-	11,35,700	**7,48,659**	6,30,221	**52,38,754**	46,96,332	-	-
Interest Payable	-	-	**45,138**	87,180	-	-	**1,19,04,623**	98,23,374	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	**13,30,760**	12,53,954	-	-	-	-	-	-	-	-

Annexure 3 to Report of Board of Directors
Form MR 3: Secretarial Audit Report

For the year 2017-18

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

To,

The Members
MULLER AND PHIPPS (INDIA) LTD
204,Madhava Bldg,2nd Floor,
Bandra Kurla Complex, Bandra East,
Mumbai 400 051

We conducted the audit of secretarial compliances as per applicable statutory provisions to the company and the adherence to good corporate practices by Muller & Phipps India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon under the normal operating circumstances to pursue the main objects of the company. Based on our verification of the 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 ended on 31st March 2018, complied with the following and also with the Board-processes in a manner prescribed and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period mentioned above 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') to the extent applicable to the Company :-
      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,1992;
      c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      d. 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;
      e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
      f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
      g. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and SEBI- LODR 2015
      h. Secretarial Standards issued by The Institute of Company Secretaries of India\
2. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has, in our opinion, complied with the provisions of the following acts:
   i) The employees State Insurance Act, 1948,
   ii) Employees provident Fund and Miscellaneous provisions Act 1952, and other applicable labour related laws,
   iii) Other applicable rules and regulations of local civic bodies, state governments and authorities wherever applicable as per management representation letter given to us; And\
   iv) Companies Act, 2013 and the Rules made under that Act, and the Memorandum and Articles of Association of the Company, with regard to:
      a) Maintenance of various statutory registers and documents and making necessary entries therein;
      b) Closure of the Register of members.
      c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies

d) service of documents by the Company on its Members, Auditors and the Registrar of Companies, stock exchange, or law offices;

e) notice of Board meetings, the meetings of Directors, passing of resolutions, minutes of the proceedings of the Board meetings and of 100th Annual General Meeting held on 13th September,2017.

f) approvals of the Members, the Board of Directors, and the government authorities, wherever required with or without dissents on the items in the proceedings;

g) constitution ofthe Board of Directors, appointment, retirement and reappointment of Directors including the Managing Director, Auditors, Practising Company Secretary etc;

h) payment of remuneration to the Managing Director; remuneration of Auditors;

i) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares wherever necessary;

j) borrowings and registration, modification and satisfaction of charges wherever applicable;

k) investment of the Company's funds ;

l) formof balance sheet and profit and loss as prescribed under Company Act, 2013;

m) Directors' report;

n) contracts, common seal, registered office and publication of name of the Company; and o) Generally, all other applicable provisions of the Act and the Rules made under the Act.

subject to the observations below :

i Company needs to comply with Companies (Meetings of board and its powers) Rules, 2014, disclosure of interest of Directors and other applicable provisions and maintain the record as prescribed.

ii The company needs to have non- interested Director and Independent Director to carry on the business of the company to form quorum in the Board Meetings.

iii The company needs to observe the shareholding pattern as given every week by Registrar and Transfer Agent appointed by the company to show changes, in the top ten shareholders of the company including promoters, as per provisions of u/s 93 of the Companies Act 2013 so as to avoid default of reporting in the Form MGT 10 where the change is more than 2 % in the shareholding.

iv the company has mentioned 'Compliance officer' for the purpose of statutory Compliances in absence any appointment of a Whole Time Director, a Company Secretary and a Chief Financial Officer of the company which is mandatory.

v The company needs to maintain proper and duly authenticated minutes of the company , including the minutes of the subsidiary companies as per revised Secretarial Standards applicable to the company.

3. Company has,

   i. The Company has obtained all necessary approvals under the various provisions of the Act; and

   ii. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers,

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company as per records maintained at Registrar & Transfer agent including e Voting and postal Ballot arrangements with the help of Registrar and Transfer Agents;.

6. We further report that:

   based on the information received and records maintained by the company and subject to our remark in 3(ii) (iii)above, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sanjay Soman& Associates
Company Secretaries

Sd/-
Sanjay Soman
Prop.
CP817

Place : Mumbai
Date : 4th Aug 2018

Encl. Annexure 'A' to Secretarial Audit Report

Annexure 'A' to Secretarial Audit Report

To

The Members,

Muller & Phipps India Limited

Statement regarding Secretarial Audit Report for the Financial Year ended 31.03.2018

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

For Sanjay Soman& Associates
Company Secretaries

Sanjay Soman
Prop. CP817

Place : Mumbai

Dated : 4th August, 2018

ANNEXURE 4 FORM AOC -1

(Pursuant to first provisio to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the Financial Statement of Subsidiaries/Associates/Joint Ventures

Sr no	Particulars	Subsidiary	Subsidiary
1	Name of the Company	Muller & Phipps Agencies Ltd	Muller & Phipps Industrial Services Ltd
2	Reporting period for the subsidiary concerned,if different from the holding companys reporting period	31/3/2018	31/3/2018
3	Reporting Currency and Exchange rates as on the last date of the relevant Financial Year in case of foreign subsidiaries	N/A	N/A
4	Share Capital	500,000	500,000
5	Reserves & Surplus	(132,299)	(2,071,721)
6	Total Assets	487,546	18,161
7	Total Liabilities	119,845	1,589,882
8	Investments	-	-
9	Turnover	32,180	113,923
10	Profit before Taxation (A)	(39,562)	(4,150)
11	Provision for Taxation (B)	-	-
12	Profit after Taxation (A)- (B)	(39,562)	(4,150)
13	Proposed Dividend	-	-
14	% of Shareholding	100%	100%

Place: Mumbai
Dated: 4th August, 2018

Milan Dalal
Director
DIN No. 00062453

INDEPENDENT AUDITOR'S REPORT

To the Members of Muller & Phipps (India) Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of Muller & Phipps (India) Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adeaquate accounting records in accordance with the provisions of the Act for the safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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 the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Basis for Qualified Opinion

The financial statements have been prepared on a going concern basis by the management although the net worth of the Company has been completely eroded and there are no profits from operational activities, on the basis that they have business plans for profitable operations in the future (Refer Note No.40). However, no such plans have been shown or explained to us to our satisfaction and hence we are unable to form any opinion on the going concern status of the Company.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2018, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

Corresponding figures for the year ended 31 March,2017 have been audited by another auditor which expressed an qualified opinion dated 18 May, 2017 on the standalone financial statements of the company for the year ended 31 March, 2017.

Our opinion on the standalone financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. The going concern matter described under the Basis of Qualification paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f. On the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of section 164(2) of the Act.

   g. 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 II’.

   h. 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, in our opinion and to the best of our information and according to the explaination given to us:

      i. The Company has disclosed the impact of pending litigations on its financial positions in its financial statements – Refer Note 31 to the financial statements.

      ii. The Company did not have any long-term contract including derivative contracts for which there were any material forseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. F. Jetsey & Co.
Chartered Accountants
Firm’s Registration No. 104209W

(CA. Keshav Jetsey)
Propreitor
Membership No. 033206

Place: Mumbai
Date: 31st May, 2018

Annexure I

Annexure to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of Muller & Phipps (India) Limited.

Report on Companies (Auditor’s Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act, 2013 (‘the Act’)

As required by the Companies (Auditor’s Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Act, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1. a) The Company has not maintained proper records to show full particulars, including quantitative details and situation of Property, Plant and Equipment.

   b) No physical verification of Property, Plant and Equipment has been conducted by the management during the year or in the recent past. In our opinion, the frequency of verification needs to be improved to be commensurate with the size of the Company and the nature of its business.

   c) The Company does not own any immovable property.

2. a) The inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies found .

   b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) The Company has maintained proper records of inventory. The discrepancies between the physical inventory and the book records noticed on physical verification were not material and have been properly dealt with in the books of account.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
6. The Central Government has not prescribed maintenance of cost records under sub section (1) of sec 148 of the Companies Act, 2013.
7. a) According to the information and explanations given to us by the management and on the basis of examination of the books of accounts carried out by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us by management and the records of the Company examined by us, there were no disputed dues in respect of Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at 31st March, 2018 other than those shown below ::

Nature of dues pending	Amount	Forum where dispute is
Income Tax A.Y 2001-02	10,57,725	Deputy Commissioner of Income-tax for giving effect to ITAT orders which are in favour of the Company.
Income Tax Penalty A.Y 2001-02	2,10,00,000	Deputy Commissioner of Income-tax for giving effect to ITAT orders which are in favour of the Company.
Sales Tax A.Y 2004-05 A.Y 2002-03	2,85,000 2,29,000	Sales Tax Authorities – Lucknow

8. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has not paid any managerial remuneration during the year.
12. Clause (xii) of the Order is not applicable to the Company since the Company is not a Nidhi Company.
13. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details as required by the Accounting Standards have been disclosed in the Financial Statements.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions covered in Section 192 of the Act with Directors or persons connected with him during the year
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Place: Mumbai
Date: 31st May, 2018

Annexure II

Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Muller & Phipps (India) Limited

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

We have audited the internal financial controls over financial reporting of Muller & Phipps (India) Limited ('the Company') as of 31st March, 2018 in conjunction with our audit of the standalone 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. 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA. Keshav Jetsey)
Propreitor
Membership No. 033206

Place : Mumbai
Date: 31st May, 2018

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Notes	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**3**	**5,12,603**	4,30,512	7,30,324
Other Intangible Assets	**4**	**-**	-	-
Financial Assets				
Investments	**5**	**1,00,000**	1,00,000	1,00,000
Loans	**6**	**-**	-	-
Other Financial Assets	**7**	**3,82,85,710**	3,84,05,661	3,84,09,195
Total Non-Current assets		**3,88,98,313**	3,89,36,173	3,92,39,519
Current Assets				
Inventories	**8**	**5,49,318**	4,43,964	1,02,162
Financial Assets				
Trade Receivables	**9**	**34,84,241**	54,84,020	48,06,768
Cash and cash equivalents	**10**	**17,46,893**	9,42,168	3,84,912
Other Bank Balances	**11**	**-**	81,423	2,48,339
Other Current Assets	**12**	**73,414**	86,698	1,09,488
Total Current assets		**58,53,866**	70,38,273	56,51,669
TOTAL ASSETS		**4,47,52,179**	4,59,74,446	4,48,91,188
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	**13**	**62,50,000**	62,50,000	62,50,000
Other Equity		**(5,54,93,703)**	(5,52,20,268)	(5,58,17,939)
Total Equity		**(4,92,43,703)**	(4,89,70,268)	(4,95,67,939)
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	**14**	**1,89,00,000**	1,89,00,000	1,89,00,000
Other Financial Liabilities	**15**	**2,87,04,001**	2,93,20,905	2,95,94,349
		4,76,04,001	4,82,20,905	4,84,94,349
Provisions				
Employee Benefit Obligations	**16**	**16,15,373**	14,55,140	16,79,553
Total Non-current Liabilities		**4,92,19,374**	4,96,76,045	5,01,73,902
Current Liabilities				
Financial Liabilities				
Trade Payables	**17**	**2,39,15,714**	2,49,46,735	2,55,09,536
Other Financial Liabilities	**18**	**1,19,49,761**	1,02,91,867	82,29,741
Other Current Liabilities	**19**	**48,16,512**	56,84,333	61,69,484
Provisions				
Employee Benefit Obligations	**20**	**39,33,521**	41,84,734	43,51,464
Tax Liabilities	**21**	**1,61,000**	1,61,000	25,000
Total Current Liabilities		**4,47,76,508**	4,52,68,669	4,42,85,225
TOTAL EQUITY AND LIABILITIES		**4,47,52,179**	4,59,74,446	4,48,91,188

The accompanying notes 1 to 40 form an integral part of the financial statements

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	**Notes**	**For year ended March 31, 2018 ₹**	For year ended March 31, 2017 ₹
INCOME			
Revenue from Operations	**22**	**3,13,95,741**	3,43,38,565
Other Income	**23**	**17,58,424**	30,94,121
TOTAL REVENUE		**3,31,54,165**	3,74,32,686
EXPENDITURE			
Purchases (net of returns) of Stock- in-trade	**24**	**1,36,80,410**	1,75,87,020
Changes in Inventories of Finished Goods	**25**	**(1,05,354)**	(3,41,802)
Employee Benefits Expense	**26**	**86,29,721**	74,29,132
Finance Costs	**27**	**23,60,504**	24,13,717
Depreciation and Amortisation Expense	**28**	**1,01,773**	1,13,187
Other Expenses	**29**	**88,66,141**	97,53,377
TOTAL EXPENSES		**3,35,33,195**	3,69,54,631
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**(3,79,030)**	4,78,055
PROFIT / (LOSS) BEFORE TAX		**(3,79,030)**	4,78,055
Current Tax		**-**	1,36,000
Deferred Tax Adjustment - Debit / (Credit)		**-**	-
PROFIT / (LOSS) FOR THE YEAR		**(3,79,030)**	3,42,055
OTHER COMPREHENSIVE INCOME			
Items that wil not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		**1,05,595**	2,55,617
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(2,73,435)**	5,97,672
Earning per Share - Basic and Diluted	**39**	**(0.61)**	0.55

The accompanying notes 1 to 40 form an integral part of the financial statements

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹
Outstanding at the beginning of the year	**62,50,000**	62,50,000
Issued during the year	**-**	-
Bought back during the year	**-**	-
Outstanding at the end of the year	**62,50,000**	62,50,000

OTHER EQUITY

Particulars	Share application money pending allotment (₹)	Reserves and Surplus		Other Comprehensive Income (₹)	Total (₹)
		Securities Premium Reserve (₹)	General Reserve (₹)		
Balance as at April 01, 2017	**-**	**2,25,00,000**	**(7,77,20,268)**	**-**	**(5,52,20,268)**
Profit for the year	**-**	**-**	**(3,79,030)**	**-**	**(3,79,030)**
Other Comprehensive Income	**-**	**-**	**-**	**1,05,595**	**1,05,595**
As at March 31, 2018	**-**	**2,25,00,000**	**(7,80,99,298)**	**1,05,595**	**(5,54,93,703)**
Balance as at April 01, 2016	-	2,25,00,000	(7,83,17,939)	-	(5,58,17,939)
Profit for the year	-	-	3,42,054	-	3,42,054
Other Comprehensive Income	-	-	-	2,55,617	2,55,617
As at March 31, 2017	-	2,25,00,000	(7,79,75,885)	2,55,617	(5,52,20,268)
The accompanying notes 1 to 40 form an integral part of the financial statements					

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

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

	Particular	For the year ended March 31, 2018 ₹		For the year ended March 31, 2017 ₹	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Tax		(3,79,030)		4,78,054
	Adjustments for				
	Depreciation	1,01,773		1,13,187	
	Profit / (Loss) on Sale of Fixed Assets	-		1,28,919	
	Interest and Finance Charges Expenses	23,60,504	24,62,277	24,13,717	26,55,823
	Operating Profit/(Loss) before Working Capital Changes		20,83,247		31,33,877
	Adjustment for				
	(Increase)/Decrease in Trade and Other Receivables		22,67,353		(6,51,462)
	(Increase)/Decrease in Inventories		(1,05,354)		(3,41,802)
	Increase/(Decrease) in Sundry Creditors and Other Liabilities		(25,01,131)		(13,20,922)
	Cash Used in Operations		17,44,115		8,19,691
	Taxes Paid		(1,34,340)		(1,35,465)
	Net Cash from Operating Activities		16,09,775		6,84,226
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets		(1,83,863)		(39,640)
	Sale of Fixed Assets		-		97,345
	Investment / (encashment) - Margin Money Deposits		-		-
	Net Cash (used in) Investing Activities		(1,83,863)		57,705
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest Paid		(7,02,610)		(3,51,591)
	Net Cash (used in) Financing Activities		(7,02,610)		(3,51,591)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		7,23,302		3,90,340
	Cash and Cash Equivalents as at beginning of the year		10,23,591		6,33,251
	Cash and Cash Equivalents as at close of the year		17,46,893		10,23,591

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

1 CORPORATE INFORMATION

Muller and Phipps (India) Ltd is a public limited company incorporated in India having its registered office at 204, Madhava Building, Bandra Kurla Complex, Bandra East, Mumbai-400051. The Company is engaged in marketing of over the counter medical preparation and home care products.

2 SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and other relevent provisions of the Act. In accordance with the notification issued by the Ministry of Corporate Affairs,the Company has adopted Ind AS with effect from April 1, 2017.These are the Company's first Ind AS financial statements.The date of transition to Ind AS is April 1, 2016.These financial statement for the year ended 31st March,2018 are the first financial statements the company has prepared under Ind AS. For all periods upto and including the year ended 31st March,2017 the company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013 read with together with rule 7 of the Companies(Accounts) Rules 2014.

The Company has prepared opening Balance Sheet as per Ind AS as of 1st April,2016 (transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS ,applying Ind AS to measure the recognized assets and liabilities. The optional exemption and mandatory exception availed by the Company under Ind AS 101 are as follows:

A Optional Exemption:

Deemed cost for property,plant and equipment and intangible assets

The Company has elected to continue with carrying value determined in accordance with the normally accepted accounting principal for all of its property,plant and equipment and intangible assets recognized as of 1st April,2016 (transition date) and use that carrying value as deemed cost of such assets as of transition date.

B Mandatory Exceptions :

Use of Estimate

On assessment of the estimates made under the normally accepted accounting principal financial statements,the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under historical cost basis, except for certain financial assets which are measured at fair value.

2.2 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.3 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(l).

2.4 REVENUE RECOGNITION

Revenue is measured at fair value of consideration received or receivable. All income and expenditure items are recognised on accrual basis.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

Revenue is reported net of discounts and indirect taxes

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

2.5 **COST RECOGNISITION**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised into employee benefit expenses, cost of traded goods, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, legal and professional fees, etc.

Payments to employees under voluntary retirement schemes are deferred and written off equally over a period of 5 years starting from the year in which payment is made.

2.6 **FOREIGN CURRENCY TRANSLATION**

Foreign currency revenue transactions are booked at the exchange rate prevailing at the date of the transaction. Exchange loss/gain on realisation/payment is booked to exchange fluctuation. Foreign currency assets and liabilities outstanding as at the year end, if any, are translated at the year end exchange rates.

2.7 **TAXATION**

Provision for taxes is made based on the current applicable tax rates. Adjustment for deferred tax is made based on the tax effect of timing differences resulting from the recognition of items in the financial statements and their allowance under the tax laws, subject to the consideration of prudence. The effect on deferred tax of a change in income tax rates is recognised in the period that includes the enactment date.

2.8 **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consists of balances with bank which are unrestricted for withdrawal and usage.

2.9 **PROPERTY, PLANTAND EQUIPMENT AND DEPRECIATION**

i) Property,Plant and Equipment are stated at acquisition cost less accumulated depreciation.

ii) Depreciation on Tangible assets are provided by written down value method over the estimated useful life prescribed under part "C" Schedule II of Companies Act, 2013, keeping a residual value of 5 %.

iii) Technical Know-how is depreciated equally over a period of 20 years starting from the month in which Technical Know-how has been put to use.

iv) Trade Marks/Brand are depreciated equally over 10 years starting from the month in which the Trade Marks / Brand have been acquired.

v) Impairment in the carrying value of the fixed assets is recognised in accordance with Accounting Standard No. 28 - ' Impairment of Assets'.

Type of asset	**Method**	**Useful lives**
Plant and Machinery	Written Down Value	8 Years
Office Equipment	Written Down Value	5 Years
Furniture and Fixtures	Written Down Value	8 Years
Computer Equipments	Written Down Value	3 Years
Motor Vehicles	Written Down Value	4 Years

2.10 **INTANGIBLE ASSETS**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment. If any. Intangiable assets consist of technical know how

2.11 **IMPAIRMENTS**

i) **FINANCIAL ASSETS (OTHER THAN AT FAIR VALUE)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

ii) **NON-FINANCIAL ASSETS**

a) **TANGIBLE AND INTANGIBLE ASSETS**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value- in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

b) **GOODWILL**

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

2.12 **Financial instruments:**

i) **Initial recognition and measurement:**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii) **Financial Assets:**

Classification and subsequent measurement of financial assets:

a) Classification of financial assets:

- The Company classifies its financial assets in the following measurement categories:

  - those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

  - those measured at amortised cost.

- The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.
- For investments in debt instruments, this will depend on the business model in which the investment is held.
- The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) **Subsequent Measurement:**

- **Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:-

Financial assets at amortised cost

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

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

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

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

Financial assets are subsequently measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

- **Equity instruments:**

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

Investments in equity instruments at FVTPL:

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI:

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

c) **Impairment of Financial Assets:**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

d) **Derecognition of Financial Assets:**

A financial asset is primarily derecognised when:

- the right to receive cash flows from the asset has expired, or
- the Company has transferred its rights to receive cash flows from the asset; and

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

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

  On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

iii) **Financial Liabilities and Equity Instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

2.13 **EMPLOYEE/RETIREMENT BENEFITS**

The Company has made arrangements with the Life Insurance Corporation of India through Gratuity Fund and Superannuation Fund for meeting its employee retirement liability. The liability for gratuity is calculated on basis of actuarial valuation as reduced by funded amount. Leave encashment benefit is provided for based on actuarial valuation basis.

2.14 **INVENTORIES**

i) Raw material are valued at cost on FIFO basis or net realisable value whichever is lower

ii) Process stock is valued at material cost or net realisable value whichever is lower.

iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost in respect of own manufactured goods includes material cost, direct labour and attributable production overheads.

2.15 **INVESTMENTS**

Long-term investments are valued at cost except that any permanent diminution in the value thereof is recognised in the profit and loss account.

2.16 **TRADE RECEIVABLES**

Trade Receivables are non interest bearing and are generally for a period of 45 to 60 days. Credit period which may go up due to market conditions.

2.17 **EARNING PER SHARE**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.18 **LEASES :**

Ind AS requires an entity to assessee whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arraganement. Ind AS 101 provides an option to make this assessment on basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The company has elected to apply this exemption for such contracts/arrangements.

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company's has not entered in operating lease arrangements for any of its premises or other equipment. However they have taken certain premises only under annual leave and license.

2.19 **Application of new and revised Ind AS's**

All the Indian Accounting Standards ("Ind AS") issued and notified by the Ministry of Corporate Affairs are efective and consider for the significant accounting policies to the extent relevant and applicable for the Company.

The Company has not applied the following new and revised Indian Accounting Standards ("Ind AS") that have been issued and the notified by the Ministry of Corporate Affairs in March 2018 but are not effective. These amendments are in accordance with the recent amendments made by the International Accounting Standards Boards (IASB). The Company is evaluating the impact of these announcements on the financial statements.

Foreign currency transaction and advance consideration - Ind AS 21

On 28thMarch, 2018, Ministry of Corporate Affairs ("MCA") has notified the companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on intial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency. The amendment will come into force from 1st April, 2018.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

2.20 Reconciliation between previous GAAP to IndAS

A Reconcilaition of Balance Sheet as previosly reported under previous GAAP to Ind AS as at April 1,2016

(₹)

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		7,30,324	-	7,30,324
Other Financial Assets		3,85,09,195	-	3,85,09,195
Total non-current assets		**3,92,39,519**	**-**	**3,92,39,519**
Current assets				
Financial assets				
i. Inventories		1,02,162	-	1,02,162
ii. Trade Recievable		48,06,768	-	48,06,768
iii. Cash and cash equivalents		3,84,912	-	3,84,912
iv. Other Bank Balance		2,48,339	-	2,48,339
v. Current Tax (net)		-	-	-
vi. Other Current assets		1,09,488	-	1,09,488
Total current assets		56,51,669	-	56,51,669
TOTAL ASSETS		**4,48,91,188**	**-**	**4,48,91,188**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		62,50,000	-	62,50,000
Other Equity		(5,58,17,939)	-	(5,58,17,939)
Total equity		(4,95,67,939)	**-**	(4,95,67,939)
Liabilities				
Non-current assets				
Borrowings		1,89,00,000	-	1,89,00,000
Other Financial Liabilities		2,95,94,349	-	2,95,94,349
Employee Benefit Obligation		16,79,553	-	16,79,553
Current liabilities				
i. Trade payables		2,55,09,536	-	2,55,09,536
ii. Other financial liabilities		82,29,741	-	82,29,741
iii. Other current liabilities		61,69,484	-	61,69,484
iv. Provisions		25,000	-	25,000
v. Employee Benefit Obligation		43,51,464	-	43,51,464
Total current liabilities		**4,42,85,225**	**-**	**4,42,85,225**
Total liabilities		**4,48,91,188**	**-**	**4,48,91,188**

The Previous GAAP figures have been reclassifed to conform to Ind AS presentation requirement for the purpose of this note

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

B Reconcilaition of Balance Sheet as previosly reported under previous GAAP to Ind AS as at March31st,2017

			(₹)
	Previous GAAP	**Effect of transition to Ind AS**	**Ind AS**
ASSETS			
Non-current assets			
Property, plant and equipment	4,30,512	-	4,30,512
Other Financial Assets	3,85,05,661	-	3,85,05,661
Total non-current assets	**3,89,36,173**	**-**	**3,89,36,173**
Current assets			
Financial assets			
i. Inventories	4,43,964	-	4,43,964
ii. Trade Recievable	54,84,020	-	54,84,020
iii. Cash and cash equivalents	9,42,168	-	9,42,168
iv. Other Bank Balance	81,423	-	81,423
v. Current Tax (net)	-	-	-
vi. Other Current assets	86,698	-	86,698
Total current assets	70,38,273	-	70,38,273
TOTAL ASSETS	**4,59,74,446**	**-**	**4,59,74,446**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	62,50,000	-	62,50,000
Other Equity	(5,52,20,268)	-	(5,52,20,268)
Total equity	(4,89,70,268)	**-**	(4,89,70,268)
Liabilities			
Non-current assets			
Borrowings	1,89,00,000	-	1,89,00,000
Other Financial Liabilities	2,93,20,905	-	2,93,20,905
Employee Benefit Obligation	14,55,140	-	14,55,140
Current liabilities			
i. Trade payables	2,49,46,735	-	2,49,46,735
ii. Other financial liabilities	1,02,91,867	-	1,02,91,867
iii. Other current liabilities	56,84,333	-	56,84,333
iv. Provisions	1,61,000	-	1,61,000
v. Employee Benefit Obligation	41,84,734	-	41,84,734
Total current liabilities	**4,52,68,669**	**-**	**4,52,68,669**
Total liabilities	**4,59,74,446**	**-**	**4,59,74,446**

The Previous GAAP figures have been reclassifed to conform to Ind AS presentation requirement for the purpose of this note

C Reconciliation Statement of Profit and loss as previosly reported under previous GAAP to Ind AS for the year ended March 31,2017

(₹)

Particulars	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
REVENUES				
Revenue from Operating		3,43,38,565	-	3,43,38,565
Other Income		30,94,121	-	30,94,121
Total Income		**3,74,32,686**		**3,74,32,686**
EXPENSES				
Purchase		1,75,87,020	-	1,75,87,020
Changes in Inventories of Finished Goods		(3,41,802)	-	(3,41,802)
Employee benefit expense		71,73,515	2,55,617	74,29,132
Finance Cost		24,13,717	-	24,13,717
Depreciation and amortisation expense		1,13,187	-	1,13,187
Other Expenses		97,53,377	-	97,53,377
Total expenses		**3,66,99,014**	**2,55,617**	**3,69,54,631**
Profit before exceptional items and tax		**7,33,672**	(2,55,617)	**4,78,055**
Exceptional items		-	-	-
Profit before tax		**7,33,672**	(2,55,617)	**4,78,055**
Income tax expense				
Current tax		1,36,000	-	1,36,000
Deferred tax		-	-	-
Short/(excess) provision for earlier year		-	-	-
Total tax expense		**1,36,000**	**-**	**1,36,000**
Profit for the year		**5,97,672**	(2,55,617)	**3,42,055**
Other comprehensive income				
Items that will not be reclassfied to profit or loss				
Remeasurement gains/losses on defined benefit plans			2,55,617	2,55,617
Total comprehensive income for the year		**5,97,672**	**-**	**5,97,672**

Note

The previous GAAP figures have been reclassified to conform to Ind AS presentation reqirements for the purpose of this note

Defined Benefit Plans

Under previous GAAP actuarial gains and losses were recognised in Statement of Profit and Loss.Under

Ind AS ,actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in Other Comprehensive Income

D Cash flow Reconciliation

There are no material changes in Cash Flows reported in previous GAAP in comparison with Ind AS

E **Disclosures as per Ind AS-17 on Leases**

(₹)

	As at March 31,2018	As at March 31,2017	As at April 1,2016
Within 1 Year	-	-	-
After 1Year but before 5 years	11,82,240	16,94,421	17,93,482
After 5 years	-	-	-
Total	11,82,240	16,94,421	17,93,482

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Particulars	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer Equipment	Motor Vehicles	TOTAL
	₹	₹	₹	₹	₹	₹
Cost as at 01-04-2017	3,89,862	19,95,990	35,29,591	29,66,234	-	**88,81,677**
Additions during the year	-	-	-	1,83,863	-	**1,83,863**
Deductions during the year	-	-	-	-	-	**-**
Cost as at 31-03-2018	3,89,862	19,95,990	35,29,591	31,50,097	-	**90,65,540**
Accumulated Depreciation at 01-04-2017	3,23,792	17,54,067	34,26,544	29,46,762	-	**84,51,165**
Depreciation charge for the year	17,471	19,443	12,927	51,932	-	**1,01,773**
Depreciation disposals for the year	-	-	-	-	-	**-**
Accumulated Depreciation at 31-03-2018	3,41,263	17,73,509	34,39,471	29,98,694	-	**85,52,937**
Net Value as at 31-03-2018	48,599	2,22,481	90,120	1,51,403	-	**5,12,603**
Cost as at 01-04-2016	3,89,862	19,56,350	35,29,591	29,66,234	8,28,722	96,70,759
Additions during the year	-	39,640	-	-	-	39,640
Deductions during the year	-	-	-	-	8,28,722	8,28,722
Cost as at 31-03-2017	3,89,862	19,95,990	35,29,591	29,66,234	-	88,81,677
Accumulated Depreciation at 01-04-2016	3,15,490	17,30,580	34,12,418	28,96,784	5,85,163	89,40,435
Depreciation charge for the year	8,302	23,486	14,126	49,978	17,294	1,13,186
Depreciation disposals for the year	-	-	-	-	6,02,457	6,02,457
Accumulated Depreciation at 31-03-2017	3,23,792	17,54,067	34,26,544	29,46,762	-	84,51,165
Net Value as at 31-03-2017	66,070	2,41,923	1,03,047	19,472	-	4,30,512
Cost as at 01-04-2016	3,89,862	19,56,350	35,29,591	29,66,234	8,28,722	96,70,759
Additions during the year	-	-	-	-	-	-
Deductions during the year	-	-	-	-	-	-
Cost as at 01-04-2016	3,89,862	19,56,350	35,29,591	29,66,234	8,28,722	96,70,759
Accumulated Depreciation at 01-04-2016	3,16,917	17,39,440	34,15,203	29,02,290	5,66,585	89,40,435
Depreciation charge for the year	-	-	-	-	-	-
Depreciation disposals for the year	-	-	-	-	-	-
Accumulated Depreciation at 01-04-2016	3,16,917	17,39,440	34,15,203	29,02,290	5,66,585	89,40,435
Net Value as at 01-04-2016	72,945	2,16,910	1,14,388	63,944	2,62,137	7,30,324

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

4 INTANGIBLE ASSET

Particulars	Technical Know-How ₹
Cost as at 01-04-2017	**3,88,25,605**
Additions during the year	**-**
Deductions during the year	**-**
Cost as at 31-03-2018	**3,88,25,605**
Total Depreciation as at 31-03-2018	**1,00,29,947**
Impairmental Provision as at 31-03-2018	**2,87,95,658**
Net Value as at 31-03-2018	**-**
Cost as at 01-04-2016	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 31-03-2017	3,88,25,605
Total Depreciation as at 31-03-2017	1,00,29,947
Impairmental Provision as at 31-03-2017	2,87,95,658
Net Value as at 31-03-2017	-
Cost as at 01-04-2016	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 01-04-2016	3,88,25,605
Total Depreciation as at 01-04-2016	1,00,29,947
Impairmental Provision as at 01-04-2016	2,87,95,658
Net Value as at 01-04-2016	-

NON-CURRENT ASSETS

FINANCIAL ASSETS

5 *Investments*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unquoted, Non-trade - at Cost			
Shares in Subsidiary Companies -			
50,000 Equity Shares of ₹10 each fully paid up of			
Muller & Phipps (Agencies) Ltd.	**5,00,000**	5,00,000	5,00,000
10,000 Equity Shares of ₹10 each fully paid up of			
Muller & Phipps (Industrial Services) Ltd.	**1,00,000**	1,00,000	1,00,000
4,000 14% Cumulative Redeemable Preference Shares of ₹100 each fully paid up of Muller & Phipps (Industrial Services) Ltd.	**4,00,000**	4,00,000	4,00,000
	10,00,000	10,00,000	10,00,000
Less: Provision for diminution in value of shares	**9,00,000**	9,00,000	9,00,000
	1,00,000	1,00,000	1,00,000

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

6 LOANS

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured, Considered Good unless otherwise specified			
Advances to related parties			
Due from Muller and Phipps (Industrial Services) Ltd.- Considered good	**-**	-	-
-Considered doubtful	**13,30,760**	12,53,954	11,98,597
	13,30,760	12,53,954	11,98,597
Less: Provision for Doubtful Advances	**13,30,760**	12,53,954	11,98,597
	-	-	-

7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured, Considered Good			
Receivable from related party - Getz Bros Co. Ltd.	**2,87,54,011**	2,87,54,011	2,87,54,011
Security Deposits	**25,44,408**	28,11,458	28,14,458
Advances others - Considered good	**1,39,087**	1,26,327	1,26,327
- Considered doubtful	**-**	-	-
Advance Tax and Tax Refunds Due	**68,48,204**	67,13,865	67,14,399
	3,82,85,710	3,84,05,661	3,84,09,195

CURRENT ASSETS

8 INVENTORIES

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Cosmetics / Toiletries	**-**	33,752	16,165
Medicated Preparations	**5,49,318**	4,10,212	85,997
	5,49,318	4,43,964	1,02,162

9 TRADE RECEIVABLES

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
FINANCIAL ASSETS			
Unsecured, Considered Good unless otherwise specified			
Debts overdue for more than six months - Considered good	**-**	-	-
- Considered doubtful	**87,005**	87,005	69,640
	87,005	87,005	69,640
Other Debts- Considered good	**34,84,241**	54,84,020	48,06,768
	35,71,246	55,71,025	48,76,408
Less: Provision for Doubtful Debts	**87,005**	87,005	69,640
	34,84,241	54,84,020	48,06,768

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

10 *CASH AND CASH EQUIVALENTS*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Cash on hand	**40,312**	10,046	46,730
Balances with Banks			
On Current Account	**16,77,349**	9,03,868	3,10,298
On Savings Account	**29,232**	28,254	27,884
	17,46,893	9,42,168	3,84,912

11 *OTHER BANK BALANCES*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Margin Money with Bank	**-**	81,423	2,48,339
	-	**81,423**	**2,48,339**

12 *OTHER CURRENT ASSETS*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured, Considered Good			
Loans to Employees	**7,760**	13,760	21,760
Prepaid Expenses	**65,654**	72,938	87,728
	73,414	86,698	1,09,488

13 EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Authorised			
20,00,000 Equity Shares of ₹ 10 each	**2,00,00,000**	2,00,00,000	2,00,00,000
Issued, Subscribed and Fully Paid-up			
6,25,000 Equity Shares of ₹ 10 each	**62,50,000**	62,50,000	62,50,000
	62,50,000	62,50,000	62,50,000

13.1 **Rights and Restrictions attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, If any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

13.2 **Shares held by Holding Company**

Out of the above equity shares, 3,22,680 (previous year 3,22,680) shares are held by Holding Company - M/s. Development Holding Asia Ltd.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

13.3 **Details of Shareholders holding more than 5% of the total Equity Shares**

NAME OF THE SHAREHOLDER	**As at March 31, 2018**		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	**% of Holdings**	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Development Holding Asia Ltd.	**3,22,680**	**51.63%**	3,22,680	51.63%	3,22,680	51.63%
Swar Investments and Trading Co. Pvt. Ltd.	**56,350**	**9.02%**	56,350	9.02%	56,350	9.02%
Satyajyothi Holding Pvt. Ltd.	**49,525**	**7.92%**	49,525	7.92%	49,525	7.92%

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

14 *BORROWINGS*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured			
Loans from Related Parties - Foods & Inns Ltd.	**1,85,00,000**	1,85,00,000	1,85,00,000
Muller & Phipps Agencies Ltd.	**4,00,000**	4,00,000	4,00,000
	1,89,00,000	1,89,00,000	1,89,00,000

15 *OTHER FINANCIAL LIABILITIES*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Security Deposits from C & F Agents	**-**	6,16,904	8,40,348
Advance Repayable	**2,87,04,001**	2,87,04,001	2,87,54,001
	2,87,04,001	2,93,20,905	2,95,94,349

16 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
PROVISIONS			
Provision for Employee Benefits			
Gratuity	**9,75,380**	8,95,391	10,65,349
Leave Encashment	**6,39,993**	5,59,749	6,14,204
	16,15,373	14,55,140	16,79,553

CURRENT LIABILITIES

FINANCIAL LIABILITIES

17 *TRADE PAYABLES*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Advance Repayable	**1,84,06,789**	1,84,06,789	1,84,06,789
Trade Payables	**55,08,925**	65,39,946	71,02,747
	2,39,15,714	2,49,46,735	2,55,09,536

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

18 *OTHER FINANCIAL LIABILITIES*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Interest Accrued and due on Borrowings	**1,19,49,761**	99,10,554	78,70,839
Interest Accrued and due on Agents' Security Deposits	**-**	3,81,313	3,58,902
	1,19,49,761	1,02,91,867	82,29,741

19 OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Statutory Liabilities	**6,98,512**	10,64,813	15,13,743
Expense Creditors	**27,69,567**	32,73,888	32,52,062
Others	**13,48,433**	13,45,632	14,03,679
	48,16,512	56,84,333	61,69,484

PROVISIONS

20 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Provision for Employee Benefits			
Gratuity	**25,01,564**	22,31,413	19,98,957
Leave Encashment	**3,98,077**	4,05,726	4,01,802
Employee related Liabilities	**10,33,880**	15,47,595	19,50,705
	39,33,521	41,84,734	43,51,464

21 TAX LIABILITIES

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Provision for Taxation	**1,61,000**	1,61,000	25,000
	1,61,000	1,61,000	25,000

22 REVENUE FROM OPERATIONS

Particulars	**For the year ended March 31, 2018 ₹**	For the year ended March 31, 2017 ₹
Sale of Traded Goods		
Cosmetics / Toiletries	**25,69,393**	29,16,121
Medicated Preparations	**2,88,26,348**	3,14,22,444
	3,13,95,741	3,43,38,565

23 OTHER INCOME

Particulars	**For the year ended March 31, 2018 ₹**	For the year ended March 31, 2017 ₹
Interest from Bank Deposits	**7,292**	59,288
Credit Balances written back	**9,88,470**	29,26,235
Provision for expenses written back	**7,35,662**	49,598
Provision for Doubtful Debts Reversed	**-**	-
Provision for Leave Encashment	**-**	-
Miscellaneous Income	**27,000**	59,000
	17,58,424	30,94,121

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

24 PURCHASES (NET OF RETURNS) OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Cosmetics / Toiletries	**18,44,302**	23,51,225
Medicated Preparations	**1,18,36,108**	1,52,35,795
	1,36,80,410	1,75,87,020

25 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Opening Stock of Finished Goods		
Cosmetics / Toiletries	**33,752**	16,165
Medicated Preparations	**4,10,212**	85,997
	4,43,964	1,02,162
Less : Closing Stock of Finished Goods		
Cosmetics / Toiletries	**-**	33,752
Medicated Preparations	**5,49,318**	4,10,212
	5,49,318	4,43,964
Decrease / (Increase) in inventory of Finished Goods	**(1,05,354)**	(3,41,802)

26 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Salaries, Wages, Allowances and Bonus	**68,05,662**	60,95,299
Contribution to Provident and Other Funds	**5,33,353**	3,24,229
Gratuity	**4,55,735**	3,93,115
Provision for Leave Encashment	**1,02,988**	-
Staff Welfare Expenses	**7,31,983**	6,16,489
	86,29,721	74,29,132

27 FINANCE COSTS

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Interest on Intercorporate Loans	**23,12,497**	23,12,498
Interest Others	**48,007**	1,01,219
	23,60,504	24,13,717

28 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Depreciation on Tangible Assets	**1,01,773**	1,13,187
	1,01,773	113,187

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

29 OTHER EXPENSES

Particulars	**For the year ended March 31, 2018 ₹**	For the year ended March 31, 2017 ₹
Rent	**11,82,240**	16,94,421
Repairs and Maintenance-Others	**10,558**	76,571
Insurance	**39,273**	38,392
Rates and Taxes	**3,55,794**	7,06,447
Electricity	**1,67,777**	1,69,843
Travel and Conveyance	**18,57,416**	17,53,642
Postage, Telegram and Telephones	**2,81,998**	2,72,535
Brokerage	**-**	7,250
Directors Fees	**35,000**	35,000
Auditors Remuneration	**1,31,959**	1,63,731
Freight, Packing and Forwarding	**13,55,713**	11,77,824
Advertising and Sale Promotion	**3,31,791**	5,37,196
C & F Agents Service Charges	**17,250**	1,14,561
Cash Discount	**94,755**	2,65,581
Loss on sale of fixed assets	**-**	1,01,840
Fixed Asset written off	**-**	27,079
Provision for Doubtful Advances	**76,806**	72,722
Bad Debts Written-off	**13,735**	-
Miscellaneous Expenses	**29,14,077**	25,38,742
	88,66,141	97,53,377

30 Financial Instruments

The carrying value/ fair value of financial instruments (excluding investments in subsidiaries) by catagories is as follows

	Amortised Cost (₹)	**Fair value through Profit and Loss (₹)**	**Fair value through other comprehensive Income (₹)**	**Total carrying/ fair value (₹)**
As at March 31,2018				
Cash and cash equivalents	**17,46,893**	**-**	**-**	**17,46,893**
Other Bank Balances	**-**	**-**	**-**	**-**
Trade receivables	**34,84,241**	**-**	**-**	**34,84,241**
Other financial assets	**3,82,85,710**	**-**	**-**	**3,82,85,710**
	4,35,16,844	**-**	**-**	**4,35,16,844**
Trade payables	**2,39,15,714**	**-**	**-**	**2,39,15,714**
Borrowings	**1,89,00,000**	**-**	**-**	**1,89,00,000**
Other financial liabilities	**4,06,53,762**	**-**	**-**	**4,06,53,762**
	8,34,69,476	**-**	**-**	**8,34,69,476**
As at March 31, 2017				
Cash and cash equivalents	**10,23,591**	-	-	**10,23,591**
Other Bank Balances	**81,423**	-	-	**81,423**
Trade receivables	**54,84,020**	-	-	**54,84,020**
Other financial assets	**3,84,05,661**	-	-	**3,84,05,661**
	4,49,94,695	-	-	**4,49,94,695**
Trade payables	**2,49,46,735**	-	-	**2,49,46,735**
Borrowings	**1,89,00,000**	-	-	**1,89,00,000**
Other financial liabilities	**3,96,12,772**	-	-	**3,96,12,772**
	8,34,59,507	-	-	**8,34,59,507**
As at April 1, 2016				
Cash and cash equivalents	**3,84,912**	-	-	**3,84,912**
Other Bank Balances	**2,48,339**	-	-	**2,48,339**
Trade receivables	**48,06,768**	-	-	**48,06,768**
Other financial assets	**3,84,09,195**	-	-	**3,84,09,195**
	4,38,49,214	-	-	**4,38,49,214**
Trade payables	**2,55,09,536**	-	-	**2,55,09,536**
Borrowings	**1,89,00,000**	-	-	**1,89,00,000**
Other financial liabilities	**3,78,24,090**	-	-	**3,78,24,090**
	8,22,33,626	**-**	**-**	**8,22,33,626**

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

Carrying amount of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate the fair value value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standards below:

Level - 1

Hierarchy includes financial instruments measured using quoted price. This includes listed Equity shares that have quoted price. The listed equity shares are valued at closing market price on the date of reporting.

Level - 2

The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise 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.

Liquidity risk

The Company needs continous access to funds to meet short and long term strategic investment requirements.The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further the Company's inability to quikly convert assets into cash without incurring any material loss will expose it to liquidity risks

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Credit risk

The Company is exposed to credit risk from its operating activities and other financial assets. Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability.

Geographic and Client Concentration Risk

60% and 75% of the revenue of 2018 and 2017, respectively is generated from top 10 clients, for standalone. Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit company's negotiating capacity and expose to higher credit risk.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

31 Contingent liabilities not provided for

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
a) Disputed Sales Tax demands	**21,47,000**	21,47,000
b) Disputed Income tax demands (including penalty)	**-**	-
c) Guarantees given by bank on behalf of the company	**-**	50,000

32 Auditors' Remuneration

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Audit Fees	**60,000**	69,000
For Tax Audit	**20,000**	23,000
For Others services, certification etc.	**49,659**	69,040
Out of Pocket Expenses	**2,300**	2,691
	1,31,959	1,63,731

33 The Company has not received any intimation from suppliers/creditors regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act has been not made.

34 Deferred Tax Asset on carried forward losses and unabsorbed depreciation and other timing differences as at 31st March, 2018 has not been recognized as there is no virtual/reasonable certainty that the same can be realised in the future.

35 Names of related parties and description of relationship

a Where control exists:
Holding Company :
Development Holding Asia Ltd.
Subsidiaries :
Muller and Phipps (Industrial Services) Ltd.
Muller and Phipps Agencies Ltd.

b Other parties where the company has entered in transaction during the year

Fellow Subsidiary: Getz Bros. Company Limited

Associates: Foods and Inns Ltd. Western Press Pvt Ltd.
Pharmpak Pvt. Ltd.

Key Managerial Personnel
Mr. Milan Dalal - Director

36 Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Subsidiaries				Associates						Key Management Personnel	
	Getz Bros. Co. Ltd.		Muller & Phipps Agencies Ltd.		Muller & Phipps (Industrial Services) Ltd.		Foods and Inns Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions														
Purchase of Goods	-	-	-	-	-	-	-	18,35,700	-	-	**1,46,77,897**	50,58,184	-	-
Directors Fees	-	-	-	-	-	-	-	-	-	-	-	-	**20,000**	20,000
Printing and Stationery	-	-	-	-	-	-	-	-	**1,38,438**	1,04,153	-	-	-	-
Interest Expenses	-	-	**32,000**	32,000	-	-	**23,12,497**	23,12,488	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	**76,806**	55,357	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end														
Intercorporate Loans payable	-	-	**4,00,000**	4,00,000	-	-	**1,85,00,000**	1,85,00,000	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	**13,30,760**	12,53,954	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	-	-	-	-	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	-	-	-	-	11,35,700	**7,48,659**	6,30,221	**52,38,754**	46,96,332	-	-
Interest Payable	-	-	**45,138**	87,180	-	-	**1,19,04,623**	98,23,374	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	**13,30,760**	12,53,954	-	-	-	-	-	-	-	-

37 SEGMENT DISCLOSURES FOR THE YEAR ENDED 31st MARCH, 2018

I)	Primary Segment-Business	Cosmetic/Toiletry		Medicated preparation		Others		Total	
		As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
		₹	₹	₹	₹	₹	₹	₹	₹
a)	Sales To External Customers	**25,69,393**	29,16,121	**2,88,26,348**	3,14,22,444	-	-	**3,13,95,741**	3,43,38,565
	Total Segment Revenue	**25,69,393**	29,16,121	**2,88,26,348**	3,14,22,444	-	-	**3,13,95,741**	3,43,38,565
b)	Segment Result (PBIT)	**3,93,570**	(3,51,786)	**61,66,664**	57,66,790	-	-	**65,60,234**	54,15,004
	Less : Interest & Finance Charges	-	-	-	-	-	-	**23,60,504**	24,13,717
	Less : Unallocable expenditure net of Unallocable income	-	-	-	-	-	-	**45,78,760**	(22,67,616)
	Profit / (Loss) Before Tax and exceptional items	-	-	-	-	-	-	**(3,79,030)**	7,33,671
	Profit / (Loss) Before Tax	-	-	-	-	-	-	**(3,79,030)**	7,33,671
	Current Tax	-	-	-	-	-	-	**-**	1,36,000
	Provision for Deferred Tax	-	-	-	-	-	-	**-**	-
	Profit / (Loss) After Tax	-	-	-	-	-	-	**(3,79,030)**	5,97,671
c)	Carrying amount of segment Assets	**3,89,402**	4,71,080	**36,23,929**	54,39,478	-	-	**40,13,331**	59,10,558
	Unallocated Assets	-	-	-	-	-	-	**4,07,38,848**	3,99,82,258
	Total Assets	-	-	-	-	-	-	**4,47,52,179**	4,59,74,446
d)	Carrying amount of segment Liabilities	**3,22,741**	7,33,463	**53,38,754**	46,96,332	**1,85,06,779**	1,97,91,105	**2,41,68,274**	2,52,20,900
	Unallocated Liabilities	-	-	-	-	-	-	**6,98,27,608**	6,97,23,814
	Total Liabilities	-	-	-	-	-	-	**9,39,95,882**	9,49,44,714
e)	Cost incurred to acquire segment Fixed assets during year	-	-	-	-	-	-	**-**	-
	Unallocated Assets	-	-	-	-	-	-	**1,83,863**	39,640
f)	Depreciation/ Amortization Unallocated Assets	-	-	-	-	-	-	**1,01,773**	1,13,187

The Common expenses has been allocated to segment on the basis of turnover of the segment to arrive at segment result.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

38 Disclosure as per Accounting Standard 15 (Revised)

As per Accounting Standard 15 " Employee Benefits ", the disclosure of employees benefits as Defined in the Accounting Standard are given below.

	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Defined Contribution Plans :		
Contribution to Defined Contribution Plans, recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	**4,87,602**	2,90,123
Employer's Contribution to Superannuation Fund	-	-

Defined Benefit Plan :

Gratuity Scheme

The employees gratuity scheme is a funded defined benefit scheme managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

Particulars		**As at March 31, 2018 ₹**	As at March 31, 2017 ₹
	Leave Encashment Scheme		
	The obligation for leave encashment which is a non funded long term employee scheme is recognized based on actuarial valuation.		
	The Disclosure in the respect of above Gratuity benefit Scheme as given below		
I	**Actuarial Assumptions**		
	Discount Rate	**7.65%**	7.10%
	Salary Escalation	**5%**	4%
	The rate of increase in compensation considered above takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.		
II	**Change in Present Value Of Obligation**		
	Opening of Defined Benefit Obligation	**31,61,730**	30,72,792
	Current Service Cost	**1,06,072**	1,19,110
	Past service cost	**2,50,000**	-
	Interest on defined benefit obligation	**1,44,028**	1,62,422
	Remeasurements due to :		
	Acturial loss/(gain) arising from change in financial assumptions	**44,204**	(26,408)
	Acturial loss/(gain) arising from change in demographic assumptions	**-**	-
	Acturial loss/(gain) arising on account of experience changes	**(1,59,064)**	(1,66,186)
	Benefits Paid	**(41,308)**	-
	Liabilities assumed/ (settled)	**-**	-
	Liabilities extinquished on settlements	**-**	-
	Value of Obligation at the end of year	**35,05,662**	31,61,730
III	**Changes in Fair Value Of Plan Assets**		
	Opening fair value of plan assets	**76,233**	8,486
	Employer contributions	**-**	75,000
	Interest on Plan Assets	**3,058**	(70,276)
	Administration expenses	**-**	-
	Remeasurements due to :		
	Actual return on plan assets less interest on plan assets	**(9,265)**	63,023
	Benefits paid	**(41,308)**	-
	Assets acquired/ (settled)	**-**	-
	Assets distributed on settlements	**-**	-
	Fair Value of plan Assets at the end of year	**28,718**	76,233

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

	Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
IV	**Amounts to be Recognized in the Balance Sheet**		
	Opening net defined benefit liability/ (asset)	**30,85,497**	30,64,306
	Expense charged to profit & loss account	**4,97,042**	351,808
	Amount recognized outside profit & loss account	**(1,05,595)**	(2,55,617)
	Employer contributions	**-**	(75,000)
	Impact of liability assumed or (settled)	**-**	-
	Closing net defined benefit liability / (asset)	**34,76,944**	30,85,497
V	**Expenses Recognized in the Statement of Profit and Loss**		
	Current Service cost	**1,06,072**	1,19,110
	Past service cost	**2,50,000**	-
	Administration expenses	**-**	-
	Interest on net defined benefit liability/ (asset)	**1,40,970**	2,32,698
	Payable to retired employee's	**-**	-
	Expenses recognized in the statement of Profit and Loss Account	**4,97,042**	351,808
VI	**Amount recognised in other comprehensive income**		
	Opening amount recognised in other compehensive income outside profit and loss account	**(2,55,617)**	-
	Remeasurments during the period due to:		
	Changes in financial assumptions	**44,204**	(26,408)
	Changes in demographic assumptions	**-**	-
	Experience adjustments	**(1,59,064)**	(1,66,186)
	Actual return on plan assets less interest on plan assets	**9,265**	(63,023)
	Adjustment to recognise the effect of asset ceiling	**-**	-
	Closing Net Liability	**(3,61,212)**	(2,55,617)

39 Earnings Per Share (EPS)

	Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
A	Profit/(Loss) Attributable to Equity Shareholders	**(3,79,030)**	3,42,055
B	Number of Equity Shares Outstanding during the year	**6,25,000**	6,25,000
C	Nominal Value of Equity Shares	**10**	10
	Basic Earning/Diluted Per Share (₹) (A/B)	**(0.61)**	0.55

40 The Financial Statements have been prepared on going concern basis although the net worth of the Company has been completely eroded, in view of the future business plans which will allow the Company to carry out its business profitably.

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Muller & Phipps (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Muller & Phipps (India) Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The financial statements have been prepared on a going concern basis by the management although the net worth of the Group has been completely eroded and there are no profits from operational activities, on the basis that they have business plans for profitable operations in the future (Refer Note No. 38). However, no such plans have been shown or explained to us to our satisfaction and hence we are unable to form any opinion on the going concern status of the Group.

Qualified Opinion

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

Other Matters

We did not audit the financial statements / financial information of the two subsidiaries, whose financial statements / financial information reflect total assets of ₹ 504707 as at 31st March, 2018, total revenues of ₹ 146103 and net cash inflows amounting to ₹ 3286 for the year then ended on that date, as considered in the consolidated financial statements.

These financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditor.

Corresponding figures of the group for the year ended 31 March,2017 have been audited by another auditor wh expressed an qualified opinion dated 18 May, 2017 on the consolidated financial statements of the group for the year ended 31 March, 2017.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, except for the effect of the matters described in the Basis for Qualifed Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

(c) The reports on the accounts of its subsidiaries incorporated in India audited by the other auditor have been properly dealt with in preparing this report.

(d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(e) In our opinion, except for the effect of the matters described in the Basis for Qualifed Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read Companies (Indian Accountind Standards) Rules, 2015, as amended.

(f) The matters described in the Basis for Qualifed Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

(g) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164 (2) of the Act

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure I”; and

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

   i. The consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group - Refer Note 29 to the consolidated financial statements.

   ii. The Group neither entered into any derivative contracts during the year nor were there any outstanding derivative contracts at the end of the year.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies in the Group during the year.

For K. F. Jetsey & Co.
Chartered Accountants
Firm’s Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Place : Mumbai
Dated : 31st May, 2018

Annexure I

Annexure to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Muller & Phipps (India) Limited

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Muller & Phipps (India) Limited ("the Holding Company") and its subsidiary companies incorporated in India, as of the date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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') issued by ICAI 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 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Place : Mumbai
Dated : 31st May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Notes	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**3**	**5,14,102**	4,32,012	7,31,824
Other Intangible Assets	**4**	**-**	-	-
Financial Assets				
Other Financial Assets	**5**	**3,82,85,710**	3,84,05,661	3,84,09,195
Total Non-Current assets		**3,87,99,812**	3,88,37,673	3,91,41,019
Current Assets				
Inventories	**6**	**5,49,318**	4,43,964	1,02,162
Financial Assets				
Trade Receivables	**7**	**34,84,241**	54,84,020	48,06,768
Cash and cash equivalents	**8**	**17,91,465**	9,83,453	4,22,980
Other Bank Balances	**9**	**-**	81,424	2,48,339
Other Current Assets	**10**	**87,911**	101,195	1,23,985
Total Current assets		**59,12,935**	70,94,056	57,04,234
TOTAL ASSETS		**4,47,12,747**	4,59,31,729	4,48,45,253
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	**11**	**62,50,000**	62,50,000	62,50,000
Other Equity		**(5,54,67,065)**	(5,52,26,724)	(5,58,73,777)
Total Equity		**(4,92,17,065)**	(4,89,76,724)	(4,96,23,777)
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	**12**	**1,85,00,000**	1,85,00,000	1,85,00,000
Other Financial Liabilities	**13**	**2,87,04,001**	2,93,20,905	2,95,94,349
		4,72,04,001	4,78,20,905	4,80,94,349
Provisions				
Employee Benefit Obligations	**14**	**16,15,373**	14,55,140	16,79,553
Total Non-current Liabilities		**4,88,19,374**	4,92,76,045	4,97,73,902
Current Liabilities				
Financial Liabilities				
Trade Payables	**15**	**2,42,94,782**	2,53,97,654	2,60,06,709
Other Financial Liabilities	**16**	**1,19,04,623**	1,02,04,687	81,42,470
Other Current Liabilities	**17**	**48,16,512**	56,84,333	61,69,484
Provisions				
Employee Benefit Obligations	**18**	**39,33,521**	41,84,734	43,51,464
Tax Liabilities	**19**	**1,61,000**	1,61,000	25,000
Total Current Liabilities		**4,51,10,438**	4,56,32,408	4,46,95,127
TOTAL EQUITY AND LIABILITIES		**4,47,12,747**	4,59,31,729	4,48,45,253
The accompanying notes 1 to 38 form an integral part of the financial statements				

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K.F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes	For year ended March 31, 2018 ₹	For year ended March 31, 2017 ₹
INCOME			
Revenue from Operations	**20**	**3,13,95,741**	3,43,38,565
Other Income	**21**	**19,04,527**	31,41,117
TOTAL REVENUE		**3,33,00,268**	3,74,79,682
EXPENDITURE			
Purchases (net of returns) of Stock- in-trade	**22**	**1,36,80,410**	1,75,87,020
Changes in Inventories of Finished Goods	**23**	**(1,05,354)**	(3,41,802)
Employee Benefits Expense	**24**	**86,29,721**	74,29,132
Finance Costs	**25**	**23,60,504**	23,81,607
Depreciation and Amortisation Expense	**26**	**1,01,773**	1,13,187
Other Expenses	**27**	**89,79,150**	97,83,102
TOTAL EXPENSES		**3,36,46,204**	3,69,52,246
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**(3,45,936)**	5,27,436
PROFIT / (LOSS) BEFORE TAX		**(3,45,936)**	5,27,436
Current Tax		**-**	1,36,000
Deferred Tax Adjustment - Debit / (Credit)		**-**	-
PROFIT / (LOSS) FOR THE YEAR		**(3,45,936)**	3,91,436
OTHER COMPREHENSIVE INCOME			
Items that wil not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		**1,05,595**	2,55,617
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(2,40,341)**	6,47,053
Earning per Share - Basic and Diluted	**37**	**(0.55)**	0.63
The accompanying notes 1 to 38 form an integral part of the financial statements			

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

EQUITY SHARE CAPITAL

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Outstanding at the beginning of the year	**62,50,000**	62,50,000
Issued during the year	**-**	-
Bought back during the year	**-**	-
Outstanding at the end of the year	**62,50,000**	62,50,000

OTHER EQUITY

Particulars	Share application money pending allotment (₹)	Reserves and Surplus		Other Comprehensive Income (₹)	Total (₹)
		Securities Premium Reserve (₹)	General Reserve (₹)		
Balance as at April 01, 2017	**-**	**2,25,00,000**	**(7,77,26,724)**	**-**	**(5,52,26,724)**
Profit for the year	**-**	**-**	**(3,45,936)**	**-**	**(3,45,936)**
Other Comprehensive Income	**-**	**-**	**-**	**1,05,595**	**1,05,595**
As at March 31, 2018	**-**	**2,25,00,000**	**(7,80,72,660)**	**1,05,595**	**(5,54,67,065)**
Balance as at April 01, 2016	-	2,25,00,000	(7,83,73,777)	-	(5,58,73,777)
Profit for the year	-	-	3,91,436	-	3,91,436
Other Comprehensive Income	-	-	-	2,55,617	2,55,617
As at March 31, 2017	-	2,25,00,000	(7,79,82,341)	2,55,617	(5,52,26,724)

The accompanying notes 1 to 38 form an integral part of the financial statements

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

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

Particular		**For the year ended March 31, 2018** ₹	₹	For the year ended March 31, 2017 ₹	₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Tax		**(3,45,936)**		5,27,436
	Adjustments for				
	Depreciation	**1,01,773**		1,13,187	
	Profit / (Loss) on Sale of Fixed Assets	**-**		1,28,920	
	Interest and Finance Charges Expenses	**23,60,504**	**24,62,277**	23,81,607	26,23,714
	Operating Profit/(Loss) before Working Capital Changes		**21,16,341**		31,51,150
	Adjustment for				
	(Increase)/Decrease in Trade and Other Receivables		**22,67,354**		(6,51,462)
	(Increase)/Decrease in Inventories		**(1,05,354)**		(3,41,802)
	Increase/(Decrease) in Sundry Creditors and Other Liabilities		**(25,72,982)**		(13,67,178)
	Cash Used in Operations		**17,05,359**		7,90,708
	Taxes Paid		**(1,34,340)**		(1,35,465)
	Net Cash from Operating Activities		**15,71,019**		6,55,243
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets		**(1,83,863)**		(39,640)
	Sale of Fixed Assets		**-**		97,345
	Investment / (encashment) - Margin Money Deposits		**-**		-
	Net Cash (used in) Investing Activities		**(1,83,863)**		57,705
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest Paid		**(6,60,568)**		(3,19,390)
	Net Cash (used in) Financing Activities		**(6,60,568)**		(3,19,390)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**7,26,588**		3,93,558
	Cash and Cash Equivalents as at beginning of the year		**10,64,877**		6,71,319
	Cash and Cash Equivalents as at close of the year		**17,91,465**		10,64,877

As per our Report Attached

For K F JETSEY & CO
Chartered Accountants
Firm's Registration No. 104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

1 CORPORATE INFORMATION

Muller and Phipps (India) Ltd is a public limited company incorporated in India having its registered office at 204, Madhava Building, Bandra Kurla Complex, Bandra East, Mumbai-400051. The Company is engaged in marketing of over the counter medical preparation and home care products.

The Subsidiary companies namely Muller & Phipps (Industrial Services) Limited is engaged in India as Indenting Agents and there is no business since inception in Muller and Phipps Agencies Limited

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of Consolidation

The consolidated financial statements relate to Muller & Phipps (India) Ltd (the Company) and its wholly owned Subsidiary Companies. The consolidated financial statements have been prepared on the following basis :

The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book Value of like items of assets, liabilities, income and expenses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, in the same manner as the Company's separate financial statements.

The Subsidiary Companies considered in the consolidated financial statements are :

Name of the Company	Country of Incorporation	% of Holdings
Muller & Phipps (Industrial Services) Limited	India	100
Muller & Phipps Agencies Limited	India	100

2.2 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and other relevent provisions of the Act. In accordance with the notification issued by the Ministry of Corporate Affairs,the Company hasadoptedInd AS with effect from April 1,2017 .These are the Companys first Ind AS financial statements .The date of transition to Ind AS is April 1,2016

These financial statements for the year ended 31st March,2018 are the first financial statements the company has prepared under Ind AS.For all periods upto and including the year ended 31st March 2017 the Company prepared its financial statements in accordance with the accounting standard notified under the section 133 of the Companies Act,2013,read with together with rule 7 of the Companies (Accounts) Rules 2014.

The Company has prepared opening Balance Sheet as per Ind AS as of 1st April,2016 (transtion date) by recognising all assets and liabilities whose recognisition is required by Ind AS,applying Ind AS to measure the recognised assets and liabilities.The optional exemption and mandatory exception availed by the Company under Ind AS101 are as follows:

A **Optional Exemption:**

Deemed cost for property,plant and equipment and intangible assets

The Company has elected to continue with the carrying value determined in accordance with the normally accepted accounting principal for all of its property,plant and equipment and intangible assets recognised as of 1st April,2016 (transition date) and use that carrying value as deemed cost of such assets as of transition date.

B **Mandatory Exceptions:**

Use of Estimate

On assessment of the estimates made under the normally accepted accounting principal financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS as there is no objective evidence of an error in those estimates

2.3 Other Significant Accounting Policies

These are set out in the notes to financial statements under 'Significant Accounting Policies' of the financial statements of the Company, Muller & Phipps (Industrial Services) Limited & Muller & Phipps Agencies Limited.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

2.4 **Basis of consolidation**

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

2.5 **PROVISIONS AND CONTINGENT LIABILITIES**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.6 **FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(I).

2.7 **REVENUE RECOGNITION**

Revenue is measured at fair value of consideration received or receivable. All income and expenditure items are recognised on accrual basis.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

Revenue is reported net of discounts and indirect taxes

2.8 **COST RECOGNISITION**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Group are broadly categorised into employee benefit expenses, cost of traded goods, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, legal and professional fees, etc.

Payments to employees under voluntary retirement schemes are deferred and written off equally over a period of 5 years starting from the year in which payment is made.

2.9 **FOREIGN CURRENCY TRANSLATION**

Foreign currency revenue transactions are booked at the exchange rate prevailing at the date of the transaction. Exchange loss/gain on realisation/payment is booked to exchange fluctuation. Foreign currency assets and liabilities outstanding as at the year end, if any, are translated at the year end exchange rates.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

2.10 **TAXATION**

Provision for taxes is made based on the current applicable tax rates. Adjustment for deferred tax is made based on the tax effect of timing differences resulting from the recognition of items in the financial statements and their allowance under the tax laws, subject to the consideration of prudence. The effect on deferred tax of a change in income tax rates is recognised in the period that includes the enactment date.

2.11 **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consists of balances with bank which are unrestricted for withdrawal and usage.

2.12 **PROPERTY, PLANTAND EQUIPMENT AND DEPRECIATION**

i) Property,Plant and Equipment are stated at acquisition cost less accumulated depreciation.

ii) Depreciation on Tangible assets are provided by written down value method over the estimated useful life prescribed under part "C" Schedule II of Companies Act, 2013, keeping a residual value of 5 %.

iii) Technical Know-how is depreciated equally over a period of 20 years starting from the month in which Technical Know-how has been put to use.

iv) Trade Marks/Brand are depreciated equally over 10 years starting from the month in which the Trade Marks / Brand have been acquired.

v) Impairment in the carrying value of the fixed assets is recognised in accordance with Accounting Standard No. 28 - ' Impairment of Assets'.

Type of asset	Method	Useful lives
Plant and Machinery	Written DownValue	8 Years
Office Equipment	Written DownValue	5 Years
Furniture and Fixtures	Written DownValue	8 Years
Computer Equipments	Written DownValue	3 Years
Motor Vehicles	Written DownValue	4 Years

2.13 **INTANGIBLE ASSETS**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment. If any.

Intangiable assets consist of technical know how

2.14 **IMPAIRMENTS**

i) **FINANCIAL ASSETS (OTHER THAN AT FAIR VALUE)**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) **NON-FINANCIAL ASSETS**

a) **TANGIBLE AND INTANGIBLE ASSETS**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value- in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

b) **GOODWILL**

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

2.15 **Financial instruments:**

i) **Initial recognition and measurement:**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii) **Financial Assets:**

Classification and subsequent measurement of financial assets:

a) Classification of financial assets:

- The Company classifies its financial assets in the following measurement categories:
  - those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
  - those measured at amortised cost.
- The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.
- For investments in debt instruments, this will depend on the business model in which the investment is held.
- The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) **Subsequent Measurement:**

- **Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Financial assets at amortised cost**

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

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

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

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

Financial assets are subsequently measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

- **Equity instruments:**

  The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

  Investments in equity instruments at FVTPL:

  Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

  Investments in equity instruments at FVTOCI:

  On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

c) **Impairment of Financial Assets:**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

d) **Derecognition of Financial Assets:**

A financial asset is primarily derecognised when:

- the right to receive cash flows from the asset has expired, or
- the Company has transferred its rights to receive cash flows from the asset; and

\- the Company has transferred substantially all the risks and rewards of the asset, or

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

On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

iii) **Financial Liabilities and Equity Instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Classification and subsequent measurement.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

2.16 **EMPLOYEE/RETIREMENT BENEFITS**

The Company has made arrangements with the Life Insurance Corporation of India through Gratuity Fund and Superannuation Fund for meeting its employee retirement liability. The liability for gratuity is calculated on basis of actuarial valuation as reduced by funded amount. Leave encashment benefit is provided for based on actuarial valuation basis.

2.17 **INVENTORIES**

i) Raw material are valued at cost on FIFO basis or net realisable value whichever is lower

ii) Process stock is valued at material cost or net realisable value whichever is lower.

iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost in respect of own manufactured goods includes material cost, direct labour and attributable production overheads.

2.18 **INVESTMENTS**

Long-term investments are valued at cost except that any permanent diminution in the value thereof is recognised in the profit and loss account.

2.19 **TRADE RECEIVABLES**

Trade Receivables are non interest bearing and are generally for a period of 45 to 60 days. Credit period which may go up due to market conditions.

2.20 **EARNING PER SHARE**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.21 **LEASES :**

Ind AS requires an entity to assessee whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arraganement. Ind AS 101 provides an option to make this assessment on basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The company has elected to apply this exemption for such contracts/arrangements.

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company's has not entered in operating lease arrangements for any of its premises or other equipment. However they have taken certain premises only under annual leave and license.

2.22 **Application of new and revised Ind AS**

All the Indian Accounting Standards (" Ind AS") issued and notified by the Ministry of Corporate Affairs are effective and consider for the significant accounting policies to the extent relevent and applicable for the Company.

The Company has not applied the following new and revised Indian Accounting Standards("Ind AS ") that have been issued and notified by the Ministry of Corporate Affairs in March2018 but are not effective.These amendments are in accordance with the recent amendments made by the International Accounting Standards Boards(IASB) .The Company is evaluating the impact of these announcements on the financial statements.

Foreign currency transaction and advance consideration-Ind AS 21

On 28th March,2018,Ministry of Corporate Affairs ("MCA") has notified the companies (Indian Accounting Standards) Amendment Rules,2018 containing Appendix B to Ind AS 21,Foreign transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset,expense of income,when an entity has received or paid advance consideration in foreign currency,The amendment will come into force from 1st April,2018.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

2.23 Reconciliation of Balance Sheet as previously reported under previous GAAP to Ind AS as at April 1,2016

A

(₹)

Particulars	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		7,31,824	-	7,31,824
Other Financial Assets		3,84,09,195	-	3,84,09,195
Total non-current assets		**3,91,41,019**	**-**	**3,91,41,019**
Current assets				
Financial assets				
i. Inventories		1,02,162	-	1,02,162
ii. Trade Recievable		48,06,768	-	48,06,768
iii. Cash and cash equivalents		4,22,980	-	4,22,980
iv. Other Bank Balance		2,48,339	-	2,48,339
v. Current Tax (net)		-	-	-
vi. Other Current assets		1,23,985	-	1,23,985
Total current assets		57,04,234	-	57,04,234
TOTAL ASSETS		**4,48,45,253**	**-**	**4,48,45,253**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		62,50,000	-	62,50,000
Other Equity		(5,58,73,777)	-	(5,58,73,777)
Total equity		(4,96,23,777)	**-**	(4,96,23,777)
Liabilities				
Non-current assets				
Borrowings		1,85,00,000	-	1,85,00,000
Other Financial Liabilities		2,95,94,349	-	2,95,94,349
Employee Benefit Obligation		16,79,553	-	16,79,553
Current liabilities				
i. Trade payables		2,60,06,709	-	2,60,06,709
ii. Other financial liabilities		81,42,470	-	81,42,470
iii. Other current liabilities		61,69,484	-	61,69,484
iv. Provisions		25,000	-	25,000
v. Employee Benefit Obligation		43,51,464	-	43,51,464
Total current liabilities		**4,46,95,127**	**-**	**4,46,95,127**
Total liabilities		**4,48,45,253**	**-**	**4,48,45,253**

The previous GAAP figures have been reclassified to conform to Ind AS presentation reqirements for the purpose of this note

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

B Reconciliation of Balance Sheet as previously reported under previous GAAP to Ind AS as at March31,2017

(₹)

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		4,32,012	-	4,32,012
Other Financial Assets		3,84,05,661	-	3,84,05,661
Total non-current assets		**3,88,37,673**	**-**	**3,88,37,673**
Current assets				
Financial assets				
i. Inventories		4,43,964	-	4,43,964
ii. Trade Recievable		54,84,020	-	54,84,020
iii. Cash and cash equivalents		9,83,453	-	9,83,453
iv. Other Bank Balance		81,424	-	81,424
v. Current Tax (net)		-	-	-
vi. Other Current assets		1,01,195	-	1,01,195
Total current assets		70,94,056	-	70,94,056
TOTAL ASSETS		**4,59,31,729**	**-**	**4,59,31,729**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		62,50,000	-	62,50,000
Other Equity		(5,52,26,724)	-	(5,52,26,724)
Total equity		(4,89,76,724)	**-**	(4,89,76,724)
Liabilities				
Non-current assets				
Borrowings		1,85,00,000	-	1,85,00,000
Other Financial Liabilities		2,93,20,905	-	2,93,20,905
Employee Benefit Obligation		14,55,140	-	14,55,140
Current liabilities				
i. Trade payables		2,53,97,654	-	2,53,97,654
ii. Other financial liabilities		1,02,04,687	-	1,02,04,687
iii. Other current liabilities		56,84,333	-	56,84,333
iv. Provisions		1,61,000	-	1,61,000
v. Employee Benefit Obligation		41,84,734	-	41,84,734
Total current liabilities		**4,56,32,408**	**-**	**4,56,32,408**
Total liabilities		**4,59,31,729**	**-**	**4,59,31,729**

The previous GAAP figures have been reclassified to conform to Ind AS presentation reqirements for the purpose of this note

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

C Effect of Ind AS adoption on Standalone Statement of Profit and Loss for the year ended March 31,2017

(₹)

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
REVENUES				
Revenue from Operating		3,43,38,565	-	3,43,38,565
Other Income		31,41,117	-	31,41,117
Total Income		**3,74,79,682**		**3,74,79,682**
EXPENSES				
Purchase		1,75,87,020	-	1,75,87,020
Changes in Inventories of Finished Goods		(3,41,802)	-	(3,41,802)
Employee benefit expense		71,73,515	2,55,617	74,29,132
Finance Cost		23,81,607	-	23,81,607
Depreciation and amortisation expense		1,13,187	-	1,13,187
Other Expenses		97,83,102	-	97,83,102
Total expenses		**3,66,96,629**	**2,55,617**	**3,69,52,246**
Profit before exceptional items and tax		**7,83,053**	(2,55,617)	**5,27,436**
Exceptional items		-		
Profit before tax		**7,83,053**	(2,55,617)	**5,27,436**
Income tax expense				
Current tax		1,36,000	-	1,36,000
Deferred tax		-	-	-
Short/(excess) provision for earlier year		-	-	-
Total tax expense		**1,36,000**	**-**	**1,36,000**
Profit for the year		**6,47,053**	(2,55,617)	**3,91,436**
Other comprehensive income				
Items that will not be reclassfied to profit or loss				
Remeasurement gains/losses on defined benefit plans			2,55,617	2,55,617
Total comprehensive income for the year		**6,47,053**		**6,47,053**

The previous GAAP figures have been reclassified to conform to Ind AS presentation reqirements for the purpose of this note

Note

Defined Benefit Plans

Under previous GAAP actuarial gains and losses were recognised in Statement of Profit and loss

Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in Other Comprehensive Income

D Cash Flow Reconcilation

There are no material changes in Cash Flows reported in previous GAAP in comparison with Ind AS

E Disclosures as per Ind AS-17 on Leases

	As at March 31,2018	As at March 31,2017	As at April 1,2016
Within 1 Year	-	-	-
After 1Year but before 5 years	11,82,240	16,94,421	17,93,482
After 5 years	-	-	-
Total	11,82,240	16,94,421	17,93,482

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Particulars	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer Equipment	Motor Vehicles	TOTAL
	₹	₹	₹	₹	₹	₹
Cost as at 01-04-2017	3,89,862	20,25,990	35,29,591	29,66,234	-	**89,11,677**
Additions during the year	-	-	-	1,83,863	-	**1,83,863**
Deductions during the year	-	-	-	-	-	**-**
Cost as at 31-03-2018	3,89,862	20,25,990	35,29,591	31,50,097	-	**90,95,540**
Accumulated Depreciation at 01-04-2017	3,23,792	17,82,567	34,26,544	29,46,762	-	**84,79,665**
Depreciation charge for the year	17,471	19,443	12,927	51,932	-	**1,01,773**
Depreciation disposals for the year	-	-	-	-	-	**-**
Accumulated Depreciation at 31-03-2018	3,41,263	18,02,010	34,39,471	29,98,694	-	**85,81,438**
Net Value as at 31-03-2018	**48,599**	**2,23,980**	**90,120**	**1,51,403**	**-**	**5,14,102**
Cost as at 01-04-2016	3,89,862	19,86,350	35,29,591	29,66,234	8,28,722	97,00,759
Additions during the year	-	39,640	-	-	-	39,640
Deductions during the year	-	-	-	-	8,28,722	8,28,722
Cost as at 31-03-2017	3,89,862	20,25,990	35,29,591	29,66,234	-	89,11,677
Accumulated Depreciation at 01-04-2016	3,16,917	17,67,940	34,15,203	29,02,290	5,66,585	89,68,935
Depreciation charge for the year	6,875	14,627	11,341	44,472	35,872	1,13,187
Depreciation disposals for the year	-	-	-	-	6,02,457	6,02,457
Accumulated Depreciation at 31-03-2017	3,23,792	17,82,567	34,26,544	29,46,762	-	84,79,665
Net Value as at 31-03-2017	66,070	2,43,423	1,03,047	19,472	-	4,32,012
Cost as at 01-04-2016	3,89,862	19,86,350	35,29,591	29,66,234	8,28,722	97,00,759
Additions during the year	-	-	-	-	-	-
Deductions during the year	-	-	-	-	-	-
Cost as at 01-04-2016	3,89,862	19,86,350	35,29,591	29,66,234	8,28,722	97,00,759
Accumulated Depreciation at 01-04-2016	3,16,917	17,67,940	34,15,203	29,02,290	5,66,585	89,68,935
Depreciation charge for the year	-	-	-	-	-	-
Depreciation disposals for the year	-	-	-	-	-	-
Accumulated Depreciation at 01-04-2016	3,16,917	17,67,940	34,15,203	29,02,290	5,66,585	89,68,935
Net Value as at 01-04-2016	72,945	2,18,410	1,14,388	63,944	2,62,137	7,31,824

4 INTANGIBLE ASSET

Particulars	Technical Know-How ₹
Cost as at 01-04-2017	**3,88,25,605**
Additions during the year	**-**
Deductions during the year	**-**
Cost as at 31-03-2018	**3,88,25,605**
Total Depreciation as at 31-03-2018	**1,00,29,947**
Impairmental Provision as at 31-03-2018	**2,87,95,658**
Net Value as at 31-03-2018	**-**
Cost as at 01-04-2016	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 31-03-2017	3,88,25,605
Total Depreciation as at 31-03-2017	1,00,29,947
Impairmental Provision as at 31-03-2017	2,87,95,658
Net Value as at 31-03-2017	-
Cost as at 01-04-2016	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 01-04-2016	3,88,25,605
Total Depreciation as at 01-04-2016	1,00,29,947
Impairmental Provision as at 01-04-2016	2,87,95,658
Net Value as at 01-04-2016	-

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

NON-CURRENT ASSETS
FINANCIAL ASSETS

5 ***OTHER FINANCIAL ASSETS***

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured, Considered Good			
Receivable from related party - Getz Bros Co. Ltd.	**2,87,54,011**	2,87,54,011	2,87,54,011
Security Deposits	**25,44,408**	28,11,458	28,14,458
Advances others - Considered good	**1,39,087**	1,26,327	1,26,327
- Considered doubtful	**-**	-	-
Advance Tax and Tax Refunds Due	**68,48,204**	67,13,865	67,14,399
	3,82,85,710	3,84,05,661	3,84,09,195

CURRENT ASSETS

6 ***INVENTORIES***

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Cosmetics / Toiletries	**-**	33,752	16,165
Medicated Preparations	**5,49,318**	4,10,212	85,997
	5,49,318	4,43,964	1,02,162

FINANCIAL ASSETS

7 ***TRADE RECEIVABLES***

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Unsecured, Considered Good unless otherwise specified			
Debts overdue for more than six months - Considered good	**-**	-	-
- Considered doubtful	**87,005**	87,005	69,640
	87,005	87,005	69,640
Other Debts- Considered good	**34,84,241**	54,84,020	48,06,768
	35,71,246	55,71,025	48,76,408
Less: Provision for Doubtful Debts	**87,005**	87,005	69,640
	34,84,241	54,84,020	48,06,768

8 ***CASH AND CASH EQUIVALENTS***

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Cash on hand	**41,707**	11,440	48,125
Balances with Banks			
On Current Account	**17,20,526**	9,43,759	3,46,971
On Savings Account	**29,232**	28,254	27,884
	17,91,465	9,83,453	4,22,980

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

9 *OTHER BANK BALANCES*

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Margin Money with Bank	**-**	81,424	2,48,339
	-	**81,424**	**2,48,339**

10 *OTHER CURRENT ASSETS*

Unsecured, Considered Good

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Advances recoverable in cash or kind or value to be received	**14,497**	14,497	14,497
Loans to Employees	**7,760**	13,760	21,760
Prepaid Expenses	**65,654**	72,938	87,728
	87,911	101,195	1,23,985

11 EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Authorised			
20,00,000 Equity Shares of ₹ 10 each	**2,00,00,000**	2,00,00,000	2,00,00,000
Issued, Subscribed and Fully Paid-up			
6,25,000 Equity Shares of ₹ 10 each	**62,50,000**	62,50,000	62,50,000
	62,50,000	62,50,000	62,50,000

11.1 Rights and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, If any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

11.2 Shares held by Holding Company

Out of the above equity shares, 3,22,680 (previous year 3,22,680) shares are held by Holding Company - M/s. Development Holding Asia Ltd.

11.3 Details of Shareholders holding more than 5% of the total Equity Shares

NAME OF THE SHAREHOLDER	**As at March 31, 2018**		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	**% of Holdings**	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Development Holding Asia Ltd.	**3,22,680**	**51.63%**	3,22,680	51.63%	3,22,680	51.63%
Swar Investments and Trading Co. Pvt. Ltd.	**56,350**	**9.02%**	56,350	9.02%	56,350	9.02%
Satyajyothi Holding Pvt. Ltd.	**49,525**	**7.92%**	49,525	7.92%	49,525	7.92%

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

12 *BORROWINGS*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
Unsecured			
Loans from Related Parties - Foods & Inns Ltd.	**1,85,00,000**	1,85,00,000	1,85,00,000
	1,85,00,000	1,85,00,000	1,85,00,000

13 *OTHER FINANCIAL LIABILITIES*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Security Deposits from C & F Agents	**-**	6,16,904	8,40,348
Advance Repayable	**2,87,04,001**	2,87,04,001	2,87,54,001
	2,87,04,001	2,93,20,905	2,95,94,349

PROVISIONS

14 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Provision for Employee Benefits			
Gratuity	**9,75,380**	8,95,391	10,65,349
Leave Encashment	**6,39,993**	5,59,749	6,14,204
	16,15,373	14,55,140	16,79,553

CURRENT LIABILITIES

FINANCIAL LIABILITIES

15 *TRADE PAYABLES*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Advance Repayable	**1,84,06,789**	1,84,06,789	1,84,06,789
Trade Payables	**58,87,993**	69,90,865	75,99,920
	2,42,94,782	2,53,97,654	2,60,06,709

16 *OTHER FINANCIAL LIABILITIES*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Interest Accrued and due on Borrowings	**1,19,04,623**	98,23,374	77,83,568
Interest Accrued and due on Agents' Security Deposits	**-**	3,81,313	3,58,902
	1,19,04,623	1,02,04,687	81,42,470

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

17 OTHER CURRENT LIABILITIES

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Statutory Liabilities	**6,98,512**	10,64,813	15,13,743
Expense Creditors	**27,69,567**	32,73,888	32,52,062
Others	**13,48,433**	13,45,632	14,03,679
	48,16,512	56,84,333	61,69,484

PROVISIONS

18 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Provision for Employee Benefits			
Gratuity	**25,01,564**	22,31,413	19,98,957
Leave Encashment	**3,98,077**	4,05,726	4,01,802
Employee related Liabilities	**10,33,880**	15,47,595	19,50,705
	39,33,521	41,84,734	43,51,464

19 TAX LIABILITIES

Particulars	As at **March 31, 2018** ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Provision for Taxation	**1,61,000**	1,61,000	25,000
	1,61,000	1,61,000	25,000

20 REVENUE FROM OPERATIONS

Particulars	**For the year ended March 31, 2018** ₹	For the year ended March 31, 2017 ₹
Sale of Traded Goods		
Cosmetics / Toiletries	**25,69,393**	29,16,121
Medicated Preparations	**2,88,26,348**	3,14,22,444
	3,13,95,741	3,43,38,565

21 OTHER INCOME

Particulars	**For the year ended March 31, 2018** ₹	For the year ended March 31, 2017 ₹
Interest from Bank Deposits	**7,292**	59,288
Credit Balances written back	**11,02,393**	29,26,235
Provision for expenses written back	**7,35,662**	49,598
Foreign Exchange Flutation Gain	**-**	46,996
Miscellaneous Income	**59,180**	59,000
	19,04,527	31,41,117

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

22 PURCHASES (NET OF RETURNS) OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Cosmetics / Toiletries	**18,44,302**	23,51,225
Medicated Preparations	**1,18,36,108**	1,52,35,795
	1,36,80,410	1,75,87,020

23 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Opening Stock of Finished Goods		
Cosmetics / Toiletries	**33,752**	16,165
Medicated Preparations	**4,10,212**	85,997
	4,43,964	1,02,162
Less : Closing Stock of Finished Goods		
Cosmetics / Toiletries	**-**	33,752
Medicated Preparations	**5,49,318**	4,10,212
	5,49,318	4,43,964
Decrease / (Increase) in inventory of Finished Goods	**(1,05,354)**	(3,41,802)

24 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Salaries, Wages, Allowances and Bonus	**68,05,662**	60,95,299
Contribution to Provident and Other Funds	**5,33,353**	3,24,229
Gratuity	**4,55,735**	3,93,115
Provision for Leave Encashment	**1,02,988**	-
Staff Welfare Expenses	**7,31,983**	6,16,489
	86,29,721	74,29,132

25 FINANCE COSTS

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Interest on Intercorporate Loans	**23,12,497**	22,80,388
Interest Others	**48,007**	1,01,219
	23,60,504	23,81,607

26 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Depreciation on Tangible Assets	**1,01,773**	1,13,187
	1,01,773	113,187

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

27 OTHER EXPENSES

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Rent	**11,82,240**	16,94,421
Repairs and Maintenance-Others	**10,558**	76,571
Insurance	**39,273**	38,392
Rates and Taxes	**3,94,886**	7,06,447
Electricity	**1,67,777**	1,69,843
Travel and Conveyance	**18,57,416**	17,53,642
Postage, Telegram and Telephones	**2,81,998**	2,72,535
Brokerage	**-**	7,250
Directors Fees	**35,000**	35,000
Auditors Remuneration	**1,67,809**	1,98,381
Freight, Packing and Forwarding	**13,55,713**	11,77,824
Advertising and Sale Promotion	**3,31,791**	5,37,196
C & F Agents Service Charges	**17,250**	1,14,561
Cash Discount	**94,755**	2,65,581
Loss on sale of fixed assets	**-**	1,01,840
Fixed Asset written off	**-**	27,079
Foreign Exchange Flutation	**37,723**	-
Provision for Doubtful Advances	**-**	17,365
Bad Debts Written-off	**13,735**	-
Miscellaneous Expenses	**29,91,227**	25,89,174
	89,79,150	97,83,102

28 Financial Instruments

The carrying value/ fair value of financial instruments (excluding investments in subsidiaries) by catagories is as follows

	Amortised Cost (₹)	Fair value through Profit and Loss (₹)	Fair value through other comprehensive Income (₹)	Total carrying/ fair value (₹)
As at March 31,2018				
Cash and cash equivalents	**17,91,465**	**-**	**-**	**17,91,465**
Other Bank Balances	**-**	**-**	**-**	**-**
Trade receivables	**34,84,241**	**-**	**-**	**34,84,241**
Other financial assets	**3,82,85,710**	**-**	**-**	**3,82,85,710**
	4,35,61,416	**-**	**-**	**4,35,61,416**
Trade payables	**2,42,94,782**	**-**	**-**	**2,42,94,782**
Borrowings	**1,85,00,000**	**-**	**-**	**1,85,00,000**
Other financial liabilities	**4,06,08,624**	**-**	**-**	**4,06,08,624**
	8,34,03,406	**-**	**-**	**8,34,03,406**
As at March 31,2017				
Cash and cash equivalents	9,83,453	-	-	9,83,453
Other Bank Balances	81,423	-	-	81,423
Trade receivables	54,84,020	-	-	54,84,020
Other financial assets	3,84,05,661	-	-	3,84,05,661
	4,49,54,557	-	-	4,49,54,557
Trade payables	2,53,97,654	-	-	2,53,97,654
Borrowings	1,85,00,000	-	-	1,85,00,000
Other financial liabilities	3,95,25,592	-	-	3,95,25,592
	8,34,23,246	**-**	**-**	**8,34,23,246**
As at April 1, 2016				
Cash and cash equivalents	4,22,980	-	-	4,22,980
Other Bank Balances	2,48,339	-	-	2,48,339
Trade receivables	48,06,768	-	-	48,06,768
Other financial assets	3,84,09,195	-	-	3,84,09,195
	4,38,87,282	-	-	4,38,87,282
Trade payables	2,60,06,709	-	-	2,60,06,709
Borrowings	1,85,00,000	-	-	1,85,00,000
Other financial liabilities	3,77,36,819	-	-	3,77,36,819
	8,22,43,528	-	-	8,22,43,528

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

Carrying amount of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate the fair value value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standards below:

Level - 1

Hierarchy includes financial instruments measured using quoted price. This includes mutual funds & listed Equity shares that have quoted price. The listed equity shares are valued at closing market price on the date of reporting.

Level - 2

The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise 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.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Credit risk

The Company is exposed to credit risk from its operating activities and other financial assets. Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability.

Geographic and Client Concentration Risk

60% and 75% of the revenue of 2018 and 2017, respectively is generated from top 10 clients, for standalone. Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit company's negotiating capacity and expose to higher credit risk.

29 Contingent liabilities not provided for

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹
a) Disputed Sales Tax demands	**21,47,000**	21,47,000
b) Disputed Income tax demands (including penalty)	**-**	-
c) Guarantees given by bank on behalf of the company	**-**	50,000
d) Arrears of Dividend in respect of 14% Cumulative Redeemable Preference Shares of Muller and Phipps (Industrial Services) Limited.	**8,03,178**	7,47,178

30 Auditors' Remuneration

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹
Audit Fees	**95,850**	1,03,650
For Tax Audit	**20,000**	23,000
For Others services, certification etc.	**49,659**	69,040
Out of Pocket Expenses	**2,300**	2,691
	1,67,809	1,98,381

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

31 The Company has not received any intimation from suppliers/creditors regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act has not been made.

32 Deferred Tax Asset on carried forward losses and unabsorbed depreciation and other timing differences as at 31st March, 2018 has not been recognized as there is no virtual/reasonable certainty that the same can be realised in the future.

33 Names of related parties and description of relationship

a Where control exists:

Holding Company :

Development Holding Asia Ltd.

b Other parties where the company has entered in transaction during the year

Fellow Subsidiary:

Getz Bros. Company Limited

Associates:

Foods and Inns Ltd.

Western Press Pvt Ltd.

Pharmpak Pvt. Ltd.

Key Managerial Personnel

Mr. Milan Dalal - Director

34 Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Associates						Key Management Personnel	
	Getz Bros. Co. Ltd.		Foods and Inns Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions										
Purchase of Goods	-	-	-	18,35,700	-	-	**1,46,77,897**	50,58,184	-	-
Directors Fees	-	-	-	-	-	-	-	-	**20,000**	20,000
Printing and Stationery	-	-	-	-	**1,38,438**	1,04,153	-	-	-	-
Interest Expenses	-	-	**23,12,497**	23,12,488	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end										
Intercorporate Loans payable	-	-	**1,85,00,000**	1,85,00,000	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	11,35,700	**7,48,659**	6,30,221	**52,38,754**	46,96,332	-	-
Interest Payable	-	-	**1,19,04,623**	98,23,374	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	-	-	-	-	-	-

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

35 AOC - 1

A) Information required for Consolidated Financial Statements pursuant to Schedule 111 of the Companies Act, 2013

As at March 31, 2018

Name of the Entity	Net Assets Total Assets- Total Liabilities as % of Consolidated Net Assets	₹	Share in Profit or Loss as % of Consolidated Profit or Loss	₹	Share in Other Comprehensive Income as % of consolidated other comprehensive Income	₹	Share in Total Comprehensive Income as % of Consolidated total comprehensive income	₹
Parent Company								
Muller and Phipps (India) Limited	-97.56%	(4,80,13,046)	-87.36%	(3,02,224)	100%	1,05,595	-81.81%	(1,96,629)
Subsidiaries								
Muller and Phipps (Industrial Services) Ltd.	-3.19%	(15,71,720)	-1.20%	(4,150)	-	-	-1.73%	(4,150)
Muller and phipps Agencies Ltd.	0.75%	3,67,701	-11.44%	(39,562)	-	-	-16.46%	(39,562)
Total	**-100%**	**(4,92,17,065)**	**-100%**	**(3,45,936)**	**100%**	**1,05,595**	**-100%**	**(2,40,341)**

As at March 31, 2017

Name of the Entity	Net Assets Total Assets- Total Liabilities as % of Consolidated Net Assets	₹	Share in Profit or Loss as % of Consolidated Profit or Loss	₹	Share in Other Comprehensive Income as % of consolidated other comprehensive Income	₹	Share in Total Comprehensive Income as % of Consolidated total comprehensive income	₹
Parent Company								
Muller and Phipps (India) Limited	-97.63%	(4,78,16,416)	101.53%	3,97,412	100%	2,55,617	100.92%	6,53,029
Subsidiaries								
Muller and Phipps (Industrial Services) Ltd.	-3.20%	(15,67,571)	-0.50%	(1,961)	-	-	-0.30%	(1,961)
Muller and phipps Agencies Ltd.	0.83%	4,07,263	-1.03%	(4,015)	-	-	-0.62%	(4,015)
Total	**-100%**	**(4,89,76,724)**	**100%**	**3,91,436**	**100%**	**2,55,617**	**100%**	**6,47,053**

Net Assets and Share of Profit and Loss Reported in the above table have been considered from the respective audited Financial Statements.

35 SEGMENT DISCLOSURES FOR THE YEAR ENDED 31st MARCH, 2018

B) Primary Segment-Business

		Cosmetic/Toiletry		Medicated preparation		Others		Total	
		As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
		₹	₹	₹	₹	₹	₹	₹	₹
a)	Sales To External Customers	**25,69,393**	29,16,121	**2,88,26,348**	3,14,22,444	**-**	-	**3,13,95,741**	3,43,38,565
	Total Segment Revenue	**25,69,393**	29,16,121	**2,88,26,348**	3,14,22,444	**-**	-	**3,13,95,741**	3,43,38,565
b)	Segment Result (PBIT)	**3,93,570**	(3,51,786)	**61,66,664**	57,66,790	**-**	-	**65,60,234**	54,15,004
	Less : Interest & Finance Charges	**-**	-	**-**	-	**-**	-	**23,60,504**	24,13,717
	Less : Unallocable expenditure net of Unallocable income	**-**	-	**-**	-	**-**	-	**45,78,760**	(22,67,616)
	Profit / (Loss) Before Tax and exceptional items	**-**	-	**-**	-	**-**	-	**(3,79,030)**	7,33,671
	Profit / (Loss) Before Tax	**-**	-	**-**	-	**-**	-	**(3,79,030)**	7,33,671
	Current Tax	**-**	-	**-**	-	**-**	-	**-**	1,36,000
	Provision for Deferred Tax	**-**	-	**-**	-	**-**	-	**-**	-
	Profit / (Loss) After Tax	**-**	-	**-**	-	**-**	-	**(3,79,030)**	5,97,671

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

		Cosmetic/Toiletry		Medicated preparation		Others		Total	
		As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
		₹	₹	₹	₹	₹	₹	₹	₹
c)	Carrying amount of segment								
	Assets	**3,89,402**	4,71,080	**36,23,929**	54,39,478	**-**	-	**40,13,331**	59,10,558
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**4,07,38,848**	3,99,82,258
	Total Assets	**-**	-	**-**	-	**-**	-	**4,47,52,179**	4,59,74,446
d)	Carrying amount of segment								
	Liabilities	**3,22,741**	7,33,463	**53,38,754**	46,96,332	**1,85,06,779**	1,97,91,105	**2,41,68,274**	2,52,20,900
	Unallocated Liabilities	**-**	-	**-**	-	**-**	-	**6,98,27,608**	6,97,23,814
	Total Liabilities	**-**	-	**-**	-	**-**	-	**9,39,95,882**	9,49,44,714
e)	Cost incurred to acquire segment								
	Fixed assets during year	**-**	-	**-**	-	**-**	-	**-**	-
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**1,83,863**	39,640
f)	Depreciation/ Amortization								
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**1,01,773**	1,13,187

The Common expenses has been allocated to segment on the basis of turnover of the segment to arrive at segment result.

36 Disclosure as per Accounting Standard 15 (Revised)

As per Accounting Standard 15 " Employee Benefits ", the disclosure of employees benefits as Defined in the Accounting Standard are given below.

	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Defined Contribution Plans :		
Contribution to Defined Contribution Plans, recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	**4,87,602**	2,90,123
Employer's Contribution to Superannuation Fund	**-**	-

Defined Benefit Plan :

Gratuity Scheme

The employees gratuity scheme is a funded defined benefit scheme managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

Particulars	**As at March 31, 2018** ₹	As at March 31, 2017 ₹
Leave Encashment Scheme		
The obligation for leave encashment which is a non funded long term employee scheme is recognized based on actuarial valuation.		
The Disclosure in the respect of above Gratuity benefit Scheme as given below		
I Actuarial Assumptions		
Discount Rate	**7.65%**	7.10%
Salary Escalation	**5%**	4%
The rate of increase in compensation considered above takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.		

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

	Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
II	**Change in Present Value Of Obligation**		
	Opening of Defined Benefit Obligation	**31,61,730**	30,72,792
	Current Service Cost	**1,06,072**	1,19,110
	Past service cost	**2,50,000**	-
	Interest on defined benefit obligation	**1,44,028**	1,62,422
	Remeasurements due to :		
	Acturial loss/(gain) arising from change in financial assumptions	**44,204**	(26,408)
	Acturial loss/(gain) arising from change in demographic assumptions	**-**	-
	Acturial loss/(gain) arising on account of experience changes	**(1,59,064)**	(1,66,186)
	Benefits Paid	**(41,308)**	-
	Liabilities assumed/ (settled)	**-**	-
	Liabilities extinquished on settlements	**-**	-
	Value of Obligation at the end of year	**35,05,662**	31,61,730
III	**Changes in Fair Value Of Plan Assets**		
	Opening fair value of plan assets	**76,233**	8,486
	Employer contributions	**-**	75,000
	Interest on Plan Assets	**3,058**	(70,276)
	Administration expenses	**-**	-
	Remeasurements due to :		
	Actual return on plan assets less interest on plan assets	**(9,265)**	63,023
	Benefits paid	**(41,308)**	-
	Assets acquired/ (settled)	**-**	-
	Assets distributed on settlements	**-**	-
	Fair Value of plan Assets at the end of year	**28,718**	76,233
IV	**Amounts to be Recognized in the Balance Sheet**		
	Opening net defined benefit liability/ (asset)	**30,85,497**	30,64,306
	Expense charged to profit & loss account	**4,97,042**	351,808
	Amount recognized outside profit & loss account	**(1,05,595)**	(2,55,617)
	Employer contributions	**-**	(75,000)
	Impact of liability assumed or (settled)	**-**	-
	Closing net defined benefit liability / (asset)	**34,76,944**	30,85,497
V	**Expenses Recognized in the Statement of Profit and Loss**		
	Current Service cost	**1,06,072**	1,19,110
	Past service cost	**2,50,000**	-
	Administration expenses	**-**	-
	Interest on net defined benefit liability/ (asset)	**1,40,970**	2,32,698
	Payable to retired employee's	**-**	-
	Expenses recognized in the statement of Profit and Loss Account	**4,97,042**	351,808
VI	**Amount recognised in other comprehensive income**		
	Opening amount recognised in other compehensive income outside profit and loss account	**(2,55,617)**	-
	Remeasurments during the period due to:		
	Changes in financial assumptions	**44,204**	(26,408)
	Changes in demographic assumptions	**-**	**-**
	Experience adjustments	**(1,59,064)**	(1,66,186)
	Actual return on plan assets less interest on plan assets	**9,265**	(63,023)
	Adjustment to recognise the effect of asset ceiling	**-**	-
	Closing Net Liability	**(3,61,212)**	(2,55,617)

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2018

37 Earnings Per Share (EPS)

Particulars	**As at March 31, 2018 ₹**	As at March 31, 2017 ₹
A Profit/(Loss) Attributable to Equity Shareholders	**(3,45,936)**	3,91,436
B Number of Equity Shares Outstanding during the year	**6,25,000**	6,25,000
C Nominal Value of Equity Shares	**10**	10
Basic Earning/Diluted Per Share (₹) (A/B)	**(0.55)**	0.63

38 The Financial Statements have been prepared on going concern basis although the net worth of the Group has been completely eroded, in view of the future business plans which will allow the Group to carry out its business profitably.

As per our Report Attached

For K.F JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 31st May, 2018

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

RAYMOND SIMKINS
Director
DIN No.: 01573312

MILAN DALAL
Director
DIN No.: 00062453

Place: London
Dated: 30th May, 2018

Notes

MULLER & PHIPPS (INDIA) LIMITED

CIN:L63090MH1917PLC007897
REGISTERED OFFICE : 204, Madhava Building, 2nd Floor,
Bandra Kurla Complex, Bandra East, Mumbai-400 051.
Tel No.26591191, Website: www.mulphico.co.in

ATTENDANCE SLIP

(To be presented at the entrance)

ONE HUNDRED ONE ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 24, 2018 AT 4.30 P.M.

Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber, Churchgate, Mumbai - 400 020

Folio No. ____________________DP ID No.______________________ Client ID No.____

Name of the Member ____ Signature ____

Name of the Proxy holder_______________________________________Signature ____

1. Only member/Proxy holder can attend the meeting.

2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the meeting.

MULLER & PHIPPS (INDIA) LIMITED

CIN:L63090MH1917PLC007897
REGISTERED OFFICE : 204, Madhava Building, 2nd Floor,
Bandra Kurla Complex, Bandra East, Mumbai-400 051.
Tel No.26591191, Website: www.mulphico.co.in

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/ Client Id No : ____

I/We, being the member(s) of _________ Shares of Muller & Phipps (India) Limited, hereby appoint

1. Name : ____Email Id: ____

   Address:____Signature. ____

   or failing him

2. Name : ____Email Id: ____

   Address:____Signature. ____

   or failing him

3. Name : ____Email Id: ____

   Address:___________________________________Signature.____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the One Hundred One Annual General Meeting of the Company to be held on Monday, September 24, 2018 at 4.30 p.m. at Kilachand Conference room, 2nd floor, Indian Merchant Chamber, Churchgate Mumbai -400 020 and at any adjourned meeting thereof in respect of such resolutions as are indicated below.

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2018.
2. Re-Appointment of Mr. Raymond Simkins as Director of the Company.
3. Appointment of Auditors' M/s K F Jetsey & Co., Chartered Accountants.

Signed this_____ day of ______2018

Signature of Shareholder________________________

Affix
₹1
Revenue
Stamp

Signature of Proxy Shareholder_____________________

Notes 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. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member.

Registered Post / Speed Post / Courier

If undelivered please return to :
MULLER & PHIPPS (INDIA) LIMITED
204, Madhava Building, 2^{nd} Floor,
Bandra Kurla Complex, Bandra East,
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