

## Madhusudan Industries Limited



Madhusudan House, Opp. Navrangpura Telephone Exchange, Ahmedabad-380 006.  
Tel: +91 79 26449781, +91 79 26427287 Email: madhusudan\_i@yahoo.in  
Website: www.madhusudan-india.com CIN: L29199GJ1945PLC000443

MIL/2019-20/259  
August 17, 2019

To,  
BSE Limited  
Corporate Relationship Department  
1st Floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort Mumbai - 400 001.  
Scrip Code: 515059  
Scrip ID: MADHUIN

Dear Sir,

**Sub.: Annual Report for the Financial year 2018-19 & Notice of 73<sup>rd</sup> AGM.**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of Annual General Meeting for the financial year 2018-19, which is being dispatched/sent to the members of the Company.

Kindly take the above on record.

Yours faithfully,  
For Madhusudan Industries Limited,

Neha Singh  
Company Secretary  
Encl: as above

**ANNUAL REPORT  
2018-19**



**Madhusudan**

Industries Limited



---

**Board of Directors**

Shri Rajesh B. Shah  
Shri Sanwamal Agarwal  
Shri P. K. Shashidharan  
Shri P. C. Surana  
Smt. Rutva Acharya

**Auditors**

Shailesh Shah & Associates  
Chartered Accountants,  
2, Nilima Park, Next to Rasranjan, Near Vijay Cross Road,  
University Road, Ahmedabad - 380 009.

**Registered Office**

Survey No. 359/B, 359/C, 361 and 362,  
Rakhial - 382 315, Taluka - Dehgam,  
Dist. Gandhinagar, Gujarat.  
Phone : (02716) 267270  
E-mail : madhusudan\_i@yahoo.in  
Website : www.madhusudan-india.com  
CIN : L29199GJ1945PLC000443

**Ahmedabad Office**

"Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006.

**Registrar & Share Transfer Agent**

MCS Share Transfer Agent Limited,  
201, Shatdal Complex, 2nd Floor,  
Opp. Bata Show Room, Ashram Road,  
Ahmedabad - 380 009.

<b>Contents</b>	<b>Page No.</b>
Notice	2
Directors' Report	5
Corporate Governance Report	16
Secretarial Audit Report	22
Independent Auditors' Report	24
Balance Sheet	28
Statement of Profit & Loss	29
Cash Flow Statement	31
Notes to Financial Statements	32

**Annual General Meeting at 11.30 a.m. on Thursday,  
the 19<sup>th</sup> day of September, 2019 at the Registered Office.**

NOTICE

NOTICE is hereby given that the 73<sup>rd</sup> Annual General Meeting of the Members of **MADHUSUDAN INDUSTRIES LIMITED** will be held at 11.30 a.m. on Thursday, the 19<sup>th</sup> day of September, 2019 at the Registered Office of the Company at Survey No. 359/B, 359/C, 361 and 362, Rakhial – 382315, Taluka Dehgam, District Gandhinagar to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the year ended 31<sup>st</sup> March, 2019 including statement of Audited Profit and Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019 and Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Shri P. K. Shashidharan (DIN: 06506263), who retires by rotation and being eligible, offers himself for re-appointment.

Regd. Office :  
Survey No. 359/B, 359/C, 361 and 362,  
Rakhial – 382 315, Taluka - Dehgam,  
Dist. Gandhinagar.  
2<sup>nd</sup> May, 2019  
CIN : L29199GJ1945PLC000443

By Order of the Board of Directors  
For, Madhusudan Industries Limited

Neha Singh  
Company Secretary  
(ACS: 55606)

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIM SELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of total share capital of the company.
2. Members are requested to notify immediately the change of address, e-mail id, bank details, if any, to the Company or MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company.
3. The Register of Members and Share transfer book of the Company will remain closed from 5<sup>th</sup> September, 2019 to 12<sup>th</sup> September, 2019 (both days inclusive).
4. Corporate members intending to send their authorized representative to attend the Annual General Meeting are requested to send to the Company a Certified true copy of the Board Resolution/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
6. Members are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
7. Unpaid / Unclaimed Dividend, Share application money received and due for refund and matured deposits unclaimed and unpaid for a period of seven years as applicable have been transferred to the Investor Education and Protection Fund pursuant to the provisions of the Companies Act.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar. Securities and Exchange Board of India has prohibited physical transfer of shares w.e.f. 01.04.2019.
9. Annual Report 2018-19 along with notice of the AGM, Attendance Slip, Proxy Form and process instructions and the manner of conducting E-voting is being sent electronically to all the members whose email IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of Annual Report are being sent through the permitted mode. Members who have not registered their email address are requested to get their email address registered with the Company / Depository Participants and update the same, if required. This may be treated as an advance opportunity in terms of proviso to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014.
10. All the documents, if any, referred to in this notice are available for inspection of the members at the registered office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.
11. Voting through electronic means  
  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 73<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The members shall refer to the detailed procedures on e-voting attached herewith.
12. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

13. Members are required to vote only through the electronic system or through ballot at Annual General Meeting only and in no other form. In the event a member casts his/her votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
14. The remote e-voting period commences on Monday, 16<sup>th</sup> September, 2019 (10:00 a.m.) and ends on Wednesday, 18<sup>th</sup> September, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 12<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
15. The e-voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12<sup>th</sup> September, 2019. A person other than member on cut-off date should treat this notice for information only.
16. A member may participate in the Annual General Meeting even after exercising his right to vote through e-voting but shall not be allowed to vote again.
17. Parikh Dave & Associates, Companies Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.
18. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
19. The Results will be declared on receipt of Scrutinizer's Report at Registered Office of the Company at Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382 315, Taluka - Dehgam, Dist. Gandhinagar, Gujarat. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.madhusudan-india.com and on the website of CDSL immediately and communicated to the BSE.
20. Shri Thomas Koshy, Chief Executive Officer of the Company, "Madhusadan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006, shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. His Contact details are **E-mail:** madhusudan\_i@yahoo.in, **Phone No.** 079-49112222
21. Members holding equity shares in electronic form and proxies thereof, are requested to bring their DP ID. and Client ID. for identification.
22. Brief resume of Directors, proposed to be appointed / re-appointed at this Annual General Meeting is given below:

Name of Director	Shri P. K. Shashidharan
DIN	06506263
Date of Birth	07.08.1958
Date of appointment	26.02.2013
Brief Resume and nature of expertise in specific Functional areas	Marketing & Marketing Services
List of other directorships held	NIL
Chairman / Member of the Committees of the Board of other Companies	NIL
Shareholding in the Company	NIL
Relationship between Directors Inter-se	NIL
No. of Board Meetings attended during 2018-19	4

Regd. Office :  
Survey No. 359/B, 359/C, 361 and 362,  
Rakhial – 382 315, Taluka - Dehgam,  
Dist. Gandhinagar.  
2<sup>nd</sup> May, 2019  
CIN : L29199GJ1945PLC000443

By Order of the Board of Directors  
For, Madhusudan Industries Limited

Neha Singh  
Company Secretary  
(ACS: 55606)

## Annual Report 2018-2019

### Procedure on e-voting

#### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday, 16<sup>th</sup> September, 2019 (10:00 a.m.) and ends on Wednesday, 18<sup>th</sup> September, 2019 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 12<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Address Sticker.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company, please enter the member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for relevant Madhusudan Industries Ltd. on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the log in password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - "m-Voting" for e-voting. Shareholders may login to m-Voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the log in should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## Directors' Report

To  
The Members,

The Directors have pleasure in submitting the Annual Report together with the Statement of Accounts of your Company for the year ended 31<sup>st</sup> March, 2019.

### Performance

The summary of your Company's financial performance is given below:

	Year ended March 31, 2019 (Rs. in lakhs)	Year ended March 31, 2018 (Rs. in lakhs)
Profit before Depreciation and Taxes	37.83	153.84
Deducting there from Depreciation	12.80	14.31
Profit / Loss before tax after exceptional item	25.03	139.53
Deducting therefrom taxes of:		
- Current Tax	18.00	7.85
- Deferred Tax	(10.27)	25.15
Profit for the period	17.30	106.52
Add/(Less): Other Comprehensive Income (Net of Tax)	(2.13)	(1.15)
<b>Total Comprehensive Income</b>	<b>15.17</b>	<b>105.38</b>

### Transfer to Reserves

Due to Carry forward loss of previous years the Company has not transferred any amount to General Reserve in the current year.

### Highlights / Performance of the Company

Total income of the Company was Rs.114.61 Lakhs during the year.

### Management Discussion and Analysis

#### a) Industry Structure and Developments

The Company continues its search for a viable project to be set up at the available facilities at Rakhial.

#### b) Opportunities and Threats

The Management is interested in undertaking a suitable venture that can be set up in the available land and infrastructure with the Company. As such the Company does not face any threat in its existence.

#### c) Outlook

It will entirely depend on the project to be set up by the Company.

#### d) Risks and Concerns

Presently, Company is exposed to the prevalent risks of uncertainties and changes in government policies, unexpected regulatory changes etc.

#### e) Internal Control Systems and their adequacy

The Company has computerized its accounting system since many years. Adequate internal control system exists in the Company and the internal control system of the Company is commensurate with the size and complexity of the Company's business. The operations are subject to periodic internal audit by independent Auditors.

#### f) Financial performance with respect to Operational Performance is discussed in the main part of the report.

#### g) Material Developments in Human Resources, Industrial Relations, Environment, Health & Safety

The Company values and nurtures its human resources and Company would continue to adopt and implement the best HRD practices in future. Manpower strength of the Company as on March 31, 2019 stands at 6.

#### h) Key Financial Ratios : (in times / %)

Sr. No.	Ratio	2018-19	2017-18
1	Debtors Turnover -times	8105.53	7741.17
2	Inventory Turnover	0.00	0.00
3	Interest Coverage Ratio	0.00	0.00
4	Current Ratio - times	51.21	56.71
5	Debt. Equity Ratio	0.00	0.00
6	Operating Profit Margin %	21.84	127.38
7	Net Profit Margin %	15.09	97.25
8	Return on Net Worth %	0.94	5.81

Operating Profit Margin, Net Profit Margin and Return on Net Worth Ratios varies due to changes in the value of Non Current and Current Investments of the company compared to its earlier period carrying fair values are recognised in the statement of profit and loss account as per the requirement of Indian Accounting Standards (Ind AS)



## ***Annual Report 2018-2019***

---

### **Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The information required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as a separate Annexure-I.

### **Particulars of contracts or arrangements with related parties**

All transactions entered with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis, the details of which are included in the notes forming part of the financial statements.

There were no material related party transactions entered during the year. Accordingly, information in form AOC - 2 is not annexed. Further no materially significant related Party transactions were made by the Company with Directors, Key Managerial Personnel or other designated Persons, which may have a Potential Conflict with the interest of the Company at large. All related party transactions were placed before the Audit Committee and also the Board for approval. The Policy on related Party transactions as approved by the Board is uploaded on the Company's website i.e. [www.madhusudan-india.com](http://www.madhusudan-india.com).

### **Director's Responsibility Statement**

In compliance of Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm:

- that in the preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- that such accounting policies have been selected and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2019 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis.
- that internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Managerial Remuneration and Employees**

Details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are enclosed as a separate Annexure-II.

Details of employees as specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed to this report as annexure, however it is not being sent alongwith this Annual Report but available for inspection at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request, being made to the Company Secretary. The above detail is not being sent alongwith this Annual Report to the members in line with the provisions of Section 136 of the Companies Act, 2013 and rules made thereunder.

Company has not offered its shares to its employees under ESOS during the year under review.

Company has not sanctioned loan to any of its employees for purchase of Company's shares under any scheme.

### **Extract of Annual Return**

The details forming part of the extract of the annual return in Form No.MGT-9 is annexed herewith as a separate Annexure-III.

### **Corporate Governance**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance has been included in this Annual Report as a separate Annexure - IV.

As per Regulation 15 the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to comply with Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V. However as a good corporate governance practice, the Company has been complying with the aforesaid provisions / regulations voluntarily.

### **Number of Meetings of the Board**

The Board of Directors, during the financial year 2018-19 duly met 5 times on 19.04.2018, 28.05.2018, 10.08.2018, 02.11.2018 and 31.01.2019 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

### **Particulars of Loans, guarantees or investments**

The loans if any, made by the Company are within the limits prescribed u/s 186 of the Companies Act, 2013 and no guarantee or security is provided by the Company.

Details of investments covered u/s 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **Risk Management Policy**

The Board has approved and implemented risk management Policy of the Company including identification and element of risks.

The Risk Management is overseen by the Audit Committee / Board of Directors of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall

risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details please refer to the Management Discussion and Analysis.

#### **Audit Committee**

The Company has constituted Audit Committee. For details please refer Corporate Governance Report attached as a separate Annexure-V.

#### **Internal Control System and its Adequacy**

The Company has internal control system commensurate with the size, scale and complexity of its business operations. The scope and functions of Internal Auditor are defined and reviewed by the Audit Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor assesses opportunities for improvement of business processes, systems and controls, to provide recommendations, which can add value to the organisation.

#### **Dividend**

Due to carry forward loss of previous years, the Board of Directors has not recommended any dividend. During the year the Company was not required to transfer unclaimed dividend to the Investor Education and Protection Fund.

#### **Share Capital**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2018 was Rs.268.75 Lakhs. During the year under review the Company has not issued any shares. As on 31<sup>st</sup> March, 2019 the Share Capital was Rs.268.75 Lakhs.

No shares with differential voting rights, stock or sweat equity shares were issued by the Company during the year under review.

The Company was not required transfer any Shares to Investor Education and Protection Fund, pursuant to the provisions of section 124 & 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

#### **Exchequer**

The Company has contributed Rs. 29.43 Lakhs to the exchequer by way of GST, Income Tax and other fiscal levies.

#### **Deposits**

For the year under review, the Company has not accepted fixed deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. There have been no defaults in repayment of deposits or payment of interest thereon during the year.

The Company has no unclaimed/unpaid fixed deposits as at end of the year.

#### **Directors**

Members at the Annual General Meeting held on 25<sup>th</sup> September, 2018 have re-appointed Shri Rajesh B. Shah, Shri P. C. Surana and Smt. Rutva Acharya as Independent Directors of the Company to hold office for further period of five consecutive years for a term up to 31<sup>st</sup> March, 2024 (they will not retire by rotation).

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities.

Shri. P.K. Shashidharan, director is due to retire at the end of the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief resume of the Director who is proposed to be reappointed at the ensuing Annual General meeting as required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the notice convening this Annual General Meeting of the Company.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule – IV of the Companies Act and SEBI (LODR) Regulations, 2015, the Board has carried the evaluation of its own performance, individual Directors, its Committees and Key Managerial Personnel, on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company.

The performance of each of the Independent Director and non-independent director was also evaluated by the Independent Directors at the separate meeting held of Independent Directors of the Company.

#### **Policy on Directors appointment and remuneration**

Criteria determining the qualifications, positive attributes and independence of Directors.

#### **Independent Directors**

##### **- Qualifications of Independent Director**

An independent director shall possess appropriate skills, qualifications, experience and knowledge in one or more fields of finance, law, management, marketing, administration, corporate governance, operations or other disciplines related to the Company's business.

##### **- Positive attributes of Independent Directors**

An independent director shall be a person of integrity, who possesses knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company etc. Independent Directors are appointed on the basis of requirement of the Company, qualifications & experience, association with the Company etc. He should also devote sufficient time to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

## ***Annual Report 2018-2019***

---

### **- Independence of Independent Directors**

An independent director should meet the requirements of Section 149(6) of The Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and give declaration every year to the Board of Directors for the same.

### **Other Directors and Senior Management**

The Nomination and Remuneration Committee shall identify and ascertain the qualifications, expertise and experience of the person for appointment as Director or at Senior Management Level and recommend to the Board his/her appointment.

The Company shall not appoint or continue the employment of any person as Director or Senior Management Personnel if the evaluation of his performance is not satisfactory.

Other details are disclosed in the Corporate Governance Report under the head Nomination and Remuneration Committee and details of Remuneration (Managing Director/Whole Time Director and Non-Executive Directors) are attached as separate Annexure IV to this report.

### **Remuneration / commission from Holding or Subsidiary Company**

The Company has no Holding Company or Subsidiary Company

### **Remuneration Policy**

It is separately disclosed in the Corporate Governance Report attached as a separate Annexure-IV to this Report.

### **Auditors and their Observations**

Shailesh Shah & Associates., Chartered Accountants are the statutory auditors of the company. They are appointed for a period of five years, from the conclusion of AGM held on 22nd September, 2017 till the conclusion of the AGM to be held for the Financial year 2021-22.

Pursuant to amendment to section 139 of the Companies Act, 2013 effective from May 7, 2018, ratification of Statutory Auditors' appointment is not required at every Annual General Meeting. Accordingly, resolution for ratification of Statutory Auditors is not proposed.

The Auditors' Report and Secretarial Audit Report to the members for the financial year under review do not contain any qualification, reservation or adverse remarks or disclaimer.

The Statutory Auditors have not reported any fraud during the year under review.

### **Secretarial Audit**

Pursuant to provisions of Section 204 of Companies Act, 2013 and Rules made there under, the Company has appointed Parikh Dave and Associates, Practicing Company Secretaries to undertake the secretarial audit of the Company for the year 2019-20.

The Secretarial Audit Report for the year 2018-19 given by Parikh Dave and Associates, Company Secretaries in practice is annexed with this report.

The company is complying with the applicable Secretarial Standards.

### **Cost Records and Cost Auditors**

The Company is not required to maintain cost records under Companies (Cost Records and Audit) Rules, 2014, accordingly Cost Auditors are not appointed.

### **Insurance**

Your Company has adequately insured all its properties.

### **Industrial Relations**

Your Company's relations with its employees remained cordial throughout the year. The Directors wish to place on record their deep appreciation for the services rendered by staff members and executives of the Company.

Your Company has taken adequate steps for the health and safety of its employees, as required under the Gujarat Factories Rules, 1963. During the year under review the Company has not received any complaint under The Sexual Harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013.

### **Material Changes Affecting Financial Position of the Company**

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate, i.e. 31st March, 2019 and the date of the Board's Report.

### **Change in Nature of Business**

There has been no change in the nature of the business of the Company during the Financial year 2018-19.

### **Orders passed by Regulatory Bodies or Courts**

No regulatory body or court or tribunal has passed any significant and material orders impacting the going concern status and operations of the company.

### **Vigil Mechanism**

The company has implemented Vigil Mechanism. For details please refer Corporate Governance Report attached as a separate Annexure-IV.

### **Appreciation**

Your Directors would like to place on record their gratitude for the co-operation and assistance given by various departments of both State and Central Governments.

Ahmedabad  
2<sup>nd</sup> May, 2019

For and on behalf of the Board of Directors,  
**Rajesh B. Shah (DIN : 00607602)**  
**P. C. Surana (DIN : 06508125)**  
**P. K. Shashidharan (DIN : 06506263)**  
**Rutva Acharya (DIN : 06933478)**  
Directors

### Annexure I to the Directors' Report

Disclosure of particulars with respect to Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Report of the Board of Directors for the year ended 31<sup>st</sup> March, 2019.

<b>A. Conservation of Energy</b>	:	Nil
<b>B. Technology Absorption</b>	:	Nil
<b>C. Foreign Exchange earnings and outgo</b>	:	Nil

Ahmedabad  
2<sup>nd</sup> May, 2019

For and on behalf of the Board of Directors,

**Rajesh B. Shah (DIN : 00607602)**  
**P. C. Surana (DIN : 06508125)**  
**P. K. Shashidharan (DIN : 06506263)**  
**Rutva Acharya (DIN : 06933478)**  
Directors

### Annexure II to the Directors' Report

Details as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. N.	Particulars			
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	There is no working director in the Company and no remuneration was paid to any director except sitting fees.		
ii.	The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	Directors NIL	KMPs CEO CFO CS 10.00% 9.82% 10.07%	
iii.	The % increase in the median remuneration of employees in the financial year	9.53%		
iv.	The number of permanent employees on the rolls of company.	6		
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The percentage increase in salary of employees in last financial year is 9.53%. There was no wholetime director (Managerial Personnel defined under the Companies Act) in the Company. Annual increase in remuneration was based on remuneration policy, qualifications and experience, responsibilities shouldered and individual performance of the employees.		
vi.	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration is as per the remuneration policy of the Company.		

Ahmedabad  
2<sup>nd</sup> May, 2019

For and on behalf of the Board of Directors,

**Rajesh B. Shah (DIN : 00607602)**  
**P. C. Surana (DIN : 06508125)**  
**P. K. Shashidharan (DIN : 06506263)**  
**Rutva Acharya (DIN : 06933478)**  
Directors

## Annual Report 2018-2019

### Annexure III to the Directors' Report

Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

#### I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L29199GJ1945PLC000443  
 ii) Registration Date : 27.08.1945  
 iii) Name of the Company : MADHUSUDAN INDUSTRIES LIMITED  
 iv) Category / Sub-Category of the Company : Public Limited Company  
 v) Address of the Registered office and contact details : Survey No. 359/B, 359/C, 361 and 362, Rakhial – 382 315, Taluka - Dehgam, Dist. Gandhinagar. Phone : (02716) 267270  
 vi) Whether listed Company ? Yes / No : Yes  
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2<sup>nd</sup> Floor, Opp. Bata Show Room, Ashram road, Ahmedabad – 380 009. Phone : (079) 26580462 Email ID : mcsstaahmd@gmail.com

#### 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	NIL	NIL	NIL

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

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

##### i) Category-wise Share Holding

Category of Shareholders	No. shares held at the beginning of the year				No. shares held at the end of the year				% change during the Year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>									
<b>1 Indian</b>									
(a) Individuals/ Hindu Undivided Family	1143222	0	1143222	21.27	1171657	0	1171657	21.80	0.53
(b) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	2015344	0	2015344	37.49	2015344	0	2015344	37.49	0.00
(d) Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total(A)(1)</b>	<b>3158566</b>	<b>0</b>	<b>3158566</b>	<b>58.76</b>	<b>3187001</b>	<b>0</b>	<b>3187001</b>	<b>59.29</b>	<b>0.53</b>
<b>2 Foreign</b>									
(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c) Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>3158566</b>	<b>0</b>	<b>3158566</b>	<b>58.76</b>	<b>3187001</b>	<b>0</b>	<b>3187001</b>	<b>59.29</b>	<b>0.53</b>



Category of Shareholders	No. shares held at the beginning of the year				No. shares held at the end of the year				% change during the Year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds/ UTI	0	275	275	0.01	0	275	275	0.01	0.00
(b) Financial Institutions / Banks	0	2625	2625	0.05	0	2625	2625	0.05	0.00
(c) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e) Insurance Companies	268492	0	268492	5.00	268492	0	268492	5.00	0.00
(f) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i) Any Other (specify) -	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>	<b>268492</b>	<b>2900</b>	<b>271392</b>	<b>5.05</b>	<b>268492</b>	<b>2900</b>	<b>271392</b>	<b>5.05</b>	<b>0.00</b>
<b>2 Non-institutions</b>									
(a) Bodies Corporate	150743	8520	159263	2.96	239612	8020	247632	4.61	1.64
(b) Individuals									
I Individual shareholders holding nominal share capital up to Rs. 1 lakh	761318	369582	1130900	21.04	690788	349091	1039879	19.35	-1.69
II Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	611296	0	611296	11.37	578561	0	578561	10.76	-0.61
(c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d) Any Other (specify)									
I Hindu Undivided Family	41674	250	41924	0.78	34809	250	35059	0.65	-0.13
II Non Resident Individual	909	750	1659	0.03	15126	350	15476	0.29	0.26
<b>Sub-Total (B)(2)</b>	<b>1565940</b>	<b>379102</b>	<b>1945042</b>	<b>36.18</b>	<b>1558896</b>	<b>357711</b>	<b>1916607</b>	<b>35.66</b>	<b>-0.53</b>
<b>(B) Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1834432</b>	<b>382002</b>	<b>2216434</b>	<b>41.24</b>	<b>1827388</b>	<b>360611</b>	<b>2187999</b>	<b>40.71</b>	<b>-0.53</b>
<b>TOTAL (A)+(B)</b>	<b>4992998</b>	<b>382002</b>	<b>5375000</b>	<b>100.00</b>	<b>5014389</b>	<b>360611</b>	<b>5375000</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>									
1 Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2 Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4992998</b>	<b>382002</b>	<b>5375000</b>	<b>100.00</b>	<b>5014389</b>	<b>360611</b>	<b>5375000</b>	<b>100.00</b>	<b>0.00</b>

## Annual Report 2018-2019

### (ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
1	Vikram Investment Co. Ltd.	936640	17.43	0.00	936640	17.43	0.00	0.00
2	Madhusudan Holdings Ltd.	440600	8.20	0.00	440600	8.20	0.00	0.00
3	Vikram Somany	510544	9.50	0.00	538979	10.03	0.00	0.53
4	Rekha Commercial Ltd.	266194	4.95	0.00	266194	4.95	0.00	0.00
5	Trisure Promotions & Tradings Ltd.	242200	4.51	0.00	242200	4.51	0.00	0.00
6	Smiti Somany	613120	11.41	0.00	613120	11.41	0.00	0.00
7	Suvinay Trading & Investment Co. Ltd.	129710	2.41	0.00	129710	2.41	0.00	0.00
8	Deepshikha Khaitan	19558	0.36	0.00	19558	0.36	0.00	0.00
<b>TOTAL</b>		<b>3158566</b>	<b>58.76</b>	<b>0.00</b>	<b>3187001</b>	<b>59.29</b>	<b>0.00</b>	<b>0.53</b>

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

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	At the beginning of the year	3158566	58.76
	Shares acquired by Shri Vikram Somany as per probate of Lt. Smt. Ganga Somany		
1	13.02.2019	28435	0.53
	At the end of the year	<b>3187001</b>	<b>59.29</b>

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

Sr. No.	For Each of the top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	S Kumar and Sons Holding Private Limited	85000	1.58	184040	3.42
	Purchase : Cumulative Holdings - 20/07/2018 - 91687, 07/09/2018 - 102330, 05/10/2018 - 103430, 12/10/2018 - 118834, 19/10/2018 - 120034, 26/10/2018 - 125230, 30/11/2018 - 126930, 07/12/2018 - 127609, 21/12/2018 - 127670, 28/12/2018 - 133195, 04/01/2019 - 134585, 11/01/2019 - 138785, 18/01/2019 - 140435, 01/02/2019 - 143935, 08/02/2019 - 176079, 15/02/2019 - 182808, 22/02/2019 - 183264, 01/03/2019 - 183464, 08/03/2019 - 183664, 22/03/2019 - 184040 Sale Cumulative Holdings: NIL				
2	Life Insurance Corporation of India	150029	2.79	150029	2.79
	No Change				
3	Kamal Kumar Goyal	0	0.00	140049	2.61
	Purchase Cumulative Holdings: 13/04/2018 - 35049, 16/11/2018 - 140049 Sale : Cumulative Holdings: NIL				
4	Sajan Kumar Pasari	128570	2.39	128570	2.39
	No Change				
5	General Insurance Corporation of India	98948	1.84	98948	1.84
	No Change				
6	Sheo Kumar Agarwal	57700	1.07	72432	1.35
	Purchase: Cumulative Holdings - 13/04/2018 - 67000, 30/06/2018 - 69000, 22/02/2019 - 70500, 22/03/2019 - 70650, 30/03/2019 - 72432 Sale Cumulative Holdings: NIL				
7	Vinodchandra Muljibhai Shah	58675	1.09	59175	1.10
	Purchase: Cumulative Holdings - 18/05/18 - 59175 Sale Cumulative Holdings: NIL				
8	Dipak Kanayalal Shah	55000	1.02	55000	1.02
	No Change				
9	Anil Kumar Maskara	31694	0.59	31694	0.59
	No Change				
10	Neo Plast Engineering Pvt Ltd	30000	0.56	30000	0.56
	No Change				

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Rajesh B. Shah Purchased 5 Shares off Market	0	0.00	5	0.00
2	Shri P. K. Shashidharan	0	0.00	0	0.00
3	Smt. Rutva Acharya	150	0.00	150	0.00
4	Shri P. C. Surana Purchased 4 Shares off Market	0	0.00	4	0.00
5	Shri S. M. Agarwal	200	0.00	200	0.00
6	Shri Thomas Koshy Purchased 2 Shares off Market	50	0.00	52	0.00
7	Shri Tarun Panchal	0	0.00	100	0.00
8	Ms. Neha Singh	0	0.00	0	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment (Rs. in Lakhs)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:**

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
1	Gross salary	There is no Managing Director, Whole-time Director and/or Manager in the Company.	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961		
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of Profit		
	- Others, specify		
5	Others, specify (perq + PF)		
	Total (A)		
	Celling as per Act		



## Annual Report 2018-2019

### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount (Rs. in Lakhs)
		Rajesh B. Shah	P. C. Surana	Rutva Acharya	
1	Independent Directors				
	• Fee for attending board / committee meetings	0.10	0.10	0.10	0.30
	• Commission	0	0	0	0
	• Others, please specify	0	0	0	0
	Total (1)	0.10	0.10	0.10	0.30
2	Other Non-Executive Directors	P.K. Shashidharan		S. M. Agarwal	
	• Fee for attending board / committee meetings	0.08		0.10	0.18
	• Commission	0		0	0
	• Others, please specify	0		0	0
	Total (2)	0.08		0.10	0.18
	Total (B)=(1)+(2)				0.48
	Total Managerial Remuneration				0.48
	Overall Ceiling as per the Act	Only sitting fees paid			

### C. Remuneration to key managerial personnel other than MD / Manager / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total Amount (Rs. in Lakhs)
		CEO	CS*		CFO	
1	Gross salary	Shri Thomas Koshy	Ms. Dipshika Khatri *	Ms. Neha Singh *	Shri Tarun Panchal	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20.71	1.37	0.27	6.54	28.89
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission					
	- as % of profit	0	0	0	0	0
	- others. specify...	0	0	0	0	0
5	Others, please specify (Perq + PF)	1.41	0.08	0.02	0.38	1.88
	Total	22.12	1.45	0.29	6.92	30.77

\* Ms. Dipshikha Khatri resigned as Company Secretary w.e.f. 31.01.2019 and Ms. Neha Singh appointed as Company Secretary w.e.f. 01.02.2019.

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>			NIL		
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors,

 Ahmedabad  
 2<sup>nd</sup> May, 2019

**Rajesh B. Shah (DIN : 00607602)**  
**P. C. Surana (DIN : 06508125)**  
**P. K. Shashidharan (DIN : 06506263)**  
**Rutva Acharya (DIN : 06933478)**  
 Directors

Annexure IV to the Directors' Report

**CORPORATE GOVERNANCE REPORT  
(As required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**1) Company's Philosophy**

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen.

The spirit of Corporate Governance has been prevailing in the Company. The Company believes in the values of transparency, professionalism and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders, and with every individual, who comes in contact with the Company.

**2) Board of Directors**

The Board comprises of 5 (five) Non-Executive Directors.

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the period under review.

During the year, 5 (five) Board Meetings were held on 19.04.2018, 28.05.2018, 10.08.2018, 02.11.2018 and 31.01.2019.

None of the directors on the Board are members in more than ten committees and they do not act as Chairmen of more than five committees across all companies in which they are directors.

The composition of Board of Directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance At last AGM	No. of Other directorships	No. of Other Committee Memberships
1.	Shri Rajesh B. Shah	Non-Executive Independent Director	5	YES	1	-
2.	Shri Sanwamal Agarwal	Non-Executive Director	5	YES	1	-
3.	Shri P. K. Shashidharan	Non-Executive Director	4	YES	-	-
4.	Shri Prem Chand Surana	Non-Executive Independent Director	5	YES	1	-
5.	Smt. Rutva Acharya	Non-Executive Independent Director	5	YES	-	-

None of the Directors of the Company hold Directorship in any other Listed Company.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or byway of presentations and discussions during the meeting.

All Independent Directors are experienced and competent from their respective field. They actively participate in the Board and Committees which gives significant value addition

in the decision-making process. Familiarization programs imparted to independent directors is posted on company's website [www.madhusudan-india.com](http://www.madhusudan-india.com).

None of the Directors are related to any other director on the Board in term of Definition of 'relative' as per the Companies Act, 2013.

**Skills / Expertise / Competence of the board**

The Board comprises of persons with varied experiences indifferent areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following list summarizes the key skills, expertise and competence that the Board think is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess: 1. Commercial, 2. Finance, 3. Sales and marketing, 4. Technology, 5. Industrial Climate, 6. General Administration and 7. Human Resources.

**Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of the specific duties, obligations and governance were also evaluated.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Independent and Non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 31.01.2019 inter alia, to discuss:

- Evaluation of the performance of Independent directors, Non-Independent Directors, the Board of Directors as whole and Key Managerial Personnel;
- Evaluation of the performance of the Board of Directors, taking into account the views of the Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may

be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board the Independent Directors of the Company fulfills conditions specified in SEBI (LODR) Regulations, 2015 and are Independent of the management of the Company.

#### Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the Directors, Promoters, Senior Managerial Personnel, Designated Persons and other connected persons of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company. The Company has revised Internal Code of Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in line with the amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015.

#### Code of Conduct

The Company has implemented model code of conduct for the Board members and senior Officers of the Company. The code of conduct has been posted on the website of the Company i.e. [www.madhusudan-india.com](http://www.madhusudan-india.com)

#### Risk Management Policy

The Board of directors has framed, approved and implemented Risk Management Policy of the Company including identification and element of risks.

### 3) Audit Committee

The Audit Committee, consists of 4 (four) directors, namely Shri Rajesh B. Shah – Chairman (Independent), Shri Prem Chand Surana (Independent), Shri Sanwarmal Agarwal and Smt. Rutva Acharya (Independent). During the year, f (four) Audit Committee Meetings were held on 28.05.2018, 10.08.2018, 02.11.2018 and 31.01.2019.

#### Terms of reference:

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under regulation 18 and Part – C of Schedule - II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Details of no. of meetings and attendance there at is as under.

Name Of Director	No. of Meetings	
	Held	Attended
Shri Rajesh B. Shah	4	4
Shri Prem Chand Surana	4	4
Shri Sanwarmal Agarwal	4	4
Smt. Rutva Acharya	4	4

### 4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee, consists of 4 (four) directors namely, Shri Rajesh B. Shah – Chairman (Independent), Shri Prem Chand Surana (Independent), Shri Sanwarmal Agarwal and Smt. Rutva Acharya (Independent).

The Committee also decides the fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees etc. of the remuneration package of working directors, as may be necessary. Presently the company has no Whole-time director.

During the year under review two meeting was held on 28.05.2018 and 31.01.2019.

Independent Directors are appointed and their performance is evaluated based on the criteria such as knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company, number of meetings attended, familiarization programs attended, time devoted etc. The committee recommends appointment of directors to the board.

Details of no. of meetings and attendance there at is as under.

Name Of Director	No. of Meetings	
	Held	Attended
Shri Rajesh B. Shah	2	2
Shri Prem Chand Surana	2	2
Shri Sanwarmal Agarwal	2	1
Smt. Rutva Acharya	2	2

### 5) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

The component of the total remuneration varies for different grades and is governed by Industry pattern, qualifications and experience of the employee, responsibilities handled by him and his individual performance, etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and to retain talent in the organization and accord merit.

### 6) Details of remuneration for the year ended 31.03.2019

#### (i) Managing Director / Whole-time Director(s)

The company has no Managing Director / Whole Time Director(s).

#### (ii) Non-Executive Directors

Remuneration by way of sitting fees for attending Board meetings was paid to the Non-Executive directors. No commission is proposed to be paid to the Non-Executive Directors for the year ended 31<sup>st</sup> March, 2019.

The details of sitting fees paid to them during the year are as under:

Name	Sitting Fees (Amt. in Lakhs)
Shri Rajesh B. Shah	0.10
Shri Prem Chand Surana	0.10
Shri Sanwar Mal Agarwal	0.10
Shri P. K. Shashidhaan	0.08
Smt. Rutva Acharya	0.10
<b>Total</b>	<b>0.48</b>

#### (iii) Shareholding of Non-Executive Directors

Name	No. of Shares held	% of total shareholding
Shri Rajesh B. Shah	5	0.00
Shri Sanwar Mal Agarwal	200	0.00
Shri Prem Chand Surana	4	0.00
Shri P. K. Shashidharan	NIL	NIL
Smt. Rutva Acharya	150	0.00

### 7) Share Transfer Committee

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had delegated the powers of share transfers to the Share Transfer Committee.

## Annual Report 2018-2019

In order to expedite the process of share transfers / transmissions / splits / consolidation, the Committee meets atleast once in 10-15 days.

The Share transfer committee consists of three directors namely Shri P.C. Surana – Chairman (independent), Shri Rajesh B. Shah (independent) and Shri Sanwamal Agarwal.

### Share Transfer Agent

The Company has appointed MCS Share Transfer Agent Limited, a SEBI registered Share Transfer Agent as Registrar and Share Transfer Agent.

### 8) Stakeholders Relationship Committee

The Stakeholders Relationship Committee, consists of 4 (four) directors namely Shri Prem Chnad Surana – Chairman (Independent), Shri Sanwamal Agarwal, Shri P.K. Shashidharan and Smt. Rutva Acharya (Independent).

All investor complaints, which cannot be settled at the level of Company Secretary and Compliance Officer, are forwarded to the Stakeholders Relationship Committee for final settlement.

During the year 2018-19, the Company had received 3 complaints from the Shareholders.

All the complaints received from the Shareholders were resolved. There is no complaint pending as of 31.03.2019, which is not attended / replied by the Company.

The Company confirms that there were no share transfers lying pending as on date which were received upto 31.03.2019 and all requests for dematerialization and re-materialization of shares as on that date were confirmed / rejected into the NSDL / CDSL system.

During the year, one meeting was held on 28.05.2018.

Ms. Neha Singh, Company Secretary is a Compliance Officer.

### 9) General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year ended	Date	Time	Venue
31.03.2018	25.09.2018	11.30 a.m.	Survey No. 359/B, 359/C, 361 & 362, Rakhial - 382315, Taluka – Dehgam, Dist. Gandhinagar
31.03.2017	22.09.2017	11.30 a.m.	Survey No. 359/B, 359/C, 361 & 362, Rakhial - 382315, Taluka – Dehgam, Dist. Gandhinagar
31.03.2016	12.08.2016	11.30 a.m.	Survey No. 359/B, 359/C, 361 & 362, Rakhial - 382315, Taluka – Dehgam, Dist. Gandhinagar

During last three Annual General Meetings, following special resolutions were passed:

1. Re-appointment of Shri Rajesh B. Shah as an Independent Director. (Annual General Meeting Dated 25.09.2018)
2. Re-appointment of Shri Prem Chand Surana as an Independent Director. (Annual General Meeting Dated 25.09.2018)
3. Re-appointment of Smt. Rutva Acharya as an Independent Director. (Annual General Meeting Dated 25.09.2018)

During last three years no resolution is passed through Postal Ballot. No resolution is proposed to be conducted through Postal Ballot as on date.

### 10) Means of Communication

1. Quarterly results are published in leading daily newspapers viz. Financial Express / Indian Express and a local language newspaper viz. Financial Express/Jai Hind. The annual results (Annual Reports) are circulated to all the members of the Company either electronically or in physical form.
2. Management Discussion & Analysis, forms part of this Annual Report, which is also being posted to all the members of the Company.
3. The official news releases, if any, are given directly to the press and simultaneously to the Stock Exchange.
4. The Company sends its financial results, Shareholding pattern and other information to BSE Limited. They upload these information on their website. i.e. [www.bseindia.com](http://www.bseindia.com). The said information is also available on the company's website [www.madhusudan-india.com](http://www.madhusudan-india.com).

### 11) General Shareholders' Information

#### 1. Annual General Meeting

Date and Time : 19<sup>th</sup> September, 2019 at 11:30 a.m.  
Venue : Survey No. 359/B, 359/C, 361 & 362, Rakhial – 382315, Taluka – Dehgam, Dist. Gandhinagar.

#### 2. Financial Calendar 2019-20 (tentative):

Annual General Meeting	By 3rd / 4th week of September, 2020
Results for quarter ending June 30, 2019	By 15th day of August, 2019
September 30, 2019	November, 2019
December 31, 2019	February, 2020
Results for year ending March 31, 2020 (Audited)	By 29 <sup>th</sup> May, 2020

#### 3. Book Closure date

5<sup>th</sup> September, 2019 to 12<sup>th</sup> September, 2019. (Both days inclusive)

#### 4. Dividend payment

Due to carry forward loss of previous years, no dividend is recommended by the Board of Directors for the year ended 31.03.2019.

#### 5. Listing on Stock Exchange

The Company's shares are listed at BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort Mumbai - 400 001. The company has paid listing fees for the year 2018-19 and 2019-20 to the Stock Exchange.

Listing details of the shares of the Company at the Stock Exchange is as under:

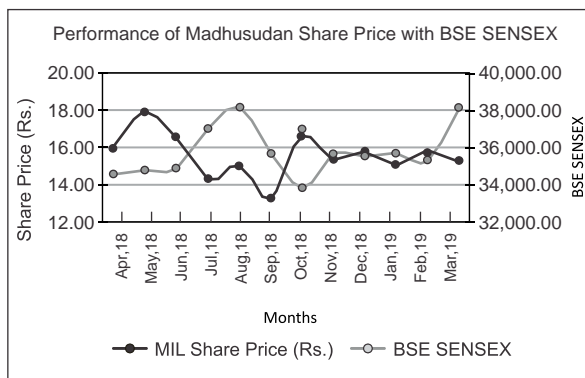
BSE Limited

Stock Code : 515059

Scrip ID : MADHUIN

## 6. Share price at BSE Ltd.

Month	High (Rs.)	Low (Rs.)
April, 2018	15.85	14.40
May, 2018	17.85	15.80
June, 2018	19.40	16.15
July, 2018	16.00	14.25
August, 2018	18.52	14.50
September, 2018	14.20	13.21
October, 2018	16.53	13.30
November, 2018	20.05	15.30
December, 2018	15.95	14.50
January, 2019	15.05	13.35
February, 2019	16.27	14.75
March, 2019	16.50	14.95



## 7. Registrar and Share Transfer Agent

Entire Share Transfer and dematerialization / rematerialization job is assigned to R & T Agent, MCS Share Transfer Agent Limited, a SEBI registered Share Transfer Agent. Request for Share transfer, dematerialization and rematerialization should be sent directly to MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009. Shareholders have option to open their accounts with either NSDL or CDSL as the Company has entered into agreements with both of these depositories.

## 8. Share Transfer System

The share transfer/s was normally effected within a period of 10-15 days from the date of receipt, provided the documents being complete in all respects. The Company has formed Share Transfer Committee of directors, which meets atleast once in 10-15 days for effecting transfer of Shares and other related matters. Securities and Exchange Board of India has prohibited physical transfer of shares w.e.f. 01.04.2019.

## 9. Distribution of Shareholding as on 31.03.2019

Shares	Total No. of Shares	No. of Shareholders
1 - 500	6,08,925	4823
501 - 1,000	91,669	114
1,001 - 2,000	1,09,482	72
2,001 - 3,000	63,225	25
3,001 - 4,000	39,623	11
4,001 - 5,000	45,673	10
5,001 - 10,000	92,019	12
10,001 - 50,000	3,03,747	15
50,001 - 1,00,000	2,85,555	4
1,00,001 And Above	37,35,082	11
<b>Total</b>	<b>53,75,000</b>	<b>5,097</b>

## 10. Pattern of Shareholding as on 31.03.2019.

Sr. No.	Category	No. of Shares	(%) of Shares
1.	NRIs	15,476	0.29
2.	Financial Institutions/ Banks/ Insurance Companies	2,71,117	5.04
3.	Mutual Funds	275	0.01
4.	Promoters	31,87,001	59.29
5.	Bodies Corporate	2,47,632	4.61
6.	Indian Public	16,53,499	30.76
	<b>Total</b>	<b>53,75,000</b>	<b>100.00</b>

## 11. Dematerialisation of Shares as on 31.03.2019

As on 31.03.2019, 93.29% of the Company's total shares representing 50,14,389 Shares were held in dematerialized form and the balance 6.71% representing 3,60,611 shares were in paper form.

The ISIN Number in NSDL and CDSL is "INE469C01023".

## 12. Secretarial Audit for reconciliation of Capital

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a practicing company secretary has carried out the Secretarial Audit for all the quarters of Financial Year 2018-19. The Audit Reports confirms that there is no discrepancy in the issued, listed and admitted capital of the Company.

## 13. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or convertible instruments issued by the Company.

## 14. Plant Locations

Presently there is no operational plant of the Company.

The Company's Registered Office is situated at the following place:

Survey No. 359/B, 359/C, 361 & 362,

Rakhial - 382315, Taluka - Dehgam, Dist. Gandhinagar.

## 15. Address for Correspondence

The Company's Registered Office is situated at Survey No. 359/B, 359/C, 361 & 362, Rakhial, Tal. - Dehgam, Dist. Gandhinagar - 382315. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above or Ahmedabad Office at "Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380006 or to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009, Contact No. 079-26580462, Email : mcsstaahmd@gmail.com.

## Annual Report 2018-2019

The Company has partly adopted non-mandatory requirements.

18. The Company has received Certificate from Umesh Parikh & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs or any such statutory Authority.
19. No Preferential allotment of the shares, made during the F.Y. 2018-19.
20. During the year, Total fees of Rs. 30,000/- have been paid to Statutory Auditors, Shailesh Shah & Associates, Chartered Accountants by the Company.
21. No complaint under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been received by the company during the financial year 2018-19.

### 12) Other Disclosures

1. There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.
2. Disclosure of Accounting Treatment: These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Financial Statements up to and for the year ended 31st March, 2019 were prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The previous year figures have been regrouped / reclassified or restated as per Ind AS, so as to make the figures comparable with the figures of current year.
3. There were no instances of non-compliance, penalty or strictures imposed on the company by Stock Exchange, SEBI or other statutory authority of any matter related to the capital market, during the last three years.
4. Vigil Mechanism (Whistle Blower Policy):

The Company has implemented a Vigil Mechanism (whistle Blower policy) and is posted on the Company's website i.e. www.madhusudan-india.com and no person is denied access to the Audit Committee.

5. The Company has partly adopted non-mandatory requirements. The company has no managing director. The company is having unmodified audit opinion. The Internal Auditor may report directly to the audit committee. The Company is complying with applicable Secretarial Standards.

6. The company has no subsidiary.

7. Related Party Transactions

All transactions entered into with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and approved by the Audit Committee and the Board of Directors. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company i.e. www.madhusudan-india.com.

8. Commodity Risk or Foreign Exchange Risk

The Company is not dealing in any activity which may have commodity price risk or Foreign Exchange risk or undertaken hedging activities.

9. There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2018-19.

10. CEO and CFO certification

As per Regulation 17(8) and Part- B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from CEO and CFO has been obtained.

11. The Company has no unclaimed shares, as the Company has not offered/issued any shares to the public since 1993.

For and on behalf of the Board of Directors,

Ahmedabad  
2<sup>nd</sup> May, 2019

**Rajesh B. Shah (DIN : 00607602)**  
**P. C. Surana (DIN : 06508125)**  
**P. K. Shashidharan (DIN : 06506263)**  
**Rutva Acharya (DIN : 06933478)**  
Directors

---

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**Madhusudan Industries Limited**  
**CIN: L29199GJ1945PLC000443**

We have examined all relevant records of **MADHUSUDAN INDUSTRIES LIMITED** (the Company) for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under para C and D of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has generally complied with the mandatory conditions of the Corporate Governance as stipulated in para C of Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since the paid-up share capital and net worth of the Company do not exceed Rupees Ten Crore and Rupees Twenty Five Crore respectively as on the last day of previous financial year i.e. as on March 31, 2019, the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall not apply to the Company. However as a good corporate governance practice, the Company has been complying with the aforesaid provisions / regulations voluntarily.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**FOR PARIKH DAVE & ASSOCIATES**  
**COMPANY SECRETARIES**

**UMESH PARIKH**  
**PARTNER**

**PRACTICING COMPANY SECRETARY**

**FCS No.: 4152**  
**C. P. No.: 2413**

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

---

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE  
COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for Board Members and Senior Management of the Company.

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the Senior Management Personnel have affirmed compliance with Code of Conduct for the year ended 31<sup>st</sup> March, 2019.

For **Madhusudan Industries Limited**

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

**Thomas Koshy**  
Chief Executive Officer



**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED March 31, 2019

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

To,  
The Members,  
**MADHUSUDAN INDUSTRIES LIMITED**  
**CIN: L29199GJ1945PLC000443**  
Survey No. 359/B, 359/C, 361 & 362,  
Tal.:Dehgam, Rakhial - 382315

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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; - There are no Overseas Direct Investments / External Commercial Borrowings made by the Company during the Audit period under review.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (up-to 10<sup>th</sup> November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11<sup>th</sup> November, 2018) - Not applicable as the Company has not issued any shares / securities during the year under review;
  - (d) The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014 - Not Applicable as the Company has not issued any Shares / options to the Directors / Employees under the said Regulations during the year under review;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any listed debt securities during the year under review;
  - (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 Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 - Not Applicable as the Company has not bought – back any of its securities during the year under review;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

- (i) Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- (ii) The Uniform Listing Agreement entered into by the Company with BSE Limited.

Since the paid-up share capital and net worth of the Company do not exceed Rupees Ten Crore and Rupees Twenty Five Crore respectively as on the last day of previous financial year, the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall not apply to the Company. However as a good corporate governance practice, the Company has been complying with the aforesaid provisions / regulations voluntarily.

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

**We further report that:**

During the audit period under review there were no laws which were specifically applicable to the Company / Industry. However, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company:

1. The Indian Contract Act, 1872

2. Registration Act, 1908
3. The Bombay Stamp Act, 1958

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes which took place in the composition of Board during the year under review.

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

Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members' on any of the matters during the year that were required to be captured and recorded as part of the minutes.

**We further report that:**

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, 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 general laws, rules, regulations and guidelines such as Labour Laws.

**We further report that:**

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

**We further report that:**

During the audit period under review, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity etc.
- b) Redemption / buy-back of securities.
- c) Obtaining the approval from shareholders under Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations.

**FOR PARIKH DAVE & ASSOCIATES  
COMPANY SECRETARIES**

**Place : Ahmedabad  
Date : 02.05.2019**

**UMESH PARIKH  
PARTNER  
PRACTICING COMPANY SECRETARY  
FCS No. 4152  
C P No. 2413**

**Note:** This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

**ANNEXURE - A**

To,  
The Members,  
**MADHUSUDAN INDUSTRIES LIMITED**  
**CIN: L29199GJ1945PLC000443**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure 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 PARIKH DAVE & ASSOCIATES  
COMPANY SECRETARIES**

**Place : Ahmedabad  
Date : 02.05.2019**

**UMESH PARIKH  
PARTNER  
PRACTICING COMPANY SECRETARY  
FCS No. 4152  
C P No. 2413**

## Independent Auditors' Report

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

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Madhusudan Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2019, and its profit, (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Contingent Liabilities

Claims against the Company not acknowledged as debts is disclosed in note no. 26A of the financial statements. The existence and probability of payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

Due to level of judgment required relating to estimation and presentation of contingent liabilities, this is considered to be a key audit matter.

#### Auditor's Response

Our audit procedure included, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the Company not acknowledged as debts as given in note no. 26A.

We have obtained details of completed tax assessments and demands / claims as at 31<sup>st</sup> March 2019 from the management. We assessed the completeness of the details of these claims through discussion with senior management personnel. We have also reviewed the outcome of the disputed cases at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the financial statements.

#### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare

circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, Shailesh Shah & Associates**  
Chartered Accountants  
ICAI Firm Reg. No. 109877W

**CA. Shailesh A. Shah**  
Proprietor  
Membership No. 32205

Place : Ahmedabad  
Date : 2<sup>nd</sup> May 2019

#### **Annexure – A to Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **MADHUSUDAN INDUSTRIES LIMITED** on the financial statements as of and for the year ended 31<sup>st</sup> March, 2019.

## Annual Report 2018-2019

1. In respect of its fixed assets :
  - (a) The company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
  - (c) The title deeds of immovable properties are held in the name of the company.
2. As explained to us, the company does not hold any physical inventories during the year. Thus paragraph 3(ii) of the Order is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
4. According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, wherever applicable, in respect of loans, investments, guarantees and securities given by the company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, the company is not required to maintain cost records specified by the Central Government under sub-section (1) of section 148 of the Act.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> of March, 2019 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, following disputed statutory dues have not been deposited on account of disputed matters pending before appropriate authorities are as under :
8. The company does not have any loans or borrowings from any financial institution, bank, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V to the Act.
12. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
16. According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For, Shailesh Shah & Associates**  
Chartered Accountants  
ICAI Firm Reg. No. 109877W

**CA. Shailesh A. Shah**  
Proprietor  
Membership No. 32205

Place : Ahmedabad  
Date : 2<sup>nd</sup> May 2019

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is pending	Amount Rs. (In Lacs)
1	Gujarat Sales Tax Act	Sales-tax	Honourable Gujarat High Court	139.34
2	Central Excise Act	Central Excise Duty	CESTAT	97.76
3	Income Tax Act	Income – tax	Commissioner of Income-tax (Appeals)	36.72

## **Annexure – B to Independent Auditors’ Report**

Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ Section of our Report of even date to the members of **MADHUSUDAN INDUSTRIES LIMITED** on the financial statements for the year ended 31<sup>st</sup> March, 2019.

### **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 **MADHUSUDAN INDUSTRIES LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to and audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain 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, 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 details, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorities of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the 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, Shailesh Shah & Associates**

Chartered Accountants

ICAI Firm Reg. No. 109877W

**CA. Shailesh A. Shah**

Proprietor

Membership No. 32205

Place : Ahmedabad

Date : 2<sup>nd</sup> May 2019

Balance Sheet as at 31<sup>st</sup> March, 2019

Particulars	Note No.	As at 31 <sup>st</sup> March, 2019 Rs.	As at 31 <sup>st</sup> March, 2018 Rs.
<b>ASSETS</b>			
<b>(A) Non-current assets:</b>			
(1) Property, Plant and Equipment	2	2,22,66,904	2,35,74,134
(2) Financial Assets			
(a) Investments	3	6,04,77,981	6,77,15,140
(b) Others Financial Assets	4	6,54,639	9,07,193
(3) Other non-current assets	5	30,24,778	30,74,778
<b>(B) Current assets</b>			
(1) Financial Assets			
(a) Investments	6	4,57,73,803	4,11,55,358
(b) Trade receivables	7	1,414	1,415
(c) Cash and cash equivalents	8	49,64,174	62,11,418
(d) Bank balances other than (c) above	9	3,64,61,550	3,20,50,684
(e) Loans	10	2,05,70,271	1,92,28,460
(2) Current Tax Assets (Net)	11	26,32,612	23,58,602
(3) Other current assets	12	29,34,699	26,66,200
<b>TOTAL ASSETS</b>		<b>19,97,62,825</b>	<b>19,89,43,382</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) EQUITY</b>			
(1) Equity Share capital	13	2,68,75,000	2,68,75,000
(2) Other Equity	14	15,81,30,493	15,66,13,905
<b>(B) LIABILITIES</b>			
(1) Non-current liabilities			
(a) Financial Liabilities			
Other financial liabilities	15	20,91,300	20,91,300
(b) Provisions	16	1,38,874	1,20,022
(c) Deferred tax liabilities (Net)	17	1,03,14,041	1,14,14,997
(2) Current liabilities			
(a) Financial Liabilities		-	-
(b) Other current liabilities	18	2,30,867	2,08,412
(c) Provisions	19	19,82,250	16,19,746
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,97,62,825</b>	<b>19,89,43,382</b>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For and on behalf of  
**Shailesh Shah & Associates**  
Chartered Accountants  
Firm Registration No. 109877W  
**Shailesh A Shah**  
Proprietor  
Membership No. 32205

**Thomas Koshy**  
C.E.O.

**Tarun Panchal**  
C.F.O.

**Neha Singh**  
Company Secretary  
Mem. No. ACS 55606

**Rajesh B. Shah** (DIN : 00607602) Director

**P. K. Shashidharan** (DIN : 06506263) Director

**P. C. Surana** (DIN : 06508125) Director

**Rutva Acharya** (DIN : 06933478) Director

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019**

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2019 Rs.	For the year ended 31 <sup>st</sup> March, 2018 Rs.
<b>Incomes</b>			
Revenue From Operations	20	1,14,61,215	1,09,53,762
Other Income	21	52,92,295	1,55,54,522
<b>Total Income</b>		<u>1,67,53,510</u>	<u>2,65,08,284</u>
<b>Expenses</b>			
Employee benefits expense	22	49,60,879	42,86,883
Finance costs		-	-
Depreciation and amortization expense	2	12,80,057	14,30,560
Other expenses	23	80,09,629	68,38,223
<b>Total expenses</b>		<u>1,42,50,565</u>	<u>1,25,55,666</u>
<b>Profit/(loss) before exceptional items and tax</b>		25,02,945	1,39,52,618
Exceptional Items		-	-
<b>Profit/(loss) before tax</b>		25,02,945	1,39,52,618
Tax expense:			
Current tax		18,00,000	7,85,000
Deferred tax		(10,26,973)	25,15,163
<b>Profit/(loss) for the period</b>		<u>17,29,918</u>	<u>1,06,52,455</u>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		(2,87,313)	(1,54,919)
(ii) Income tax relating to items that will not be reclassified to profit or loss		73,983	39,892
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period</b>		<u>15,16,588</u>	<u>1,05,37,428</u>
<b>Earnings per equity share</b>			
(1) Basic		0.32	1.98
(2) Diluted		0.32	1.98

See accompanying notes to the financial statements

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For and on behalf of  
**Shailesh Shah & Associates**  
Chartered Accountants  
Firm Registration No. 109877W  
**Shailesh A Shah**  
Proprietor  
Membership No. 32205

**Thomas Koshy**  
C.E.O.

**Tarun Panchal**  
C.F.O.

**Neha Singh**  
Company Secretary  
Mem. No. ACS 55606

**Rajesh B. Shah** (DIN : 00607602) Director

**P. K. Shashidharan** (DIN : 06506263) Director

**P. C. Surana** (DIN : 06508125) Director

**Rutva Acharya** (DIN : 06933478) Director

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019



**Annual Report 2018-2019****Statement for changes in Equity for the period ended on 31<sup>st</sup> March, 2019**

(Equity Share Capital and Other Equity (Refer Note 13 &amp; 14))

**A. Equity Share Capital**

Particulars	No. of Shares	Amount (Rs.)
Balance at the beginning of the reporting period	53,75,000	2,68,75,000
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	53,75,000	2,68,75,000

**B. Other Equity**

Particulars	Reserves and Surplus		Other Comprehensive Income Rs.	Total Other Equity Rs.
	General Reserves Rs.	Retained Earnings Rs.		
<b>Balance as on 1<sup>st</sup> April, 2017</b>	<b>17,11,30,705</b>	<b>(2,48,97,797)</b>	<b>(1,56,431)</b>	<b>14,60,76,477</b>
Profit for the year	-	1,06,52,455	-	<b>1,06,52,455</b>
Remesurement of Defined Benefit Plan	-	-	(1,15,027)	<b>(1,15,027)</b>
<b>Balance as on 31<sup>st</sup> March, 2018</b>	<b>17,11,30,705</b>	<b>(1,42,45,342)</b>	<b>(2,71,458)</b>	<b>15,66,13,905</b>
Profit for the year	-	17,29,918	-	17,29,918
Remesurement of Defined Benefit Plan	-	-	(2,13,330)	(2,13,330)
<b>Balance as on 31<sup>st</sup> March, 2019</b>	<b>17,11,30,705</b>	<b>(1,25,15,424)</b>	<b>(4,84,788)</b>	<b>15,81,30,493</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For and on behalf of  
**Shailesh Shah & Associates**  
Chartered Accountants  
Firm Registration No. 109877W  
**Shailesh A Shah**  
Proprietor  
Membership No. 32205

**Thomas Koshy**  
C.E.O.

**Tarun Panchal**  
C.F.O.

**Neha Singh**  
Company Secretary  
Mem. No. ACS 55606

**Rajesh B. Shah** (DIN : 00607602) Director

**P. K. Shashidharan** (DIN : 06506263) Director

**P. C. Surana** (DIN : 06508125) Director

**Rutva Acharya** (DIN : 06933478) Director

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019



**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019**

Particulars	Year ended 31 <sup>st</sup> March, 2019		Year ended 31 <sup>st</sup> March, 2018	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Profit before tax		25,02,945		1,39,52,618
Adjusted for				
- Depreciation and amortisation expense	12,80,057		14,30,560	
- Interest Charged	-		-	
- Interest Income	(42,92,595)		(41,60,924)	
- Dividend Income	(2,52,360)		(3,18,289)	
- Amount Written Off	46,819		45,59,502	
- Profit on Sale of Investments	(1,90,395)		(7,92,840)	
- Premium Expenses on Securities	10,300		68,706	
- Net Gain arising on Financial Assets measured at Fair Value through Profit and Loss (FVTPL)	53,54,722		(1,02,72,915)	
- Provision for Impairment in Value of Investment	(5,55,935)		1,43,509	
- (Profit) / Loss on Sale of Property, Plant & Equipment (Net)	27,173		(2,612)	
		<u>14,27,786</u>		<u>(93,45,303)</u>
Operating profit before working capital changes		39,30,731		46,07,315
Adjusted for changes in working capital				
- Trade Receivable	1		35,992	
- Financial Assets	(55,46,942)		(9,12,559)	
- Inventories	-		-	
- Other Assets	(2,18,499)		3,74,530	
- Trade and Other Payables	-		-	
- Other Liabilities	(2,64,858)		(4,415)	
- Provisions	3,81,356		(2,45,032)	
		<u>(56,48,942)</u>		<u>(7,51,484)</u>
Cash generated from Operating Activities		(17,18,211)		38,55,831
Direct taxes paid (Net of Refund)		<u>(20,74,010)</u>		<u>(15,04,992)</u>
Net Cash From Operating Activities		<u>(37,92,221)</u>		<u>23,50,839</u>
<b>B. Cash flow from Investing activities</b>				
Purchase of Property, Plant & Equipment	-		-	
Sale of Property, Plant & Equipment	-		16,000	
Purchase of Non-Current Investments	-		(2,70,430)	
Sale of Non-Current Investments	-		20,00,000	
Purchase of Current Investments	(1,20,46,383)		(1,44,94,776)	
Sale of Current Investments	1,00,46,405		1,10,95,493	
Interest received	42,92,595		41,60,924	
Dividend received	2,52,360		3,18,289	
Net Cash Used in Investing Activities		<u>25,44,977</u>		<u>28,25,500</u>
<b>C. Cash flow from financing activities</b>				
Proceeds from Non-Current borrowings / Repayment of Loan	-		-	
Interest paid	-		-	
Net Cash Used in Financing Activities		-		-
Net Changes in Cash & Cash Equivalents (A+B+C)		(12,47,244)		51,76,339
Cash & Cash Equivalents - Opening Balance		62,11,418		10,35,079
Cash & Cash Equivalents - Closing Balance		49,64,174		62,11,418

As per our report of even date attached

For and on behalf of

**Shailesh Shah & Associates**

Chartered Accountants

Firm Registration No. 109877W

**Shailesh A Shah**

Proprietor

Membership No. 32205

**Thomas Koshy**

C.E.O.

**Tarun Panchal**

C.F.O.

**Neha Singh**

Company Secretary

Mem. No. ACS 55606

**Rajesh B. Shah** (DIN : 00607602) Director

**P. K. Shashidharan** (DIN : 06506263) Director

**P. C. Surana** (DIN : 06508125) Director

**Rutva Acharya** (DIN : 06933478) Director

Place : Ahmedabad

Date : 2<sup>nd</sup> May, 2019

Place : Ahmedabad

Date : 2<sup>nd</sup> May, 2019

## ***Annual Report 2018-2019***

---

### **1. Significant Accounting Policies and other Explanatory Information to the Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019**

#### **1. Corporate Information**

MADHUSUDAN INDUSTRIES LIMITED (the "Company") is a public limited company domiciled in India having its registered office situated at Survey No. 359 / B, 361 & 362, Rakhial, Pin 382 315, Taluka Dehgam, Dist. Gandhinagar, India. The Company was incorporated on 27<sup>th</sup> August 1945, under the provisions of the Companies Act, 1918 of Baroda State applicable in India and its equity shares are listed on the BSE Limited. The Company is engaged presently in the business of Leasing of properties and providing ancilliary services.

#### **2. Basis of Preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention method on accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

#### **3. Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **4. Significant Accounting Policies**

##### **A. Revenue Recognition**

Revenue is recognized on a fair value basis to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### Rendering of Services

Revenue from services are recognized as they are rendered based on arrangements with the customers.

##### Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

##### Dividend Income

Dividend income is recognized when the Company's right to receive such dividend is established.

##### **B. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The Company had elected to continue with the carrying value of all its property, plant and equipment recognized as on 1<sup>st</sup> April 2016 measured as per previous GAAP as deemed cost on the date of transition.

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land) less their estimated residual values over their estimated useful lives using the straight-line method for plant & Machinery and written down value method for all other property, plant and equipment and is generally recognized in the statement of profit and loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year and adjusted prospectively, if appropriate.

##### **C. Intangible Assets**

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. Intangible assets (Computer Software) with finite lives are amortised over the useful economic life (not exceeding five years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An item of intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year and adjusted prospectively, if appropriate.

#### **D. Leases**

Leases where significant portion of risk and reward of ownership are retained by the lessor, are classified as operating leases and lease payments are recognized as an expense on a straight line basis in Statement of Profit and Loss over the lease term.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease liability so as to achieve a constant rate of interest on the remaining balance of liability. Finance charges are recognized in finance cost in the statement of profit and loss.

#### **E. Current versus Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A Liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

#### **F. Measurement of Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based in the presumption that the transaction to sell the asset or transfer to liability takes place either :

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – input for the asset or liability that are not based on observable market data (unobservable inputs).

#### **G. Financial Instruments**

##### **I. Initial Recognition and Measurement**

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables

## Annual Report 2018-2019

---

which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognized on the trade date.

### II. Subsequent Measurement

#### A. Non-Derivative Financial Instruments

##### a. Financial Assets Carried at Amortised Cost

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

##### b. Financial Assets at Fair Value Through Other Comprehensive Income

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

##### c. Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

The company has made an irrevocable election for its Non-current and Current investments which are classified as equity instruments to present the subsequent changes in fair value in statement of profit and loss on its business model. Further in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in statement of profit and loss account

##### d. Financial Liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### III. Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

## H. Foreign Currency

### · Functional Currency

Financial statements of the Company's are presented in Indian Rupees, which is the functional currency.

### · Transactions and Translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gain or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other gains / (losses).

## I. Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalized as part of the cost of the respective asset. All other borrowing costs are charged in the period, in which they occur in the statement of profit and loss.

## J. Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability / (assets) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields

computed by applying the discount rate used to measure the defined benefit obligation is recognized on other comprehensive income. The effects of any plan amendments are recognized in the statement of profit and loss.

#### **K. Income Tax**

Income tax comprises current and deferred income tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **L. Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity Share holders of the Company by the weighted average number of equity shares outstanding during the period.

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

#### **M. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

#### **N. Impairment**

##### **I. Financial Assets**

The Company recognizes loss allowance using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

##### **II. Non-Financial Assets**

###### **Intangible Assets and Property, Plant and Equipment**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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 to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **O. Cash Flow Statement**

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non cash nature, any deferral or accruals of past and future operating cash receipts or payments and items or income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financial activities of the Company are segregated.

Notes to the Financial Statements for the year ended 31 March, 2019

2 PROPERTY, PLANT AND EQUIPMENT

Description	Gross Block		Depreciation		Net Block	
	As at 01/04/2018	As at 31/03/2019	As at 01/04/2018	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>TANGIBLE ASSETS</b>						
Freehold Land	8,44,888	-	-	-	8,44,888	8,44,888
Buildings	2,45,52,775	-	24,17,411	10,91,037	2,10,44,327	2,21,35,364
Plant & Machinery	3,93,089	-	2,49,639	69,724	73,726	1,43,450
Electric Installation	5,047	-	-	-	5,047	5,047
Laboratory Equipments	8,394	-	-	-	8,394	8,394
Furniture, Fixtures & Equipments	3,93,015	-	1,80,520	56,398	1,28,924	2,12,495
Vehicles	4,50,614	-	2,26,118	62,898	2,89,016	2,24,496
Total	2,66,47,822	-	30,73,688	12,80,057	2,22,66,904	2,35,74,134
Previous Year	2,66,61,210	-	16,43,128	14,30,560	30,73,688	2,35,74,134

Particulars	As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.		
<b>3 INVESTMENTS</b>				
<b>Non- Current Investments</b>				
Quoted Equity Instruments	5,81,65,061	6,54,95,408		
Quoted Preference Shares	-	-		
Unquoted Equity Instruments	23,800	23,800		
Unquoted Mutual Funds	2,48,824	1,45,336		
Unquoted Debentures & Bonds	20,08,296	20,18,596		
Unquoted Government Securities	32,000	32,000		
<b>Current Investments</b>				
Mutual Funds	-	-		
<b>Total Investments</b>	<u>6,04,77,981</u>	<u>6,77,15,140</u>		
<b>Market Value of Quoted Investments</b>	<b>6,13,08,192</b>	<b>6,91,94,474</b>		
<b>Aggregate amount of Unquoted Investments</b>	<b>23,14,920</b>	<b>22,21,732</b>		
<b>Aggregate amount of Quoted Investments</b>	<b>5,81,65,061</b>	<b>6,54,95,408</b>		
<b>Aggregate Amount of Impairment in Value of Investments</b>	<b>31,45,131</b>	<b>37,01,066</b>		
<b>Non-Current Investments</b>				
<b>Quoted Equity Instruments</b>				
Carried at Fair Value through Other Comprehensive Income In fully paid Equity Shares of Rs. 10/- each				
<b>As at</b>	<b>As at</b>			
<b>31.03.2019</b>	<b>31.03.2018</b>			
192	(192)	Aditya Birla Fashion	42,422	28,906
77	(77)	Aditya Birla Capital	7,519	11,230
1,000	(1,000)	Clutch Auto Ltd	-	-
300	(300)	Dynamatic Forgings India Ltd	-	-
100	(100)	Eicher Motors Ltd	20,53,810	28,33,695
322	(322)	Essar Steels Ltd	-	-
69	(69)	Eurotex Ltd	1,107	2,298
10	(10)	Euro Ceramics Ltd	14	53
200	(200)	Gujarat Refractories Ltd	-	-
50	(50)	Hanuman Tea Co Ltd	-	-
400	(400)	I G Petro Ltd	1,19,520	2,56,680
200	(200)	Lan Esseda Software Systems Ltd	-	-
10	(10)	Nitco Ltd	388	925
300	(300)	Orkey Silk Mills Ltd	-	-
100	(100)	Orient Bell Ltd	17,250	27,440
670	(670)	Premier Ind. (India) Ltd	-	-
1,572	(1,572)	Reliance Industries Ltd	21,42,715	13,87,762
1,700	(1,700)	SREI Infrastructure Finance Ltd	50,660	1,25,120
36	(36)	Ultra Tech Cement Ltd	1,43,941	1,42,123
1,000	(1,000)	Unicorn Organics Ltd	-	-
200	(200)	Western India Sugar & Chem Ltd	-	-
200	(200)	XLO Machine Ltd	-	-
145	(145)	Tata Communications Ltd	89,081	90,067
400	(400)	Melstar Information Tech Ltd	500	-
1,112	(1,112)	Entegra Ltd	-	-
150	(150)	MW Unitex Ltd	-	-
			<u>46,68,927</u>	<u>49,06,299</u>
In fully paid Equity Shares of Rs. 5/- each				
18,065	(18,065)	Cera Sanitaryware Ltd	5,46,78,239	6,22,40,248
300	(300)	Shree Rama Multi-Tech Ltd	1,791	3,357
			<u>5,46,80,030</u>	<u>6,22,43,605</u>



## Annual Report 2018-2019

Particulars		As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.	
<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>			
In fully paid Equity Shares of Rs. 2/- each				
405	(405)	Larsen & Toubro Ltd	5,61,047	5,31,319
415	(415)	HSIL Limited	1,03,729	1,54,048
500	(500)	Somany Ceramics Ltd	2,10,850	3,35,450
1,000	(1,000)	West Coast Paper Mills Ltd	2,68,650	2,39,400
55	(55)	Grasim Ltd	47,201	57,975
1,400	(1,400)	Radico Khaitan Ltd.	5,53,350	4,63,540
2,500	(2,500)	Dairy Den Ltd	-	-
			<u>17,44,827</u>	<u>17,81,732</u>
In fully paid Equity Shares of Re. 1/- each				
2,000	(2,000)	Electro Steel & Casting Ltd	40,000	48,800
86	(86)	Zee Entertainment Enterprises Ltd	38,210	49,562
20	(20)	Siticable Network Ltd	100	300
18	(18)	Zee News Ltd	330	688
5	(5)	Diligent Media Corporation Ltd	5	-
23	(23)	Dish TV India Ltd	894	1,636
11	(11)	Zee Learn Ltd	305	386
20	(20)	Kajaria Ceramics Ltd	11,814	11,341
			<u>91,658</u>	<u>1,12,713</u>
Other Investments - Indian Depository Receipt				
2,500	(2,500)	Standard Chartered PLC	1,22,750	1,50,125
Less: Impairment of Investments			(31,43,131)	(36,99,066)
			<u>5,81,65,061</u>	<u>6,54,95,408</u>
<b>Quoted Preference Shares</b>				
In fully paid Preference Shares of Rs. 10/- each				
180	(180)	Zee Entertainment Enterprises Ltd	-	-
			-	-
<b>Unquoted Equity Instruments</b>				
In fully paid Equity Shares of Rs. 10/- each (Unquoted)				
2380	(2380)	Alipore Terrace Maintenance Pvt. Ltd	23,800	23,800
			<u>23,800</u>	<u>23,800</u>
<b>Unquoted Mutual Funds</b>				
In Units of Mutual Funds of Rs. 10/- each				
1900	(1,900)	UTI Equity Fund	2,02,298	99,283
1,427	(1,427)	UTI Master Share Fund	46,526	46,053
			<u>2,48,824</u>	<u>1,45,336</u>
<b>Unquoted Debentures &amp; Bonds</b>				
In Fully paid Non - Convertible Debentures				
40	(40)	Western India Sugar & Chem Ltd of Rs. 50/- each	2,000	2,000
			<u>2,000</u>	<u>2,000</u>
In Bonds				
4	(4)	10.90% Tata Motors Finance - 2020	20,08,296	20,18,596
			<u>20,08,296</u>	<u>20,18,596</u>
Less: Impairment of Investments			(2,000)	(2,000)
			<u>20,08,296</u>	<u>20,18,596</u>
<b>Unquoted Government Securities</b> (Deposited with Government Departments)				
National Savings Certificates			32,000	32,000
			<u>32,000</u>	<u>32,000</u>



Particulars	As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.	
<b>4 OTHER FINANCIAL ASSETS</b> (Unsecured and Considered Good)			
Security Deposits	6,54,639	9,07,193	
Total	6,54,639	9,07,193	
<b>5 OTHER NON-CURRENT ASSETS</b>			
Taxes and duties recoverable	30,24,778	30,74,778	
Total	30,24,778	30,74,778	
<b>6 CURRENT INVESTMENTS</b>			
<b>Unquoted Mutual Funds</b>			
Mutual Funds (Units of Rs. 10/- each, unless otherwise specified)			
As at 31.03.2019	As at 31.03.2018		
136,699.904 (136,699.904)	L & T Credit Risk Fund - Growth	28,82,946	27,21,340
802.674 (802.674)	Franklin India Short Term Income Plan-Growth	32,08,504	29,46,022
1.687 (1.687)	LIC Mutual Fund Floater MIP Fund - Quarterly Plan	92	18
0.220 (0.220)	LIC Nomura Mutual Fund MIP - Quarterly Dividend Plan	1	-
4,58,609.754 (4,58,609.754)	ICICI Prudential Credit Risk Fund- Growth	91,11,888	85,18,722
1,183.339 (1,183.339)	SBI SHF Ultra Short Term Fund-Retail Plan-Growth (Units of Rs. 1000/- each)	28,62,081	26,52,798
1,19,535.723 (1,19,535.723)	Kotak Income Oppertunities Fund - Growth (Regular Plan)	24,31,715	22,86,157
3,488.600	- Franklin India Equity Fund -Growth	21,02,349	-
- (54,078.070)	Reliance Arbitrage Advantage Fund- Div. Reinvestment	-	6,51,852
1,03,386.299 (1,03,386.299)	Reliance Strategic Debt Fund - Growth Plan	15,20,833	14,48,762
1,21,741.169 (1,21,741.169)	Reliance Credit Risk Fund-Growth	31,38,268	29,47,074
37,215.443 (37,215.443)	Aditya Birla Sunlife Corp. Bond Fund -Growth-Regular Plan	26,67,547	24,71,511
736.810 (1,691.82)	Aditya Birla Sunlife Low Duration Fund-Growth-Regular-Plan	3,31,154	7,06,426
6,891.732 (6,358.85)	Aditya Birla Sun Life Equity Hybrid '95 Fund- Growth -Regular Plan	52,40,676	46,86,092
5,552.010 (1,09,179.74)	Motilal Oswal Most Ultra Short Term Bond Fund-Regular Growth	68,596	14,65,116
1,77,877.389 (1,77,877.39)	IDFC Hybrid Equity Fund Regular Plan-Growth	20,58,041	20,04,322
1,35,906.796 (83,289.58)	Motilal Oswal Most Focused Multicap 35 Fund-Regular Growth	35,30,168	21,90,807
20.5516 (570.80)	Kotak Liquid Regular Plan Growth	77,537	20,05,167
- (800.77)	Mirae Asset Cash Management Fund-Regular Growth Plan	-	14,53,172
31,585.508	- Mirae Assets India Equity Fund-Regular Growth Plan	16,16,104	-
2,484.515	- Franklin Ultra Short Bond Fund-Super Institutional Plan-Growth	65,265	-
80,614.40	- Kotak Standard Multicap Fund-Growth	28,60,038	-
Total		4,57,73,803	4,11,55,358
Aggregate amount of quoted investments		4,57,73,803	4,11,55,358
Market Value of quoted investments		4,57,73,803	4,11,55,358

## Annual Report 2018-2019

Particulars	As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.
<b>7 TRADE RECEIVABLES</b>		
Trade Receivables		
Receivables from related parties	1,414	1,415
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	<u>1,414</u>	<u>1,415</u>
Less : Allowance for Doubtful Debts	-	-
Total	<u>1,414</u>	<u>1,415</u>
Break-up of Security details		
Secured, Considered Good	1,414	1,415
Unsecured, considered Good	-	-
Considered Doubtful	-	-
	<u>1,414</u>	<u>1,415</u>
Less : Allowance for Doubtful Debts	-	-
Total	<u>1,414</u>	<u>1,415</u>
<b>8 CASH AND CASH EQUIVALENTS</b>		
Balance with banks		
- On current accounts	17,34,827	45,82,284
- Deposits accounts (Original maturity upto 3 months)	32,02,854	16,00,568
	<u>49,37,681</u>	<u>61,82,852</u>
Cash on Hand	26,493	28,566
Total	<u>49,64,174</u>	<u>62,11,418</u>
<b>9 BANK BALANCES OTHER THAN ABOVE</b>		
Balance with banks		
- In deposits original maturity of more than three but less than twelve Months	3,64,61,550	3,20,50,684
Total	<u>3,64,61,550</u>	<u>3,20,50,684</u>
<b>10 LOANS</b>		
(Unsecured and considered good, unless otherwise stated)		
Current		
Inter Corporate Deposits	2,05,70,271	1,92,28,460
Total	<u>2,05,70,271</u>	<u>1,92,28,460</u>
<b>11 CURRENT TAX ASSETS (NET)</b>		
Advance Income Tax (including for earlier years)	1,02,38,979	87,87,975
Less : Provision for Taxation	(76,06,367)	(64,29,373)
Advance Income Tax (Net of Provisions for tax)	<u>26,32,612</u>	<u>23,58,602</u>
Total	<u>26,32,612</u>	<u>23,58,602</u>
Movement in Income tax balances		
Opening Balance (Tax Asset / Liability) (net)	23,58,602	16,38,610
Current Tax payable for the year	(18,00,000)	(7,85,000)
Taxes paid / (Refund Received)	20,74,010	15,04,992
	<u>26,32,612</u>	<u>23,58,602</u>

Reconciliation of Income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below

Particulars	Year Ended	Year Ended
	31.03.2019	31.03.2018
	Rs.	Rs.
Enacted income tax rate in india applicable to company	26.00	25.75
Profit before tax	25,02,945	1,39,52,618
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	6,50,766	35,92,799
<b>Items giving rise to difference in tax</b>		
Tax effects of amount which are not taxable in calculating taxable income	(65,614)	(81,959)
Tax effect of amount which are not deductible in calculating taxable income	12,47,684	(26,08,322)
Effect of Capital Gains	12,632	(1,76,798)
Others	(45,468)	59,280
At the effective tax rate	<u>18,00,000</u>	<u>7,85,000</u>
Income tax expenses reported in the statement of profit and loss	18,00,000	7,85,000

Particulars	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March 2019	March 2018
	Rs.	Rs.
<b>12 OTHER CURRENT ASSETS</b>		
(Unsecured and Considered Good)		
Interest Accrued on Fixed Deposits & Advances	21,46,936	18,50,621
Balances with Excise Authorities	1,62,210	1,62,210
Others Advances*	6,25,553	6,53,369
Total	<u>29,34,699</u>	<u>26,66,200</u>

\*Other Advances includes Prepaid Expenses etc.

### 13 EQUITY SHARE CAPITAL

#### A Authorised

2,60,00,000 (2,60,00,000) Equity Shares of Rs. 5/- each 13,00,00,000 13,00,00,000

#### Issued, Subscribed and Paid Up

53,75,000 (53,75,000) Equity Shares of Rs. 5/- each fully paid 2,68,75,000 2,68,75,000

Total 2,68,75,000 2,68,75,000

#### B Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

##### Equity Shares

	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March 2019	March 2018
	No. of Shares	No. of Shares
Shares Outstanding at the beginning of the year	53,75,000	53,75,000
Add: Shares Issued during the year	-	-
Shares Outstanding at the end of the year	<u>53,75,000</u>	<u>53,75,000</u>

**C** The company has only one class of equity shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The Company declares and pays dividends in Indian Rupees.

**D** The company has neither issued nor bought back any shares during the year.

**E** Details of shareholders holding more than 5% of the shares in the Company

Name of the Shareholder	As at 31 <sup>st</sup> March 2019		As at 31 <sup>st</sup> March 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Vikram Investment Company Private Limited	9,36,640	17.43	9,36,640	17.43
2 Madhusudan Holdings Ltd.	4,40,600	8.20	4,40,600	8.20
3 Smt. Smiti Somany	6,13,120	11.41	6,13,120	11.41
4 Shri Vikram Somany	5,38,979	10.03	5,10,544	9.50

## Annual Report 2018-2019

Particulars	As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.		
<b>14 OTHER EQUITY</b>				
<b>General Reserve</b>				
Balance as at the beginning of the Year	17,11,30,705	17,11,30,705		
Less: Transfer to Depreciation Fund	-	-		
Balance as at end of the year	<u>17,11,30,705</u>	<u>17,11,30,705</u>		
<b>Retained Earnings</b>				
Balance as at the beginning of the Year	(1,42,45,342)	(2,48,97,797)		
Add: Net Profit for the Year	17,29,918	1,06,52,455		
Balance as at end of the year	<u>(1,25,15,424)</u>	<u>(1,42,45,342)</u>		
<b>Other Comprehensive Income</b>				
Remeasurement of Defined Benefit Plans				
Balance as at the beginning of the year	(2,71,458)	(1,56,431)		
Add: Adjustments during the year	(2,13,330)	(1,15,027)		
	<u>(4,84,788)</u>	<u>(2,71,458)</u>		
Total	<u>15,81,30,493</u>	<u>15,66,13,905</u>		
Nature and purpose of other reserves				
<b>General Reserve</b>				
General reserve is credited out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares. As General reserve is credited by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be consequently reclassified to statement of profit and loss.				
<b>Retained Earnings</b>				
Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividend or other distributions paid to shareholders				
<b>15 OTHER NON CURRENT FINANCIAL LIABILITIES</b>				
Deposits from Tenant	20,91,300	20,91,300		
Total	<u>20,91,300</u>	<u>20,91,300</u>		
<b>16 NON-CURRENT PROVISIONS</b>				
Provisions for Employee Benefits	1,38,874	1,20,022		
Total	<u>1,38,874</u>	<u>1,20,022</u>		
<b>17 DEFERRED TAX LIABILITY</b>				
Deferred Tax Liabilities				
Fair Value of Current Investment	1,26,47,608	1,37,77,512		
	<u>1,26,47,608</u>	<u>1,37,77,512</u>		
Deferred Tax Assets				
Impact of difference between Tax Depreciation and Depreciation / amortization charged for financial reporting	6,77,314	7,53,756		
Leave Encashment	1,68,126	94,143		
Others	14,88,127	15,14,616		
	<u>23,33,567</u>	<u>23,62,515</u>		
Total	<u>1,03,14,041</u>	<u>1,14,14,997</u>		
Movement in deferred tax assets balances				
	Net balance as at 31 <sup>st</sup> March 2018	Recognised in Profit & Loss	Recognised in OCI	Net Deferred Tax Asset as at 31 <sup>st</sup> March 2019
Deferred Tax Assets				
Difference between Tax Depreciation and Book Amortisation	7,53,756	76,442	-	6,77,314
Leave Encashment	94,143	-	73,983	1,68,126
Others	15,14,616	26,489	-	14,88,127
	<u>23,62,515</u>	<u>1,02,931</u>	<u>73,983</u>	<u>23,33,567</u>
Deferred Tax Liabilities				
Fair Value of Investment	1,37,77,512	(11,29,904)	-	1,26,47,608
	<u>1,37,77,512</u>	<u>(11,29,904)</u>	<u>-</u>	<u>1,26,47,608</u>

	Net balance as at 31 <sup>st</sup> March 2017	Recognised in Profit & Loss	Recognised in OCI	Net Deferred Tax Asset as at 31 <sup>st</sup> March 2018
<b>Deferred Tax Assets</b>				
Difference between Tax Depreciation and Book Amortisation	8,43,582	89,826	-	7,53,756
Leave Encashment	54,251	-	39,892	94,143
Others	17,79,909	2,65,293	-	15,14,616
	26,77,742	3,55,119	39,892	23,62,515
<b>Deferred Tax Liabilities</b>				
Fair Value of Investment	1,16,17,468	21,60,044	-	1,37,77,512
	1,16,17,468	21,60,044	-	1,37,77,512

Particulars	As at 31 <sup>st</sup> March 2019 Rs.	As at 31 <sup>st</sup> March 2018 Rs.
<b>18 OTHER CURRENT LIABILITIES</b>		
Statutory Dues	2,30,867	2,08,412
Total	2,30,867	2,08,412
<b>19 PROVISIONS</b>		
Provisions for Employee Benefits	5,10,060	3,72,405
Other Provisions*	14,72,190	12,47,341
Total	19,82,250	16,19,746

\*Other Provisions includes provisions for various expenses.

Particulars	Year ended 31 <sup>st</sup> March 2019 Rs.	Year ended 31 <sup>st</sup> March 2018 Rs.
<b>20 REVENUE FROM OPERATIONS</b>		
Other Operating Revenues		
Rent Received	1,02,39,323	97,90,056
Administrative & Maintenance Charges	12,21,892	11,63,706
Total	1,14,61,215	1,09,53,762
<b>21 OTHER INCOME</b>		
Interest Income on financial assets carried at amortised cost	42,92,595	41,60,924
Dividend Income		
Non Current Investment designated at fair value through profit or loss	2,52,360	2,70,468
Mutual Funds designated at fair value through profit or loss	-	47,821
	2,52,360	3,18,289
Non-Current Investments designated at Fair Value through Profit or Loss	-	85,29,162
Mutual Funds Designated at Fair Value through Profit or Loss	-	17,43,753
Profit on Sale of Mutual Funds	1,90,395	7,92,840
Profit on Sale / Discard of Property Plant & Equipment (Net)	-	2,612
Reversal of Impairment loss in Value of Investments	5,55,935	-
Miscellaneous Incomes	361	1,002
Item pertaining to Previous year, unspent liabilities & provisions no longer required written back(Net)	649	5,940
Total	52,92,295	1,55,54,522
<b>22 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages and Bonus	29,16,647	27,33,059
Contribution to Provident and Other funds	5,96,282	2,40,461
Staff and Labour Welfare Expenses	14,47,950	13,13,363
Total	49,60,879	42,86,883

## Annual Report 2018-2019

Particulars	Year ended 31 <sup>st</sup> March 2019 Rs.	Year ended 31 <sup>st</sup> March 2018 Rs.
<b>23 OTHER EXPENSES</b>		
Power, Fuel and Electricity Expenses	54,515	59,012
Rent	1,000	1,000
Repairs - Building	10,510	9,790
Repairs - Plant & Machinery	-	5,500
Repairs - Others	20,760	13,646
Payments to Auditors- For Audit Fees	30,000	30,000
Insurance	72,633	78,305
Rates and Taxes	1,29,024	1,29,213
Legal & Professional Expenses	8,49,786	6,46,673
Vehicle Expenses	1,94,295	1,42,263
Miscellaneous Expenses	8,91,692	6,48,690
Loss on Sale / Discard of Property, Plant & Equipments	27,173	-
Directors Sitting Fees	48,000	46,000
Impairment in Value of Investment	-	1,43,509
Amount Written off (Net)	46,819	45,59,502
Listing Fees	2,78,700	3,25,120
Non-Current Investments designated at Fair Value through Profit or Loss	77,82,794	-
Mutual Funds Designated at Fair Value through Profit or Loss	(24,28,072)	-
	<u>53,54,722</u>	<u>-</u>
Total	<u>80,09,629</u>	<u>68,38,223</u>
	<b>As at 31<sup>st</sup> March 2019 Rs.</b>	<b>As at 31<sup>st</sup> March 2018 Rs.</b>
<b>24 PAYMENT TO THE AUDITORS</b>		
a Audit Fees	30,000	30,000
Total	<u>30,000</u>	<u>30,000</u>
<b>25 EARNINGS PER SHARE</b>		
<b>BASIC &amp; DILUTED</b>		
Profit attributable to Equity Shareholders	17,29,918	1,06,52,455
Weighted average Number of Equity Shares	53,75,000	53,75,000
Basic and Diluted EPS	0.32	1.98
Face Value per Share	5.00	5.00
<b>26 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</b>		
<b>Contingent Liabilities</b>		
<b>A</b> Claims against the company / disputed liabilities not acknowledged as debts		
Central Excise	1,39,33,964	1,39,33,964
Sales Tax	97,75,503	97,75,503
Commercial and Other Claims	54,772	54,772
Income Tax	36,71,870	-
<b>Commitments</b>		
<b>B</b> Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
<b>27</b> Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmation received in response to intimation in this regard sent by the Company to the suppliers. No interest in terms of Section 16 of Micro, small and Medium Enterprise Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at 31st March 2019.		

**28 RELATED PARTY DISCLOSURES**
**1 List of Related Parties**
**Relationships :**

- (a) Associates Cera Sanitaryware Ltd  
Gujarat Soaps Pvt Ltd
- (b) Key Management Personnel Thomas Koshy, Tarun Panchal, Dipshika Khatri, Neha Singh
- (c) Employee Benefit Plans Madhusudan Provident Fund Trust  
Madhusudan Gratuity Trust

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

**2 Particulars of transactions during the year with related parties**

Nature of Transactions (Excluding Reimbursement)	Associates	Key Management Personnel	Employee Benefit Plans	Total
	Rs.	Rs.	Rs.	Rs.
<b>Income</b>				
Rent	1,02,39,323	-	-	1,02,39,323
	(97,90,056)	(-)	(-)	(97,90,056)
Service Charges	7,84,350	-	-	7,84,350
	(7,47,000)	(-)	(-)	(7,47,000)
Other Services/ Expenses Reimbursement	9,23,426	-	-	9,23,426
	(7,50,366)	(-)	(-)	(7,50,366)
Dividend Received	216,780	-	-	216,780
	(2,16,780)	(-)	(-)	(2,16,780)
<b>Expenses</b>				
Director Sitting Fees	-	48,000	-	48,000
	(-)	(46,000)	(-)	(46,000)
Remuneration	-	30,77,207	-	30,77,207
	(-)	(27,30,141)	(-)	(27,30,141)
Contribution to Fund	-	-	6,49,743	6,49,743
	(-)	(-)	(1,89,018)	(1,89,018)
<b>Finance</b>				
Loans / Advance Given	15,200	-	-	15,200
	(31,800)	(-)	(-)	(31,800)
Fixed Deposit / Loan Received	-	-	-	-
	(-)	(-)	(-)	(-)
Rent Deposit Received	-	-	-	-
	(-)	(-)	(-)	(-)
<b>Balance at the end of the year</b>				
Receivables	4,93,365	-	-	4,93,365
	(4,78,165)	(-)	(-)	(4,78,165)
Payables	20,91,300	-	-	20,91,300
	(20,91,300)	(-)	(-)	(20,91,300)

**3 Details of material transactions entered into with Related Parties during the year**

Particulars		Nature of Relationship	2018-19 Rs.	2017-18 Rs.
Rent Received	Cera Sanitaryware Limited	Associates	1,02,39,323	97,90,056
Service Charges	Cera Sanitaryware Limited	Associates	7,84,350	7,47,000
Other Services/Expenses Reimbursement	Cera Sanitaryware Limited	Associates	9,23,426	7,50,366
Dividend Received	Cera Sanitaryware Limited	Associates	2,16,780	2,16,780
Loans / Advance Given	Gujarat Soaps Pvt. Ltd.	Associates	15,200	31,800
Rent Deposit Received	Cera Sanitaryware Limited	Associates	-	-

**4 Breakup of compensation paid to Key Management Personnel**

Sr.No.	Particulars	Key Management Personnel	Year ended 31st March,2019	Year ended 31st March,2018
1	Short-Term Employee Benefits	Shri Thomas Koshy	22,11,896	19,36,512
		Shri Tarun Panchal	6,91,660	6,36,500
		Ms. Dipshika Khatri	1,44,767	1,57,399
		Ms. Neha Singh	28,884	-
2	Director Sitting Fees		48,000	46,000

**Note**

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not presented above.



## Annual Report 2018-2019

### 29 EMPLOYEE BENEFITS

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

#### a Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as expenses for the year is as under :

Particulars	2018-2019 Rs.	2017-2018 Rs.
Employer's Contribution to Provident Fund	2,80,704	2,54,491

#### b Defined Benefit Plan

General Description of defined benefit plan

##### Gratuity

The company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days / one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after five years of continuous service.

The Company has a defined benefit gratuity plan (funded). The Company defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of an approval gratuity trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

##### Leave Encashment

The Company has a policy on leave encashment which is applicable to its employees. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected Unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

##### **Risk associated to the Plan (Gratuity and Leave Encashment)**

<b>A</b>	Actuarial Risk	Risk due to adverse growth / variability in mortality and withdrawal rates
	Longevity Risk	
	Investment Risk	Risk due to significant changes in discounting rate during the inter-valuation period.
	Liquidity Risk	Risk on account of Employees resign / retire from the company and as results strain on the cashflow arises.
	Market Risk	Risks related to changes and fluctuation of the financial markets and assumption
	Interest Risk	Depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yield as at the valuation date.
	Legislative Risk	Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

##### **Key Assumptions considered (Gratuity and Leave Encashment)**

Actuarial Assumptions	Discount Rate
	Salary Growth Rate
	Rate of Interest on Plan Assets
	Mortality
	Withdrawal Rate
Financial Assumptions	Discount Rate
	Salary Growth Rate
Demographic Assumptions	Withdrawal Rate
	Mortality Rate



**Reconciliation of opening and closing balances of Defined Benefit Obligations**

Particulars	2018-19		2017-18	
	Gratuity Funded Plan	Leave Encashment Non-funded Plan	Gratuity Funded Plan	Leave Encashment Non-funded Plan
	Rs.	Rs.	Rs.	Rs.
<b>Change in the present value of the Defined Benefits Obligation</b>				
Defined Benefits Obligation at the beginning of the year	29,07,820	4,92,427	27,41,043	4,20,169
Current service cost	1,03,767	22,411	91,997	18,921
Interest cost	2,25,356	38,163	2,19,283	33,613
Actuarial losses / (gain) recognised in Other Comprehensive Income	-	-	-	-
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumption	34,401	7,800	(33,264)	(5,192)
Due to Experience adjustments	77,369	1,56,090	1,38,684	24,916
Benefits Paid	-	(67,957)	(2,49,923)	-
Prior year Charge	-	-	-	-
Defined Benefits Obligation at year end	33,48,713	6,48,934	29,07,820	4,92,427
<b>Change in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at beginning of the year	27,15,773	-	27,61,405	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on plan assets	2,10,472	-	2,20,912	-
Experience gain / loss on plan assets	-	-	-	-
Return of Plan Assets recognised in Other Comprehensive Income	-	-	-	-
Actuarial Gain / (Loss)	(11,653)	-	(29,775)	-
Employer Contribution	4,34,121	-	13,154	-
Benefits paid	-	-	(2,49,923)	-
Fair Value of Plan Assets at year end	33,48,713	-	27,15,773	-
Actual return on Plan Assets	1,98,819	-	1,91,137	-
<b>Changes in Fair Value of Assets and Obligations</b>				
Fair value of Plan Assets	33,48,713	-	27,15,773	-
Present Value of Obligation	33,48,713	6,48,934	29,07,820	4,92,427
Deficit / (Surplus) amount of Plan recognised on Balance Sheet	-	6,48,934	1,92,047	4,92,427
<b>Expenses recognised during the year</b>				
Current Service Cost	1,03,767	22,411	91,997	18,921
Interest Cost	2,25,356	38,163	2,19,283	33,613
Expected return on plan assets	(2,10,472)	-	(2,20,912)	-
Expenses deducted from the fund	-	-	-	-
Prior Year Changes / Net Value of Plan Assets	-	-	-	-
Net Cost	1,18,651	60,574	90,368	52,534
<b>Assets / Investment Details</b>				
Government of India Securities	-	-	-	-
High Quality Corporate Bonds	-	-	-	-
Equity Shares of listed Companies	-	-	-	-
Property	-	-	-	-
Insurance Company	100%	-	100%	-
<b>Principal Actuarial Assumption</b>				
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount Rate (p.a.)	7.75%	7.75%	8.00%	8.00%
Expected rate of return on plan assets (p.a)	7.75%	-	8.00%	-
Annual Increase in Salary Cost	6.00%	6.00%	6.00%	6.00%

## Annual Report 2018-2019

### Sensitivity Analysis

Particulars	2018-19		2017-18	
	Gratuity Funded Plan	Leave Encashment Non-funded Plan	Gratuity Funded Plan	Leave Encashment Non-funded Plan
	Rs.	Rs.	Rs.	Rs.
Rate of increase in Discount Rate				
a) Increase by 100 base points	32,99,294	6,38,452	28,55,704	4,81,406
b) Decrease by 100 base points	34,03,642	6,60,900	29,66,521	5,05,305
Rate of increase in Salary Growth Rate				
a) Increase by 100 base points	34,04,051	6,60,989	29,67,122	5,05,437
b) Decrease by 100 base points	32,98,092	6,38,199	28,54,325	4,81,117
Rate of increase in Withdrawal Rate				
a) Increase by 100 base points	33,53,344	6,50,276	29,14,256	4,94,383
b) Decrease by 100 base points	33,43,595	6,47,422	29,00,724	4,90,215

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used in preparing the sensitivity analysis did not change compared with the previous year.

### Maturity Profile of the Defined Benefit Obligation

Year 1	24,32,050	-	21,04,525	-
Year 2	4,67,055	-	25,525	-
Year 3	34,750	-	4,06,421	-
Year 4	34,750	-	14,524	-
Year 5	34,750	-	14,524	-
Year 5 Onwards	4,46,654	-	4,68,470	-

### Company's estimate of Contribution expected to be paid during Financial Year 2019-20 is as under :

Defined Contribution Plan				
Employer's contribution to Provident Fund	12% of Salary		12% of Salary	
Defined Investment Plan				
Gratuity	61,322	-	56,501	-
Leave Encashment	-	-	-	1,597

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by actuary.

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

## 30 A FINANCIAL INSTRUMENTS FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, as below, based on the lowest level input that is significant to the fair value measurement as a whole :

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value measurement hierarchy of the Company's assets and liabilities is as below :

	Carrying amount Rs.	Level 1 Rs.	Fair Values Level 2 Rs.	Level 3 Rs.
<b>As at 31<sup>st</sup> March 2019</b>				
Financial assets measured at fair value				
Non-current Investments	6,04,77,981	6,77,15,140	-	-
Current Investments	4,57,73,803	4,11,55,358	-	-
<b>As at 31<sup>st</sup> March 2018</b>				
Financial assets measured at fair value				
Non-current Investments	6,77,15,140	6,77,15,140	-	-
Current Investments	4,11,55,358	4,11,55,358	-	-

There has been no transfers between levels during the year.

The fair values of Non-Current Investment and Current Investments are derived from quoted market prices in active markets. The management assessed that the carrying values of trade and other receivables, cash and short term deposits, other assets and trade and other payables, based in their notional amounts, reasonably approximate their fair values because these instruments have short-term maturities and are re-priced frequently.

## **B FINANCIAL RISK MANAGEMENT**

The Company's activities exposes it to variety of Market risk, Credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

The key risks and mitigating actions are also placed before the Audit Committee of the Company.

### **I Market Risk**

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : Interest rate risk, Currency risk and other price risk.

Financial instruments affected by market risk includes investments, trade payables, trade receivables, loans.

#### **a) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of change in market interest rates. Since the company has no interest bearing borrowings, there is no exposure to changes market interest rates.

#### **b) Foreign currency Risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign currency rates. Since the company has not undertaken any direct exposure to foreign exchange transactions there is no exposure to foreign currency risk.

#### **c) Other Price Risk**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds.

The Company is exposed to price risk arising mainly from investment in equity instruments recognised at FVTPL.

### **II Credit Risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and Inter Corporate Deposit. The Company's customer mainly consist of its associate Cera Sanitaryware Limited. The Company has a credit policy, approved by the Management that is designed to ensure that consistent processes are in place to measure and control credit risk.

The Company has trade relationships only with reputed third parties. The receivable balances are constantly monitored, resulting in an insignificant exposure of the Company to the risk of non-collectible receivables. Credit risk is managed through credit approvals, establishing credit limits, obtaining collaterals from the customers in the form of deposits and / or bank guarantees and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The maximum credit exposure associated with financial assets is equal to the carrying amount.

The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low across territories and so trade receivables are considered to be single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in financial statements. As a practical expedient, the Company follows the policy of providing for debtors which are due for more than 180 days. In case of cash and cash equivalents, since the amount is in form of demand deposits with bank there is no credit risk perceived. Hence no provision for expected credit loss has been made.

### **III Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly close to its fair value.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. Accordingly no liquidity risk is perceived.

## **C CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity share holders of the company. The primary objective of the Company when managing capital is to safeguard its ability to continue as going concern and to maintain an optimal capital structure so as to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's net debt is equal to trade and other payables less cash and cash equivalents. The Company did not have any borrowings at any time during the year.

## ***Annual Report 2018-2019***

---

As at 31st March 2019, the Company has only one class of equity shares and has no debt. Consequently to such capital structure, there are no externally imposed capital requirements.

- 31** As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind AS.

The accompanying notes are an integral part of the financial statements.

---

As per our report of even date attached  
For and on behalf of  
**Shailesh Shah & Associates**  
Chartered Accountants  
Firm Registration No. 109877W  
**Shailesh A Shah**  
Proprietor  
Membership No. 32205

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

**Thomas Koshy**  
C.E.O.

**Tarun Panchal**  
C.F.O.

**Neha Singh**  
Company Secretary  
Mem. No. ACS 55606

**Rajesh B. Shah** (DIN : 00607602) Director

**P. K. Shashidharan** (DIN : 06506263) Director

**P. C. Surana** (DIN : 06508125) Director

**Rutva Acharya** (DIN : 06933478) Director

Place : Ahmedabad  
Date : 2<sup>nd</sup> May, 2019

# Madhusudan Industries Limited

Regd. Office : Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382 315 Taluka - Dehgam, Dist. Gandhinagar, Gujarat.  
Phone : (02716) 267270, E-mail : madhusudan\_i@yahoo.in, Website : www.madhusudan-india.com  
CIN : L29199GJ1945PLC000443

DP ID	Client ID	Folio No.	No. of shares held

## ATTENDANCE SLIP

Annual General Meeting - 2019

at Regd. Office : Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382 315 Taluka - Dehgam, Dist. Gandhinagar, Gujarat.

Name of the attending Member/Proxy (In block letters) :

I hereby record my presence at the Annual General Meeting held at 11.30 a.m. on 19th day of September, 2019.

\_\_\_\_\_  
Member's / Proxy's Signature

- Notes : 1. Please bring this attendance slip to the meeting and handover at the entrance duly filled in.  
2. Members are requested to bring copy of Annual Report with them.

---

# Madhusudan Industries Limited

Regd. Office : Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382 315 Taluka - Dehgam, Dist. Gandhinagar, Gujarat.  
Phone : (02716) 267270, E-mail : madhusudan\_i@yahoo.in, Website : www.madhusudan-india.com  
CIN : L29199GJ1945PLC000443

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

## PROXY FORM

Name of the member(s) : \_\_\_\_\_  
Registered address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Folio No. / Client Id : \_\_\_\_\_  
DP Id : \_\_\_\_\_

I/We, being a member(s) of \_\_\_\_\_ shares of Madhusudan Industries Limited, hereby appoint :

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature \_\_\_\_\_, or failing him
2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature \_\_\_\_\_, or failing him
3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 19<sup>th</sup> September, 2019 at 11.30 a.m. at the registered office of the Company at Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382315, Taluka Dehgam, District Gandhinagar, Gujarat. and at any adjournment thereof in respect of such resolutions as are indicated below: PTO

---

<b>Resolutions:</b>	For	Against
1. To consider and adopt Audited Financial Statements, Reports of Board of Directors and Auditors.		
2. Re-appointment of Shri P. K. Shashidharan as Director, who retires by rotation		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Signature of Shareholder(s) \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_

Affix Revenue Stamp
---------------------------

Note : 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.

# Route Map for Annual General Meeting







If undelivered, please return to :

**Madhusudan Industries Limited**

Survey No. 359/B, 359/C, 361 and 362, Rakhial - 382 315 Taluka - Dehgam, Dist. Gandhinagar, Gujarat.

Phone : (02716) 267270, E-mail : madhusudan\_i@yahoo.in, Website : www.madhusudan-india.com

CIN : L29199GJ1945PLC000443