46th ANNUAL REPORT
2018-19

MMP

MMP Industries Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. ARUN RAGHUVEER RAJ BHANDARI DIN: 00008901	Chairman & Managing Director
	Mr. AJAY SADASHIV GOKHALE DIN: 00550452	Non-executive, Independent Director
	Mr. KARAN YUDHISHTIR VARMA DIN: 06923525	Non-executive, Independent Director
	Mrs. SUDHA SUKESH GANDHI DIN: 06611145	Non-executive, Independent Director
	Mr. VIJAY SINGH BAPNA DIN: 02599024	Non-executive, Independent Director
	Mr. SUNIL KHANNA DIN: 00907147	Non-executive, Independent Director
	Mr. LALIT RANJEET RAJ BHANDARI DIN: 00010934	Whole-time Director
	Mr. TENNETI NARASIMHAM MURTHY DIN: 08342116	Whole-time Director
CHIEF FINANCIAL OFFICER	CA SHARAD MOHANLAL KHANDELWAL	
COMPANY SECRETARY	CS MILIND SURYAKANT RAO	
STATUTORY AUDITORS	M/s. MANISH N. JAIN & CO., CHARTERED ACCOUNTANTS, NAGPUR	
SECRETARIAL AUDITORS	M/s. MUKESH PARAKH & ASSOCIATES, COMPANY SECRETARIES, NAGPUR	
COST AUDITORS	M/s. KHANUJA PATRA & ASSOCIATES, COST ACCOUNTANTS, NAGPUR	
INTERNAL AUDITORS	CA PRIYESH RAJESH JOBANPUTRA	
BANKERS	AXIS BANK LIMITED ICICI BANK LIMITED	
REGISTERED OFFICE	211, SHRI MOHINI, 345, KINGSWAY, NAGPUR – 440001, MH, IN	
CORPORATE OFFICE	B-24, HINGNA MIDC AREA, HINGNA ROAD, HINGNA, NAGPUR – 440016, MH, IN	
WORKS	UNIT 1: MMP Industries Limited Village: Maregaon, Post: Shahpur, Dist. Bhandara- 441906, MH, IN UNIT 2: H. M. Engineering (I & II), B 16/2 and B 16/6, MIDC Butibori, Nagpur – 441122, MH, IN UNIT 3: MARS Industries, Village Neri, P.O. Warthi, Tah. Mohadi, Dist. Bhandara – 441905, MH, IN UNIT 4: NPM Industries, B-28, MIDC Area, Hingna Road, Digdoh, Hingna, Nagpur - 440016, MH, IN UNIT 5: MMP Industries Limited, Plot No. D-15/2 & D-16, Umred MIDC Area, Umred 441203, MH, IN.	
WEBSITE	www.mmpil.com	
REGISTRAR & SHARE TRANSFER AGENT	BIGSHARE SERVICES PRIVATE LIMITED, MUMBAI	

Message from Chairman

Dear Stakeholder,

It gives me immense pleasure to welcome you all and presenting the 46th Annual Report with Financial Statements of your Company for the FY 2018-19.

The key financials of MMPIL :
Revenue from Operations (Gross) grew by 4.58% over FY 2017-18 at Rs. 26064.92 Lakh
EBIDTA margins grew by 9.55% over FY 2017-18 at Rs. 3312.83 Lakh
PBT (excluding exceptional item) grew by 16.14% over FY 2017-18 at Rs. 2830.74 Lakh
PAT (standalone) grew by 32.52% over FY 2017-18 at Rs. 2037.11 Lakh
PAT (consolidated) grew by 18.76% over FY 2017-18 at Rs. 2260.64 Lakh

Subsequent to the listing of Equity Shares on NSE Emerge on 12th April 2018 , implementation of our new project at MIDC, Umred is at a very advanced stage. This also means that our financials for FY 2018-19 do not factor any revenue from the new project which is likely to start trial operations in July, 2019.

The 32.52% increase in standalone PAT on a 4.58% increase in Gross Revenue is a reflection of operational efficiencies and strong efforts by our dedicated team members to improve yields and optimize sales in higher margin sectors.

Our JV partner company Toyal MMP India Pvt. Ltd. is in the process of ramping up various grades and production levels while our Associate company Star Circlips & Engineering Ltd. continued to perform satisfactorily with a revenue growth at Rs. 12000.55 lakh; up 11.89% over FY 2017-18.

The current economic scenario of lower GDP growth and overall constraints on liquidity are not expected to hinder your company's growth plans in view of all user segments continuing to show good market potential.

Since the existing operations are at peak capacity utilization, your Company is constrained temporarily with capacity issues. It is your Company's hope that the new capacity at Umred MIDC will see very high utilization percentage in Q3 and Q4 of FY 2019-20.

I would sincerely like to acknowledge and thank all members of the Board for their valued support and guidance to the management in all its endeavours. I extend my grateful acknowledgement to our employees for their hard work, commitment and dedication. Their contribution for taking MMP forward is second to none.

Thank you

Arun Bhandari
Chairman & Managing Director

Board of Directors

Mr. ARUN RAGHUVEER RAJ BHANDARI
Chairman & Managing Director

Mr. SUNIL KHANNA
Non-executive, Independent Director

Mrs. SUDHA SUKESH GANDHI
Non-executive, Independent Director

Mr. VIJAY SINGH BAPNA
Non-executive, Independent Director

Mr. AJAY SADASHIV GOKHALE
Non-executive, Independent Director

Mr. KARAN YUDHISHTIR VARMA
Non-executive, Independent Director

Mr. LALIT RANJEET RAJ BHANDARI
Whole-time Director

Mr. TENNETI NARASIMHAM MURTHY
Whole-time Director

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MMP INDUSTRIES LIMITED

Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN
Tel No.: +91 712 2524645 / 2533585; Fax No.: +91 712 2530461
E-mail: companysecretary@mmpil.com; Website: www.mmpil.com

NOTICE

NOTICE is hereby given that the Forty-Sixth (46th) Annual General Meeting of the Shareholders (Members) of MMP Industries Limited will be held on Wednesday, the 21st day of August 2019 at 04:00 P.M. at Vidarbha Industries Association's (VIA) Auditorium, Udyog Bhavan, Civil Lines, Nagpur - 440001, MH, IN, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the year 2018-19 ended 31st March 2019, comprising of the Balance Sheet as at 31st March 2019, Statement of Profit & Loss and Statement of Cash Flow for the year 2018-19 ended 31st March 2019, together with the Report of the Statutory Auditors and Board's Report thereon.

2. To appoint a Director in place of Mr. Lalit Ranjeet Raj Bhandari, (DIN - 00010934), [Category - Promoter & Executive], who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:-**

   Appointment of Mr. Tenneti Narasimham Murthy, [DIN - 08342116], as a Director, [Category - Non-Promoter & Executive], of the Company

   "RESOLVED THAT Mr. Tenneti Narasimham Murthy, [DIN – 08342116], who was appointed by the Board of Directors as an Additional Director of the Company effective 2nd February 2019, in terms of provisions of Section 161(1) of the Companies Act, 2013 read with the rules made there under and Article 136 of the Articles of Association of the Company, and who holds such office upto the conclusion of this Forty-Sixth (46th) Annual General Meeting, but who is eligible for appointment and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Companies Act, 2013 from a Shareholder (Member) proposing his candidature for the office of a Director, be and is hereby appointed as a Director [Category – Non-Promoter & Executive] of the Company, liable to retire by rotation."

4. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:-**

   Appointment of Mr. Tenneti Narasimham Murthy, [DIN– 08342116], as the Whole-time Director, [Category – Non Promoter & Executive], designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years, effective 2nd February 2019

   "RESOLVED THAT in accordance with the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force), Schedule V to the Companies Act, 2013 and/or subject to the approval/s required, if any, the Company do hereby approves, the appointment of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], [Category – Non-Promoter & Executive], as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years effective 2nd February 2019, with a liberty to the Board of Directors including any Committee thereof, to revise, amend, alter, vary and implement the terms and conditions and payment of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 2013 and/or any modifications/amendments thereof.

FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:-**

Consent and Approval of the Shareholders (Members) of the Company, for issue or giving of Corporate Guarantee OR providing Securities, in connection with loan/s to entity, which is either a Subsidiary, Associate, Joint Venture or Group Company, of the Company, in whom any of the Director of the Company is interested

"RESOLVED THAT pursuant to the provisions of Section 185, 186 and all other applicable provisions of the Companies Act, 2013, the Companies (Amendment) Act, 2017 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and all other rules, regulations, notifications and circulars issued (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time) and the relevant provisions of the Memorandum and Articles of Association of the Company, the consent and approval of the Shareholders (Members) of the Company be and is hereby granted to authorise the Board of Directors of the Company, [hereinafter referred to as 'the Board', which term shall be deemed to include, unless the context otherwise require, any Committee of the Board or any Director/s or Officer/s authorised by the Board to exercise the powers conferred on the Board under this resolution], to issue or give any Corporate Guarantee or provide any Security(ies), for an aggregate outstanding sum of not exceeding to Rs.10,00,00,000/- (Rupees Ten Crores) Only, against the financial assistance availed and/or to be availed by any of its Subsidiary, Associate, Joint Venture or Group Company(ies), in whom any of the Director of the Company is interested, including the Corporate Guarantee for a proportionate value @26% i. e. not exceeding to INR equivalent to US $ 364,000 (United States Dollars Three Hundred Sixty Four Thousand) Only in favour of Mizuho Bank Limited, Singapore Branch, against the financial assistance availed and/or to be availed by the Associate & Joint Venture Company namely TOYAL MMP India Private Limited, as the Board in their absolute discretion deem beneficial and in the interest of the Company, provided that such loan/s are utilized by the borrowing company for its principal business activities.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised, to negotiate, finalize, agree and accept, the terms and conditions of loan, guarantee or security, and to take all necessary steps, to execute all such documents, instruments, writings, and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds and things in their absolute discretion that may be considered necessary, proper, expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

6. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:-**

Ratification of Remuneration of Cost Auditors of the Company

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof, for the time being in force), Messers Khanuja Patra & Associates, Cost Accountants, Nagpur [Firm Registration No. 00214], whose appointment as the Cost Auditors of the Company, for the FY 2019-20 ending 31st March 2020, has been duly approved by the Board of Directors based on the recommendations of Audit Committee of the Company, be paid a sum Rs.50,000/- (Rupees Fifty Thousand) only plus applicable tax (GST) and reimbursement of actual out of pocket expenses, if any, as a remuneration for audit of cost records of the Company for the FY 2019-20 ending 31st March 2020, as recommended by the Board of Directors based on the recommendations of the Audit Committee of the Company, be and are hereby ratified."

By order of the Board

CS Milind Suryakant Rao
Company Secretary
ICSI Membership No ACS - 48012

Place : Nagpur
Date : 29th May 2019

NOTES:--

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY, SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. PROXY FORM, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME APPOINTED FOR THE MEETING.

A Proxy submitted on behalf of the Company, Trust or Society (Institutional Investors) must be supported by an appropriate Resolution or Authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights. In case, a proxy is proposed to be appointed by a member holding more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder (member).

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under Item Nos. 3, 4, 5 and 6 are annexed hereto and forms part of the Notice.

2. All documents referred to in the Notice including Explanatory Statement thereof, will be available for inspection by the Shareholders (Members) during working hours on any working day till the date of the Forty-Sixth (46th) Annual General Meeting at the Registered Office of the Company and also at the place of the Meeting at the scheduled time of the Forty Sixth (46th) Annual General Meeting of the Company.

3. The Shareholders (Members) are requested to send their queries, if any, in writing at least 10 days in advance of the date of the meeting to the Company at its Registered Office.

4. The Shareholders (Members)/ Proxies are requested to bring the attendance slip attached at Page 172, duly filled in, for attending the meeting.

5. GREEN INITIATIVE

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India. We strongly urge you to support this 'Green Initiative' by opting for electronic mode of communication and making the world a cleaner, greener and healthier place to live.

The Shareholders (Members) who have not registered their e-mail id, so far, are requested to register their e-mail id with the Company, Registrar & Share Transfer Agent or Depository Participant (DP), as the case may be.

6. E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), the Company is pleased to provide its Shareholders (Members) facility to exercise their right to vote at the Forty-Sixth (46th) Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSIL).

The instructions for Shareholders (Members) for voting electronically are as under:-

A. In case of Shareholders (Members) receiving e-mail:-

(i) The e-voting period begins on **Sunday, the 18thAugust 2019 at 09:00 A.M. and ends on Tuesday, the 20thAugust 2019 at 05:00 P.M.** During this period, the Shareholders' (Members) of the Company, holding Equity Shares, as on the cut-off date (record date) i.e., Wednesday, the 14thAugust 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSIL for voting thereafter.

(ii) Log on to the e-voting website evotingindia.com

(iii) Click on "Shareholders" Tab.

(iv) Now Enter your User ID

a) For CDSIL : 16 digits beneficiary ID

b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID

c) Shareholders (Members) holding shares in Physical Form should enter Folio Number registered with the Company

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user, then follow the steps given below :

For Shareholders (Members) holding shares in Demat and Physical Form	
PAN	● Enter your 10 digit alpha-numeric PAN issued by Income Tax Department [Applicable for Shareholders (Members) holding shares in demat as well as physical form]. ● The Shareholders (Members) who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number (refer serial no. printed on the name and address sticker / postal ballot form / mail) in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) The Shareholders (Members) holding shares in physical form will then reach directly the Company selection screen. However, the Shareholders (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 CDSIL 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 the Shareholders (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 **MMP INDUSTRIES LIMITED** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **The Shareholders (Members) can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded on Apple (i-Phone), Android and Window based mobile phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non–Individual Shareholders (Members) and Custodians:-

- Non-Individual shareholders (members) [i.e. other than Individuals, HUF, NRI, etc.] and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to *helpdesk.evoting@cdsindia.com*
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to *helpdesk.evoting@cdslindia.com* and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case, you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at *www.evotingindia.com*, under help section or write an email to *helpdesk.evoting@cdsindia.com* or Toll-free No. 1800 22 5533.

B. In case of the Shareholders (Members) receiving the physical copy:-

a) Please follow all steps from Serial No. (i) to Serial No. (xix) above to cast vote.

b) The e-voting period begins on **Sunday, the 18th August 2019 at 09:00 A.M. and ends on Tuesday, the 20th August 2019 at 05:00 P.M.** During this period, Shareholders' (Members) of the Company, holding Equity Shares, as on the cut off date (record date) i.e., Wednesday, the 14thAugust 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSIL for voting thereafter.

c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to *helpdesk.evoting@cdslindia.com* or Toll-free No. 1800 22 5533.

d) The Board of Directors has appointed M/s. Mukesh Parakh & Associates, Company Secretaries, Nagpur [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693] as a Scrutinizer to process the e-voting [including voting through ballot form received from Shareholders (Members)] and voting at the venue of the Forty-Sixth (46th)Annual General Meeting in a fair and transparent manner.

e) CS Milind Suryakant Rao [ICSI Membership No. ACS– 48012], Company Secretary & Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this Forty-Sixth (46th) Annual General Meeting including e-voting.

f) The Notice of the Forty-Sixth (46th)AnnualGeneral Meeting will be sent to all the Shareholders (Members), whose names appear in the Register of Members as on Friday, the 12th July 2019 through Registered Post, Speed Post, Courier or by e-Mail, wherever registered. The Shareholders (Members) may also download a copy of the Notice from the Website of the Company www.mmpil.com.

g) The Shareholders (Members) of the Company, holding Equity Shares either in physical form or in dematerialised (demat) form as on cut-off (record) date i.e., **Wednesday, the 14th August 2019** and not casting their vote electronically, may only cast their vote at the Forty-Sixth (46th) Annual General Meeting. The voting rights of Shareholders (Members) shall be in proportion to their shareholding of paid-up share capital of the Company as on cut-off (record) date i.e., **Wednesday, the 14th August 2019**.

h) Kindly note that the Shareholders (Members) can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also. However, in case Shareholder (Member) cast their vote through e-voting as well as physically, then voting done through e-voting will prevail.

i) The results of voting shall be declared within forty-eight (48) hours of the conclusion of the Forty-Sixth (46th) Annual General Meeting. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website (www.mmpil.com), CDSIL Website and shall also be communicated to the Stock Exchange – NSE EMERGE.

Details of Director/s seeking appointment/re-appointment at the Forty-Sixth (46th) Annual General Meeting of the Company

[Pursuant to Regulations 26(4) and 36(6) of the Listing Regulations and Secretarial Standards on General Meeting]

Name of Director	**Mr. Lalit Ranjeet Raj Bhandari**
Director Identification Number (DIN)	**00010934**
Brief Resume	**Mr. Lalit Ranjeet Raj Bhandari, qualified as a Graduate, has been associated with the MMP Group of Companies since Year 1981. He has worked at various positions and has experience of about 37 years in the Aluminium powder and paste business and specifically, in project management.**
Date of Birth / Age	**24th February 1956 / 63 Years**
Date of First Appointment	**1st August 2008 [Re-appointment as the Whole-time Director of the Company for a further period of five (5) years effective 1st April 2017]**
Expertise in specific functional area	**Functional expertise in Aluminium Powder and Paste business, with specific area as Project Management**
Qualification	**Graduate**
Shareholding in the Company	**NIL**
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	**Cousin of Mr. Arun Raghuveer Raj Bhandari, Promoter, Chairman & Managing Director of the Company.** **Except the above, not related to any other Director, Manager, Key Managerial Personnel of the Company**
No. of Board Meeting attended during the Financial Year 2018-2019	**Eight (8) [100%]**
Name of the other Companies/LLP in which Director/Partner	**Director of Rohini Horticulture Private Limited [CIN – U01110MH1994 PTC083662]**
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	**MMP Industries Limited** **1. Risk Management Committee - Chairman** **2. Corporate Social Responsibility Committee – Member** **3. Stakeholders' Relationship Committee – Member** **4. Project Monitoring Committee – Member** **5. Share Transfer Committee – Member**

Name of Director	**Mr. Tenneti Narasimham Murthy**
Director Identification Number (DIN)	**08342116**
Brief Resume	**Mr. Tenneti Narasimham Murthy, has over 24 Years' corporate working experience in various aspects of Human Resources, Industrial (Employees) Relations, Contract Management, Welfare, Administration, Training & Development, Performance Appraisal, and related activities, including Statutory Compliances**
Date of Birth / Age	**4th December 1968 / 50 years**
Date of First Appointment	**2nd February 2019**
Expertise in specific functional area	**Human Resources and Industrial (Employees) Relations**
Qualification	**Master Degree in Sociology, PGDIRPM and PGDHRM**
Shareholding in the Company	**NIL**
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	**Not related to any Director, Manager and other Key Managerial Personnel of the Company**
No. of Board Meeting attended during the Financial Year 2017-2018	**NIL**
Name of the other Companies/LLP in which Director/Partner	**No, Hence Not Applicable**
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	**MMP Industries Limited - Risk Management Committee - Member**

EXPLANATORY STATEMENT
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3:-

Appointment of Mr. Tenneti Narasimham Murthy [DIN – 08342116] as a Director [Category - Non-Promoter & Executive] of the Company

The Board of Directors at its meeting held on 2nd February 2019, after considering the recommendation of 'Nomination & Remuneration Committee' of its meeting held on 2nd February 2019, has approved and appointed, Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as an Additional Director [Category – Non-Promoter & Executive] of the Company, liable to retire by rotation, to hold the office till the conclusion of the Forty-Sixth (46th) Annual General Meeting of the Company.

The Company has received a notice in writing from a Shareholder (Member) under Section 160 of the Companies Act, 2013 read with the rules made there under, proposing the candidature of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], for the office of a Director [Category – Non-Promoter & Executive] of the Company.

Except, Mr. Tenneti Narasimham Murthy, [DIN – 08342116], for himself, being the appointee, none of the other Director/s, Key Managerial Personnel (KMP) of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Accordingly, the Board of Directors recommends to the Shareholders (Members), for their approval, the Ordinary Resolution for an appointment of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as a Director [Category – Non-Promoter & Executive] of the Company, liable to retire by rotation, in the interest of the Company.

Item No. 4:-

Appointment of Mr. Tenneti Narasimham Murthy [DIN – 08342116] as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years effective 2nd February 2019

Mr. Tenneti Narasimham Murthy, [DIN – 08342116], aged about 50 years, holds Masters Degree in Sociology. He has also completed Post Graduate Diploma in Industrial Relations and Personnel Management (PGDIRPM) and Post Graduate Diploma in Human Resource Management (PGDHRM), He has over 24 Years' corporate working experience in various aspects of Human Resources, Industrial (Employees) Relations, Contract Management, Welfare, Administration, Training & Development, Performance Appraisal, and related activities, including Statutory Compliances.

The 'Nomination & Remuneration Committee' at its meeting held on 2nd February 2019, considered, approved and recommended to the Board and/or Shareholders (Members), the appointment of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, including fixation of remuneration payable thereof, for a period of five (5) years effective 2nd February 2019.

Subsequently, the Board of Directors at its meeting held on 2nd February 2019, considered and approved, the appointment of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years effective 2nd February 2019, subject to approval of the Shareholders (Members) at the Forty-sixth (46th) Annual General Meeting of the Company and requisite permissions or approvals, if any.

The Board of Directors, having considered the qualification, experience and responsibilities, has approved and recommended, payment of monthly remuneration, allowances, perquisites and benefits as detailed below aggregating to Rs.1,35,054/- Per Month, to Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company for approval of the Shareholders (Members) of the Company:-

Particulars	Amount (in Rupees)
Basic Salary	70,000
House Rent Allowance	18,000
Medical Allowance	18,000
Education Allowance	2,100
Special Allowance	13,700
PF, LTA, Bonus & Gratuity	13,254
TOTAL REMUNERATION (CTC)	1,35,054

The appointment of, and remuneration, allowances, perquisites and benefits payable to, Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, are in accordance with the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force), with an authority to the Committee and/or Board of Directors to modify, alter or vary the terms of appointment or impose any other terms of appointment and conditions as it may deem fit and proper, from time to time.

Except Mr. Tenneti Narasimham Murthy, [DIN – 08342116], for himself, being the appointee, none of the other Director/s, Key Managerial Personnel (KMP) of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Accordingly, the Board of Directors of the Company recommends the Special Resolution for approval of the Shareholders (Members) in the interest of the Company.

Item No. 5:-

Consent and Approval of the Shareholders (Members) of the Company, for issue or giving of Corporate Guarantee OR providing Securities, in connection with loan/s to entity, which is either a Subsidiary, Associate, Joint Venture or Group Company, of the Company, in whom any of the Director of the Company is interested

MMP Industries Limited (hereinafter referred to as 'MMP / the Company') has entered into a Joint Venture Agreement with Toyo Aluminium K. K., Japan ('Toyo') to collaborate with each other in a Joint Venture relationship by using their respective brand names, domain expertise and strong market presence to establish the Aluminium Paste manufacturing business and have accordingly, incorporated a company in India in the name and style of "TOYAL MMP India Private Limited" ('TMI'). Toyo holds 1,99,87,400 equity shares and MMP holds 70,22,600 equity shares constituting 74% and 26%, respectively, of the total issued, subscribed and paid-up equity share capital of TMI.

TMI is an Aluminium Paste manufacturing company and has started commercial production in February 2018. TMI has plans to produce some medium and high grade Aluminium Paste which currently imported from China thus requiring more capital expenditure as well as working capital funds. Being, a newly incorporated company, which started its commercial operations in recent times, the lending bank/s often requires more or additional guarantee/s and/or security(ies) against its lending to TMI.

In recent times, TMI has been granted the credit facilities i.e. Buyer's Credit not exceeding to US $ 1,400,000 (United States Dollars One Million Four Hundred Thousand) only from Mizuho Bank Limited, Singapore Branch ('Mizuho Bank') on the terms and conditions as set out in the Letter No. BPD2/18-19/089 dated 22nd October 2018 issued by Mizuho Bank, including any amendment/s, renewal/s or modification/s made thereto by Mizuho Bank from time to time.

In addition to funds infused by both the joint venture partner/s in their inter-se equity shareholding ratio through subscription to issued, subscribed and paid-up share capital of TMI, the Company in honouring its joint venture obligations, may be required to issue or give guarantee/s and/or provide security(ies) in connection with any loan availed or to be availed by TMI. TMI proposes to use the said loan/s, guarantee/s or security(ies) for its core commercial business activities including the matters connected and incidental thereto ('Principal Business Activities').

In absence of having requisite authorization with the Board of Directors of MMP, Toyo Aluminium K.K., Japan has provided a Letter of Guarantee to secure the entire credit facilities i.e. Buyer's Credit not exceeding to INR equivalent to US $ 1,400,000 (United States Dollars One Million Four Hundred Thousand) only in favour of Mizuho Bank Limited, Singapore Branch.

Accordingly, MMP under its business understanding also intends to give Corporate Guarantee for a proportionate value @26% i. e. not exceeding INR equivalent to US $364,000 (United States Dollars Three Hundred Sixty Four Thousand) only in favour of Mizuho Bank Limited, Singapore Branch.

Apart, MMP intends to opt for an enabling authorization to extend the Corporate Guarantee in favour of lending bank/s for extending financial assistance to any of its Subsidiary, Associate, Joint Venture or Group Companies in future.

Accordingly, it is proposed that the Shareholders (Members) of the Company should authorize its Board, for issue or giving of Corporate Guarantee OR providing Securities of a sum not exceeding to Rs.10,00,00,000/- (Rupees Ten Crores) Only, against the financial assistance availed and/or to be availed by any of its Subsidiary, Associate, Joint Venture or Group Companies, in whom any of the Director of the Company is interested, including the Corporate Guarantee for a proportionate value @26% i. e. not exceeding INR equivalent to US $ 364,000 (United States Dollars Three Hundred Sixty Four Thousand) only in favour of Mizuho Bank Limited, Singapore Branch, against the financial assistance availed and/or to be availed by the Associate & Joint-Venture Company namely TOYAL MMP India Private Limited.

In terms of the provisions of Section 185 of the Act [as amended by the Companies (Amendment) Act, 2017 and notified by Ministry of Corporate Affairs vide Notification Dated 7th May 2018], the proposed issue or giving of Corporate Guarantee or providing Security(ies), against the financial assistance availed and/or to be availed by any of its Subsidiary, Associate, Joint Venture or Group Companies, in whom any of the Director of the Company is interested, requires the approval of the Shareholders (Members) of the Company by way of a Special Resolution.

Except Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director and Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director, of the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Accordingly, the Board of Directors of the Company recommends the Special Resolution for approval of the Shareholders (Members) in the interest of the Company.

Item No. 6:-

Ratification of Remuneration of Cost Auditors of the Company

On recommendations of the Audit Committee, the Board of Directors of the Company, at its meeting held on 29th May 2019, approved and appointed, Messers Khanuja Patra & Associates, Cost Accountants, Nagpur [Firm Registration No. 00214] as the Cost Auditors of the Company for the FY 2019-20 ending 31st March 2020 to audit the cost records of the Company at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand) Only, plus applicable tax (GST) and reimbursement of actual out of pocket expenses, if any.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration as recommended by the Board of Directors, is subject to ratification by the Shareholders (Members) of the Company.

None of the Director/s, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Accordingly, the Board of Directors of the Company recommends the Ordinary Resolution for ratification of the Shareholders (Members) in the interest of the Company.

By order of the Board

CS Milind Suryakant Rao
Company Secretary
ICSI Membership No ACS - 48012

Place : Nagpur
Date : 29th May 2019

BOARD'S REPORT

To

The Shareholders (Members) of MMP Industries Limited

The Board of Directors of the Company hereby present the Forty-Sixth (46th) Annual Report together with the Audited Financial Statements (Standalone and Consolidated) of the Company for the year 2018-19 ended 31st March 2019.

1. COMPANY SPECIFIC INFORMATION

1.1 FINANCIAL SUMMARY AND HIGHLIGHTS

During FY 2018-19, the Company has recorded gross revenue of Rs. 26064.92 lakh, up 4.58% over the revenue of Rs. 24924.39 lakh of FY 2017-2018. There is an excellent growth in operating profit (9.55%) and profit before tax (16.14%) as compared to growth in revenue (4.57%) over the corresponding figures of FY 2017-18. Moreover, there is growth of 32.52% in net profit from Rs. 1537.17 lakh to Rs. 2037.11 lakh. This is mainly due tohigher operational efficiencies and reduced taxation.

During FY 2018-19, the share of profits from the associate companies was Rs. 223.53 lakh as compared to Rs.366.44 lakh in FY 2017-18.

The consolidated net profit for FY 2018-19 is Rs.2260.63 lakh compared to Rs.1903.61 lakh for FY 2017-18.

The summarized financial results (standalone) of the Company are as follows :-

Particulars	FY 2018-19	FY 2017-18
	(Rupees in Lakh)	
Revenue from Operations (Gross)	**26064.92**	24924.39
Other Income	**396.70**	69.79
Profit / (Loss) before Depreciation, Finance Costs, Exceptional Items and Tax Expenses	**3312.83**	3023.90
Less: Depreciation / Amortisation / Impairment	**204.25**	201.75
Profit / (Loss) before Finance Costs, Exceptional items and Tax Expenses	**3108.58**	2822.15
Less: Finance Costs	**277.83**	384.79
Profit / (Loss) before Exceptional items and Tax Expenses	**2830.74**	2437.37
Add/(less): Exceptional items	**--**	--
Profit / (Loss) before Tax Expenses	**2830.74**	2437.37
Less: Tax Expenses (Current & Deferred)	**793.63**	900.20
Profit / (Loss) for the year (1)	**2037.11**	1537.16
Total Comprehensive Income / (Loss) (2)	**--**	--
Total (1+2)	**--**	--
Balance of Profit / (Loss) for earlier years	**--**	--
Less: Transfer to Debenture Redemption Reserve	**--**	--
Less: Transfer to Reserves	**--**	--
Less: Dividend paid on Equity Shares	**--**	--
Less: Dividend paid on Preference Shares	**--**	--
Less: Dividend Distribution Tax	**--**	--
Balance carried forward	**2037.11**	1537.16

1.2 AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES - TRANSFER TO RESERVES (BALANCE SHEET)

The sum/s transferred to reserves and surplus (balance sheet) account/s viz., Capital Reserve (Special Capital Incentives), Revaluation Reserve, General Reserve, Profit & Loss, and closing balance/s thereof as at 31st March 2019 (FY 2018-19) [Previous Year ended 31st March 2018 (FY 2017-18)] is as follows:-

Sr. No.	Particulars	FY 2018-19	FY 2017-18
		(Rupees in Lakh)	
1.	**Capital Reserve**		
	a. Opening Balance	**40.32**	58.21
	b. (Add) Additions during the year	**--**	--
	c. (Less) Transferred during the year	**--**	17.89
	Closing Balance	**40.32**	58.21
2.	**Revaluation Reserve**		
	a. Opening Balance	**6.08**	6.08
	b. (Add) Transfer from Statement of Profit & Loss	--	--
	Closing Balance	**6.08**	6.08
3.	**General Reserve**		
	a. Opening Balance	**407.13**	407.13
	b. (Add) Transfer from Statement of Profit & Loss	**--**	--
	c. (Less) Amount utilised for issuance of Bonus Shares	**407.13**	407.13
	Closing Balance	**--**	--
4.	**Profit & Loss Account**		
	a. Opening Balance	**4688.42**	3346.82
	b. (Add) Net Profit for the year	**2037.11**	1537.17
	c. (Less) Amount utilised for issuance of Bonus Shares	**--**	7.37
	d. (Less) Adjustments in respect of provisions of Gratuity & Leave Encashment [Net of Taxes]	**--**	188.13
	Closing Balance	**6725.59**	4688.48
	Total Reserve and Surplus	**14781.99**	4734.87

1.3 DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the FY 2018-19 ended 31st March 2019 under review.

The Company is setting up new manufacturing facilities for atomized aluminium powder, pyro & flake aluminium powder and aluminium foils at Umred MIDC Area through IPO proceeds and internal accruals. As such, the Board of Directors does not recommend any Dividend on the equity shares for the FY 2018-19 ended 31st March 2019.

1.4 MAJOR EVENTS OCCURRED DURING THE YEAR

a) STATE OF COMPANY'S AFFAIRS

Your Company has registered a consistent and strong revenue growth both in terms of revenue and earnings in the FY 2018-19 under review. The consolidated net revenue from operations of Rs. 26064.92 lakh in FY 2018-19 is up by 7.38% as compared to Rs. 24273.57 lakh in FY 2017-18. The operating profit (EBIDTA) at Rs. 3312.83 lakh in FY 2018-19 is 9.55% higher than Rs. 3023.90 lakh of FY 2017-2018. The net profit after share of Profit from Associates for FY 2018-19 has increased from Rs. 1903.61 lakh to Rs. 2260.64 lakh. The overall performance of the respective division/s of the Company during the FY 2018-19 are provided hereunder:-

ALUMINIUM POWDER AND PASTE DIVISION

The total revenue of this division is Rs. 19711.16 lakh, up by 11.49% as compared to the revenue of Rs. 17680.09 lakh of FY 2017-18. The segment result is at Rs. 3037.67 lakh which is higher by 14.39% compared to Rs. 2655.44 lakh of FY 2017-18.

ALUMINIUM CONDUCTORS DIVISION

The total revenue of this division at Rs. 5748.06 lakh, down by nominal (0.25%) as compared to the revenue of Rs. 5762.73 lakh of FY 2017-18. The segment result is at Rs. 423.93 lakh which is down by (22.3%) compared to Rs. 545.62 lakh of FY 2017-18.

NEW MANUFACTURING FACILITIES AT MIDC, UMRED (NAGPUR, MH)

ALUMINIUM POWDER FACILITY:

The project implementation of atomized aluminium powder plant and pyro & flake aluminium powder plant is nearing completion and both sections are expected to commence trial production during July, 2019.

Major buildings are ready and most of the major plant and machinery has been installed. No load trials of some equipments has already been carried out using stand by power source. Utilities like cooling towers, compressors, water and air piping etc., are under progress.

ALUMINIUM FOIL FACILITY

For implementation of aluminium foil project, the Company has already initiated steps and released orders for major plant & machinery. Site development work has already started and project will see trial production in Q4 of FY 2019-20.

Orders for the pre-engineered building (PEB) have been placed and civil work is expected to start soon.

ALUMINIUM POWDER

The increased and growing demand for atomized powder in the defence sector (Ordinance factories) will boost the demand for the product of the Company.

Specialized fine chemicals formulation applications have been identified and your company has started selling powders to some marquee names.

To further enhance the proposed capacity of 1800 MTPA of pyro & flake powder at Umred, the Company has purchased 4 additional ball mills to meet the future product demand. Consequent to the above, the production capacity for pyro & flake plant will increase from 1800 MT to 2800 MT in FY 2020-2021.

ALUMINIUM PASTE

With the transfer of production capacity to TMI for aluminium pastes, your Company is now focusing on sale of leafing powders with better cost efficiency / value addition for the ink and plastic industries. Leafing powders have good export potential and a growing domestic market specially when converted into aluminium pellets. In addition, certain grades of aluminium pastes not being produced by TMI are being produced and sold by your Company to ensure customer retention.

ALUMINIUM CONDUCTORS

Looking to the changing market demand the Company is setting up new production capacity for manufacturing aerial bunched cables and power cables with a nominal investment in the existing Bhandara facility. This new line will enable increased utilization of aluminium conductor capacity in the coming years and produce more value added products.

Your Company has also developed special aluminium wire in our Conductor Division and started servicing our explosives customers (who are already buying aluminium powders from us) with this product which is used for sealing of slurry cartridges. We expect this product to support our Conductor division in a significant manner in the coming years.

b) CHANGE IN NATURE OF BUSINESS

During the FY 2018-19 ended 31st March 2019 under review, the Board of Directors, though exploring addition to existing business and commercial activities, had neither been explored any change in nature of business and commercial activities for the Company nor there is a change in nature of business and commercial activities of the Company. As such, no specific details regarding change in nature of business activities are required to be given or provided.

c) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

During the FY 2018-19 ended 31st March 2019 under review, there are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of this report. As such, no specific details are required to be given or provided.

1.5 DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT

There is no occasion whereby the Company has either revised or required to revise the Financial Statements or the Board's Report of the Company for any period prior to the FY 2018-19 ended 31st March 2019. As such, no specific details are required to be given or provided.

2. GENERAL INFORMATION

OVERVIEW OF THE INDUSTRY

The detailed discussion on the Overview of the Industry is covered under Management Discussion and Analysis which forms part of this report

ECONOMIC OUTLOOK

The detailed discussion on the Global Economic Outlook is covered under Management Discussion and Analysis which forms part of this report

3. CAPITAL AND DEBT STRUCTURE

During the FY 2018-19 ended 31st March 2019 under review, there was no change in the capital structure of the Company, except the issue & allotment of 4500000 (Forty-five lakh) equity shares of face value of Rs.10/- each, at a premium of Rs.178/- per equity share, in the capital of the Company, through Book Building process, in the Initial Public Offer (IPO) on 10thApril 2018. The existing capital Structure of the Company is as follows:-

	31st March 2019	31st March 2018
Particulars	**(Rupees in Lakh)**	
Authorised Share Capital 20000000 (20000000) Equity Shares of Rs. 10/- (Rupees Ten) each	**2000.00**	2000.00
Issued, Subscribed and Paid-Up Share Capital 16935075 (12435075) Equity Shares of Rs. 10/- (Rupees Ten) each	**1693.51**	1243.51

Further, the Company has neither issued any convertible or non-convertible securities, debentures, bonds, warrants, shares with differential voting rights as to dividend, voting or otherwise, nor issued or granted ESOP, stock option, sweat equity during the FY 2018-19 ended 31st March 2019.

4. CREDIT RATING OF SECURITIES

During the FY 2018-19 ended 31st March 2019 under review, the Company has neither issued nor required to obtain credit rating of its securities. As such, no specific details are required to be given or provided.

CREDIT RATING FOR DEBT

CRISIL in their review for total bank loan facilities of Rs. 43 Crores, vide its communication dated 29th September 2018, has revised and upgraded the credit rating of the Company. The details of new credit rating assigned to the Company vis-à-vis existing credit rating are given below:-

	Existing Credit Rating	Revised Credit Rating
Long-Term Rating	CRISIL BBB/Stable	CRISIL BBB+/Stable
Short-Term Rating	CRISIL A3+	CRISIL A2

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the FY 2018-19 ended 31st March 2019 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

6. MANAGEMENT

6.1 DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The changes amongst the Director/s including Executive Director/s and Key Managerial Personnel (KMP) during the period are as follows:-

(A) CHANGES AMONGST THE PROMOTER DIRECTOR/S

There were no changes took place amongst the Promoter Director/s of the Company during the FY 2018-19 ended 31st March 2019.

(B) CHANGES AMONGST THE EXECUTIVE DIRECTOR/S

(i) Mr. Bhinvkaran Dhularam Jangid, [DIN – 08021867], Whole-time Director, designated Key Managerial Personnel (KMP), [Category – Non-Promoter, Non-Independent & Executive], ceased to be a Director and also, the Whole time Director, designated Key Managerial Personnel (KMP), of the Company, due to resignation effective 2nd February 2019. The Board places on records its appreciation for his wide contributions in the overall performance of the Company.

(ii) Mr. Tenneti Narasimham Murthy, [DIN – 08342116], was appointed as an Additional Director [Category – Non Promoter, Non-Independent & Executive], designated Key Managerial Personnel (KMP) of the Company, effective 2nd February 2019 and also, the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company for a period of five (5) years effective 2nd February 2019, subject to approval of the Shareholders (Members) at their ensuing Forty-Sixth (46th) Annual General Meeting of the Company.

(C) CHANGES AMONGST KEY MANAGERIAL PERSONNEL (KMP)

(i) CS Chandrakant Shivshankar Nimje, [ICSI Membership No. ACS – 48717, IT PAN – ATWPN0626J], ceased to be the Company Secretary & Compliance Officer, designated Key Managerial Personnel (KMP), of the Company effective 31st August 2018 due to resignation.

(ii) CS Milind Suryakant Rao, [ICSI Membership No. ACS – 48012, IT PAN – AJZPR1361H], was appointed as Company Secretary & Compliance Officer, designated Key Managerial Personnel (KMP), of the Company effective 1st September 2018.

Apart from change/s referred to above, there is no other change/s, in the Key Managerial Personnel (KMP), of the Company, and accordingly, Mr. Arun Raghuveer Raj Bhandari, [DIN – 00008901], Managing Director, [Category – Promoter & Executive], Mr. Lalit Ranjeet Raj Bhandari, [DIN – 00010934], Whole-time Director, [Category – Promoter & Executive], Mr. Tenneti Narasimham Murthy, [DIN – 08342116], Whole-time Director, [Category – Non-Promoter & Executive], CA Sharad Mohanlal Khandelwal, [ICAI Membership No. FCA – 047999, IT PAN – ADCPK2636D], Chief Financial Officer and CS Milind Suryakant Rao, [ICSI Membership No. ACS – 48012, IT PAN – AJZPR1361H], Company Secretary & Compliance Officer, of the Company, continued to act as the Key Managerial Personnel (KMP) of the Company, pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended).

(D) DIRECTOR RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), Mr. Lalit Ranjeet Raj Bhandari, [DIN – 0010934], [Category - Promoter & Executive], of the Company, retires by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as a Director (Whole-time Director) [Category - Promoter & Executive], of the Company, in the interest of the Company.

(E) PROPOSED CHANGES AMONGST DIRECTOR/S PLACED BEFORE THE SHAREHOLDERS (MEMBERS) FOR THEIR APPROVAL AT THE ENSUING FORTY-SIXTH (46th) ANNUAL GENERAL MEETING OF THE COMPANY

(i) The term of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as an Additional Director, [Category – Non-Promoter & Executive], of the Company, expiring at the conclusion of the ensuing Forty-Sixth (46th) Annual General Meeting of the Company. The Board recommends his appointment as a Director, [Category – Non-Promoter & Executive], liable to retire by rotation, of the Company, in the interest of the Company.

The Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a Shareholder (Member) proposing the candidature of Mr. Tenneti Narasimham Murthy, [DIN – 08342116], for the office of a Director of the Company.

(ii) The Board of Directors at its meeting held on 2nd February 2019, based on the recommendations vide resolution passed by the Nomination & Remuneration Committee at its meeting held on 2nd February 2019, has approved and appointed, Mr. Tenneti Narasimham Murthy, [DIN – 08342116], as the Whole-time Director, [Category – Non-Promoter, Non-Independent & Executive], designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years, effective 2nd February 2019, subject to approval of the Shareholders (Members) of the Company at the ensuing Forty-Sixth (46th) Annual General Meeting of the Company. The Board recommends his appointment as the Whole-time Director, [Category – Non-Promoter, Non-Independent & Executive], designated Key Managerial Personnel (KMP), of the Company for a period of five (5) years, effective 2nd February 2019, in the interest of the Company.

The Company has received the self-declaration/s from all the Executive Director/s of the Company, to the effect that he (i) was or is not disqualified from being appointed and/or continued to act, as a Director of the Company in terms of the provisions of Section 164 of the Companies Act, 2013; and (ii) was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20th June 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed companies"

The information (details) of Director/s of seeking appointment or re-appointment at the Forty-Sixth (46th) Annual General Meeting of the Company, pursuant to Regulation 26(4) and 36(6) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) is annexed to the Notice convening the Forty-Sixth (46th) Annual General Meeting of the Company.

6.2 INDEPENDENT DIRECTORS

CHANGES AMONGST THE INDEPENDENT DIRECTOR/S

Mr. Vijay Singh Bapna, [DIN – 02599024], and Mr. Sunil Khanna, [DIN – 00907147], were appointed as a Director [Category – Non-executive, Independent], of the Company, at Forty-fifth (45th) Annual General Meeting of the Company, to hold the office for a fixed first term of three (3) consecutive years, i.e. from the conclusion of Forty-Fifth (45th) Annual General Meeting held for the FY 2017-18 ended 31st March 2018, up to the conclusion of Forty-Eighth (48th) Annual General Meeting of the Company to be held for the FY 2020-21.

Except the above, there is no change in the composition of the Board of Directors of the Company during the period under review and accordingly, the other Director/s namely, Mr. Ajay Sadashiv Gokhale, [DIN – 00550452], Mr. Karan Yudhishtir Varma, [DIN – 06923525], Mrs. Sudha Sukesh Gandhi, [DIN – 06611145], Mr. Vijay Singh Bapna, [DIN – 02599024} and Mr. Sunil Khanna, [DIN – 00907147}, are continued as the Director/s [Category - Non-executive, Independent] of the Company.

6.3 DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

The Company has received the self-declaration/s from all the Independent Director/s of the Company, to the effect that he or she (i) meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ["Listing Regulations"] and also, duly complied with Code of Conduct prescribed in Schedule IV to the Act; (ii) was or is not disqualified from being appointed and/or continued to act, as a Director of the Company in terms of the provisions of Section 164 of the Companies Act, 2013; and (ii) was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20th June 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed companies".

The Company has received the self-declaration/s from all the Director/s and Senior Management Personnel of the Company, as to the due compliance of Company's Code of Conduct. As such, the Company do hereby confirm that the Company has duly complied with the Company's Code of Conduct namely (i) MMP Code for Prohibition of Insider Trading, (ii) MMP Code of Fair Disclosure, and (iii) MMP Code of Business Principles and Conduct.

6.4 BOARD MEETINGS

Eight (8) meeting/s of the Board of Directors of the Company were held during the FY 2018-19 ended 31st March 2019 under review, on (1) 5th April 2018 (2) 10th April 2018 (3) 7th May 2018 (4) 30th May 2018 (5) 23rd July 2018 (6) 31st August 2018 (7) 12th October 2018 and (8) 2nd February 2019.

6.5 COMMITTEES

The Company has constituted all the requisite Committee(s) of the Board, namely Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee, Risk Management Committee and Project Monitoring Committee, pursuant to the provisions of the Companies Act, 2013 read with the rules made there under and Listing Regulations. The details of its constitution, objective or terms of reference and other related information has been provided under the Corporate Governance Report, which forms part and parcel of the Board's Report.

6.6 RECOMMENDATIONS OF AUDIT COMMITTEE

There is no occasion wherein the Board of Directors of the Company has not accepted any recommendation/s of the Audit Committee of the Company during the FY 2018-19 ended 31st March 2019. As such, no specific details are required to be given or provided.

6.7 COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company's policy on Director's appointment and remuneration and such other related information has been provided under the Corporate Governance Report, which forms part and parcel of the Board's Report.

6.8 BOARD EVALUATION

The Company's policy on Board Evaluation and such other related information has been provided under the Corporate Governance Report, which forms part and parcel of the Board's Report.

6.9 REMUNERATION OF DIRECTORS AND EMPLOYEES OF LISTED COMPANIES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) are given below:-

(A) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the FY 2018-19 ended 31st March 2019:-

Executive Directors	Ratio to Median remuneration
Mr. Arun Raghuveer Raj Bhandari – Managing Director	51.69:1
Mr. Lalit Ranjeet Raj Bhandari – Whole-time Director	23.27:1

(B) The percentage increase in remuneration of each Director/s, Chief Executive Officer, Chief Financial Officer, Company Secretary in the FY 2018-19 ended 31st March 2019:-

Executive Director/s, Chief Financial Officer and Company Secretary	% increase in remuneration in the FY 2018-2019
Mr. Arun Raghuveer Raj Bhandari – Managing Director	48.92
Mr. Lalit Ranjeet Raj Bhandari – Whole-time Director	20.90
Mr. Bhinvkaran Dhularam Jangid – Whole-time Director	Not Applicable
Mr. Tenneti Narasiham Murthy – Whole-time Director	Not Applicable
CA Sharad Mohanlal Khandelwal - Chief Financial Officer	23.68
CS Chandrakant Shivshankar Nimje - Company Secretary	Not Applicable
CS Milind Suryakant Rao - Company Secretary	Not Applicable

(C) The percentage increase in the median remuneration of employees in the FY 2018-19 ended 31st March 2019 :- (33.93).

(D) The number of permanent employees on the rolls of Company as on 31st March 2019 :- 358.

(E) 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:

(i) The average annual increase was about 11.52%. During the financial year, the total increase is approximately 10% after accounting for promotions and other event based compensation revisions.

(ii) Increase in the managerial remuneration for the financial year was around 45.92%, other than commission based on net profit as per the terms of their appointment.

(F) **Affirmation:** Remuneration paid to Director/s, Key Managerial Personnel (KMP) and Employees of the Company is as per the remuneration policy of the Company.

(G) Information as per Section 197 of the Companies Act, 2013 ("the Act") and Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (as amended), forms part of this report. However, in terms of Section 136(1) of the Act, the Report and Financial Statements are being sent to all the Shareholders (Members) and others entitled to receive the same, excluding the statement of particulars of employees. The statement is available for inspection by the Shareholders (Members) at the Registered Office of the Company during business hours on any working day up to the date of the ensuing Forty-Sixth (46th) Annual General Meeting. If any Shareholder (Member) is interested in obtaining a copy thereof, such Shareholder (Member) may write to the Company Secretary, whereupon a copy would be sent to the concerned Shareholder (Member) of the Company.

6.10 REMUNERATION RECEIVED BY MANAGING / WHOLE TIME DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY

The Company do not have any Holding or Subsidiary Company.

6.11 DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirms:-

(i) That in the preparation of the Annual Accounts (Financial Statements), the applicable Accounting Standards had been followed along with proper explanation, relating to material departures;

(ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that financial year;

(iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the Directors had prepared the Annual Accounts (Financial Statements) on going concern basis;

(v) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and

(vi) That the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and regulations and that such systems were adequate and operating effectively.

6.12 INTERNAL FINANCIAL CONTROLS

Messers Manish N. Jain & Company, Chartered Accountants, Nagpur, the Statutory Auditors of the Company, has reviewed and accordingly, issued their Report on the Internal Financial Controls over the Financial Reporting, in terms of Clause (i) of Sub-section 3 of Section 143 of the Act, which is annexed as an 'Annex – B' to the Independent Auditors' Report of the Company. The Report on the Internal Financial Controls over the Financial Reporting for the FY 2018-19 ended 31st March 2019 do not contain any qualification or adverse remarks. The observations made by the Statutory Auditors in their report are self-explanatory and have also been further amplified in the notes to the financial statements and as such, do not call for any explanations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure:-

(a) that all assets and resources are used efficiently and are adequately protected;

(b) that all the internal policies and statutory guidelines are complied with; and

(c) the accuracy and timing of financial reports and management information is maintained.

6.13 FRAUDS REPORTED BY AUDITOR

During the FY 2018-19 ended 31st March 2019 under review:-

(a) there is no fraud occurred, noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended);

(b) the observations made by the Statutory Auditors on the financial statements including the affairs of the Company are self-explanatory and do not contain any qualification, reservation, adverse remarks or disclaimer thereof.

As such, no specific information, details or explanations required to be given or provided by the Board of Directors of the Company.

7. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

7.1 REPORT ON PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Star Circlips and Engineering Limited (SCEL)

SCEL is a specialized fastener / engineering Company. The Company exports its circlips, retaining rings, spring pins and other engineering fasteners to Germany, USA, Singapore and China among other countries.

The Company's products are extensively used in the automobile sector comprising of 2 and 3 wheelers, passenger cars, commercial vehicles and tractors.

The Company's technical and sales cooperation with Seeger-Orbis, Germany has enabled it to upgrade technology and processes to world class levels and its products command a significant preference by all automobile and engineering companies.

SCEL is in process of setting up a flat & shaped wire making facility for its captive usage as well as domestic / export markets. The plant is expected to be commissioned during June, 2019.

During the FY 2018-2019 ended 31st March 2019 under review, the total revenue of Star Circlips at Rs. 12000.55 lakh is up by 11.89% compared to Rs. 10725.38 lakh of the FY 2017-2018. The EBIDTA at Rs. 2984.23 lakh is decreased by 4.05% as compared to Rs. 3110.15 lakh of the FY 2017-2018 and PAT at Rs. 1440.50 lakh is decreased by 7.17% compared to Rs. 1551.69 lakh of the FY 2017-2018 which is mainly due to increase in cost of raw materials and finance cost. The Company continued to hold 26.06% shareholding in Star Circlips during the FY 2018-2019 ended 31st March 2019 and by virtue of shareholding, the share of profit of Rs. 362.24 lakh is considered in the Consolidated Financial Statement of the Company.

Toyal Mmp India Private Limited (TMI)

TMI is the aluminiumpaste making Company which began manufacturing operation February 2018. It also imports high value non-leafing grades from other Toyo Group companies for resale to Indian paint companies like Kansai Nerolac, Asian PPG, KCC, Berger Paints etc.

The Company's leafing products are very well accepted in domestic and export markets and volumes are expected to rise in coming times.

Apart from domestic and export sales of leafing grades (mainly ASEAN Region), development of corresponding imported non-leafing grades is ongoing. Once these grades are developed and accepted (long gestation period because of customer approval procedures), bulk production of this high value grade will begin.

During the FY 2018-2019 ended 31st March 2019 under review, the total revenue of TMI at Rs. 3508.18 lakh as compared to Rs. 1965.25 lakh of the FY 2017-2018. The EBIDTA at Rs. (259.21) lakh as compared to Rs. 35.76 lakh and PAT at (Rs. 533.52) as compared to (Rs. 47.24 lakh) of the FY 2017-2018. The Company continued to hold 26.00% shareholding in TMI during the FY 2018-2019 ended 31st March 2019 and by virtue of shareholding, the share of loss of Rs. 138.71 lakh is considered in the consolidated financial statements of the Company.

All the requisite information (details) have been provided in the prescribed Form No. AOC-1 attached as an **Annex - A**, which forms part and parcel of the Board's Report.

7.2 COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the FY 2018-19 ended 31st March 2019 under review, the Company is neither a Holding Company nor a Subsidiary, Associates or Joint Venture Company of any other Company or Companies pursuant to the provisions of the Companies Act, 2013 read with relevant rules made thereof.

However, Star Circlips & Engineering Limited [CIN – U24110MH1974PLC017301] and TOYAL MMP India Private Limited [CIN – U36990MH2016FTC281521] were continued to be the Associate Companies of the Company during the FY 2018-19 ended 31st March 2019.

8. DETAILS OF DEPOSITS

During the FY 2018-19 ended 31st March 2019 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the FY 2018-2019 ended 31stMarch 2019 under review, the Company has neither granted loan/s (secured or unsecured), provided guarantees or securities in connection with any loan/s availed by others nor made any investments pursuant to the provisions of Section 185 and 186 the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). As such, no specific details are required to be given or provided.

The Board of Directors of the Company, based on the recommendation of the Audit Committee of the Company, at their respective meeting/s held on 2nd February 2019, has proposed, subject to requisite approval, to issue or give any Corporate Guarantee or provide any Security(ies), for an aggregate outstanding sum of not exceeding to Rs. 10,00,00,000/- (Rupees Ten Crores) Only, against the financial assistance availed and/or to be availed by any of its Subsidiary, Associate, Joint Venture or Group Company(ies), in whom any of the Director of the Company is interested, including the Corporate Guarantee for a proportionate value @26% i. e. not exceeding to INR equivalent to US $ 364,000 (United States Dollars Three Hundred Sixty Four Thousand) Only in favour of Mizuho Bank Limited, Singapore Branch, against the financial assistance availed and/or to be availed by the Associate & Joint-Venture Company namely TOYAL MMP India Private Limited.

The Board of Directors of the Company, therefore, in terms of Section 185 read with 186 of the Companies Act, 2013 [as amended by the Companies (Amendment) Act, 2017 and notified by Ministry of Corporate Affairs vide Notification Dated 7th May 2018], has proposed the Special Resolution for approval of the Shareholders (Members) of the Company in the ensuing Forty-Sixth (46th) Annual General Meeting in the interest of the Company.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The details of contracts or arrangements or transactions not at arm's length basis and/or the details of contracts or arrangements or transactions at arm's length basis for the FY 2018-19 ended 31st March 2019 in the prescribed Form No. AOC - 2 pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended) are given in the **Annex - B**, which forms part and parcel of the Board's Report.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in the Corporate Social Responsibility as an integral part of its business. Education specifically Education for Girls, Women, Poor, Under-privileged or Disabled (Divyang), Special Education, Research, Training & Skill Development, Environment, Health, Drinking Water, Rural Development, are some of the most critical problems that our country has been facing for years. One of the most effective direct and indirect solutions to solve these is an education, but a great number of peoples cannot afford to get them self-educated.

Keeping this in mind, the Board of Directors through its CSR Committee has implemented certain CSR projects either directly or through implementing agency nominated by the CSR Committee of the Company. All the activities and programme/s covered under CSR are being monitored and implemented by the CSR Committee of the Company. The Company do confirms that the Company is in due compliance of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Project/s of the Company are in accordance with the provisions of Section 135 of, Schedule VII to, the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy. The Annual Report on the CSR activities for the FY 2018-19 ended 31st March 2019 is given in the **Annex - C,** which forms part and parcel of the Board's Report.

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

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, for the FY 2018-19 ended 31st March 2019 as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in the **Annex - D** to this report.

13. RISK MANAGEMENT

The Company has a Risk Management framework in place to identify, assess, monitor and mitigate various risks to its business. It has framed the Risk Management Plan and adopted in its Risk Management Policy.

The Board of Directors based on the recommendations of the Risk Management Committee of the Company, annually reviews the Company's risk assessment and minimization procedures to ensure that management identifies and controls risks through a properly defined framework. The details of the Risk Management Committee and its terms of reference are set out in the Corporate Governance Report which forms part and parcel of this Report.

14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimization of persons who is using this platform and direct access to the Chairman of Audit Committee is also available in exceptional cases. The detailed objectives of the policy are given in Corporate Governance Report which forms part and parcel of this report. This Whistle Blower Policy is applicable to all the Directors, employees, vendors and customers of the Company and it is also posted on the Website of the Company.

15. MATERIAL ORDERS OF JUDICIAL BODIES OR REGULATORS

During the FY 2018-19 ended 31st March 2019 under review, no significant and material order is passed by any of the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. As such, no specific details are required to be given or provided.

16. AUDITORS

(A) STATUTORY AUDITORS AND THEIR REPORT

The Shareholders (Members) of the Company, as recommended by the Board of Directors, based on the approval and recommendation of the Audit Committee of the Company, at their Forty-fifth (45th) Annual General Meeting held on 31st August 2018, has ratified and approved, the appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], as the Statutory Auditors of the Company to hold office from the conclusion of Forty-Fifth (45th) Annual General Meeting held for the FY 2017-18 ended 31st March 2018 till the conclusion of the Forty-Ninth (49th) Annual General Meeting of the Company to be held for the FY 2021-22 ending 31st March 2022.

Further, the Statutory Auditors have furnished a Certificate of their consent, qualification and eligibility to continue to act as Statutory Auditors of the Company for the FY 2019-20 ending 31st March 2020 under Section 139 and 141 of the Companies Act, 2013 read with the rules and regulations made thereunder.

Accordingly, the Board of Directors of the Company, based on the recommendations of the Audit Committee of the Company, has approved, the continuation of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], as the Statutory Auditors of the Company for the FY 2019-20 ending 31st March 2020.

The Auditors' Report submitted by Messers Manish N. Jain & Co., Chartered Accountants, Nagpur, [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], the Statutory Auditors of the Company to the Shareholders (Members) for the FY 2018-19 ended 31st March 2019 do not contain any qualification. The observations made by the Statutory Auditors in their report are self-explanatory and have also been further amplified in the Notes to the financial statements and as such, do not call for any further explanations.

(B) SECRETARIAL AUDITORS

Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur, [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693], have furnished a Certificate of their consent, qualification and eligibility and also, have confirmed about their not being disqualified for the appointment including re-appointment as the Secretarial Auditors of the Company for the FY 2018-19 ended 31st March 2019.

Accordingly, the Board of Directors, on the recommendations of the Audit Committee, of the Company, has approved and appointed, Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur, [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693], as the Secretarial Auditors of the Company for the FY 2018-19 ended 31st March 2019.

(C) COST AUDITORS

Messers Khanuja Patra & Associates, Cost Accountants, Nagpur, [Firm Registration No. 00214], have furnished a Certificate of their eligibility for appointment pursuant to Section 141(3)(g) and 148(5) of the Companies Act, 2013 read with the rules made there under, Certificate for independence and arms' length relationship with the Company and have confirmed about their not being disqualified for such appointment including re-appointment within the meaning of Section 141(3) of the Companies Act, 2013.

Pursuant to the provisions of Section 148 of the Companies Act 2013, the Board of Directors, on the recommendations of the Audit Committee, of the Company, has approved and appointed, Messers Khanuja Patra & Associates, Cost Accountants, Nagpur, [Firm Registration No. 00214], as the Cost Auditors of the Company, for the FY 2019-20 ending 31st March 2020 and has also recommended their remuneration to the Shareholders (Members) for their ratification at the ensuing Forty-Sixth (46th) Annual General Meeting of the Company.

(D) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company, has approved and appointed (through re-designation) CA Priyesh Rajesh Jobanputra [ICAI Membership No. ACA – 164429], presently designated as the Assistant Manager (Finance) of the Company, as the Internal Auditors of the Company, for the FY 2018-19 ending 31st March 2019.

The Internal Audit Finding/s and Report/s submitted by the said Internal Auditors, from time to time, during the financial year 2018-19 ended 31st March 2019, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications, is self-explanatory and do not call for any further explanation/s by the Company.

17. SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in Form No. MR-3 submitted by Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur, [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693], the Secretarial Auditors of the Company, do not contain any adverse remarks and qualifications, is self-explanatory and do not call for any further explanation/s by the Company. The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors of the Company, for the FY 2018-19 ended 31st March 2019, is attached herewith as an **Annex - E** and forms part and parcel of the Board's Report.

18. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS

The Audit Report/s submitted by the Statutory Auditors, Secretarial Auditors, Cost Auditors and Internal Auditors of the Company, for the FY 2018-19 ended 31st March 2019 do not contain any qualification or adverse remarks. The observations made by all the Auditors in their respective Report/s are self-explanatory and as such, do not call for any further explanations.

19. COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the FY 2018-19 ended 31st March 2019.

Further, the Company has, to the extent, voluntarily adopted for the compliance of Secretarial Standard-4 ('SS-4') on Report of the Board of Directors for the FY 2018-19 ended 31st March 2019.

20. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the FY 2018-19 ended 31st March 2019 under review, no such event occurred by which Corporate Insolvency Resolution Process can be initiated under the Insolvency And Bankruptcy Code, 2016 (IBC). As such, no specific details are required to be given or provided.

21. FAILURE TO IMPLEMENT ANY CORPORATE ACTION

During the FY 2018-19 ended 31st March 2019 under review, the Company has duly complied with corporate action regarding issue and allotment of 4500000 (Forty-five lakh) equity shares through its Initial Public Offer (IPO) vide Prospectus dated 5th April 2018 and also, there is no occasion wherein the Company failed to implement any Corporate Action. As such, no specific details are required to be given or provided.

22. ANNUAL RETURN

The extract of the annual return as at 31st March 2019 pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended) is attached herewith as an **Annex – F** and forms part and parcel of the Board's Report. Moreover, the same is also available on the Company's website viz. www.mmpil.com

23. OTHER DISCLOSURES

(A) AUDITED FINANCIAL STATEMENTS – STANDALONE & CONSOLIDATED

For the FY 2018-19 ended 31st March 2019 under review, the Company has prepared the audited financial statements on standalone as well as consolidated basis after incorporating the share of profit or loss from its associate and joint-venture companies namely Star Circlips & Engineering Limited and TOYAL MMP India Private Limited.

(B) MATERIAL DEVELOPMENT IN HUMAN RESOURCES

During the FY 2018-19 ended 31st March 2019 under review, industrial relations remained cordial. Employees' competencies and skills were enhanced by exposing them to several internal and external training programme/s. A number of measures were taken to improve motivation level of employees. Additional efforts are continued to be implemented with a view to obtain commitment and loyalty towards the organisation.

Further, the Company and Aluminum Metal Powder Kamgar Sangh, Shahapur, District Bhandara, MH, IN, has entered into "Form 0 - Memorandum of Settlement" Under Section 58(1) and 4(A) of Maharashtra Industrial Relations Act, 1946 read with Rule 64 of Maharashtra Industrial Relation Rules, 1947, valid for a period of 1st April 2018 to 31st March 2022, in respect of its existing manufacturing facilities at Village Maregaon, Post Shahapur, District Bhandara, MH, IN, in order to establish a reasonable wage structure and other working conditions, to improve productivity, to maintain continued harmonious relationship between the Employees and Management of the Company with an ultimate objective to promote overall stability, prosperity and growth of the Company.

(C) INDUSTRIAL RELATIONS, HEALTH AND SAFETY

The departmental safety coordinators are identified for monitoring and training on safety related matters at shop-floor. Safety Committee and Apex Committee are available for periodical review on health, safety & environment of all departments. Regular training on safety is being organised for new appointee, regular employees & contract labour. Mock-drills are conducted for practical exposure to meet emergency need on regular basis. Hand book on safety awareness are distributed to all employees.

(D) COST RECORDS

Pursuant to the provisions of Rule 8(5)(ix)(d) of the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors do confirm that, the Central Government has prescribed for maintenance of cost records under Section 148(1) of the Companies Act, 2013 by the Company and accordingly, such cost accounts and records, subject to cost audit, have been made and maintained by the Company during the FY 2018-19 ended 31st March 2019.

24. ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS

24.1 STATEMENT OF DEVIATION OR VARIATION

In compliance of Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company, has submitted the un-audited or audited statement of deviation/s or variation/s of the Company for the Half Year (H-1) ended 30th September 2018 and also Half Year (H-2) / Year 2018-19 ended 31st March 2019, duly reviewed by the Audit Committee of the Company to the Stock Exchange namely NSE EMERGE. The same is also posted and available on the Company's website www.mmpil.com.

24.2 MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)

The Management Discussion and Analysis Report (MDAR) on the affairs of the Company for the FY 2018-19 ended 31st March 2019, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) is provided in a separate section and forms an integral part of this Report.

24.3 CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AND NON DISQUALIFICATION OF DIRECTORS

The provisions relating to Corporate Governance provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations], are not applicable to the Company for the FY 2018-19 ended 31st March 2019. However, keeping in view the objective of encouraging the use of better corporate governance practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of corporate governance. It may be noted that any omission of any Corporate Governance provisions shall not be construed as a non-compliance of any relevant provisions thereof.

Your Directors are pleased to report that your Company has voluntarily duly complied with the SEBI Guidelines on Corporate Governance relating to the Listing Regulations for the year 2018-19 ended 31st March 2019. A Certificate from Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur [ICSI Membership No. FCS-4343, Certificate of Practice No. 13693) confirming compliance with conditions as stipulated under Listing Regulations and Non-disqualification of Directors are annexed to the Corporate Governance Report of the Company.

24.4 SUSPENSION OF TRADING

The equity shares of the Company have been listed and actively traded on the SME Platform of National Stock Exchange of India Limited namely NSE EMERGE' effective 12th April 2018. There was no occasion wherein the equity shares of the Company have been suspended for trading during the FY 2018-19 ended 31st March 2019.

- **OTHER MATTERS**

(A) DEMATERIALISATION OF SHARES

As on 31st March 2019, the entire 100% issued, subscribed and paid-up share capital i. e. 16935075 equity shares of the Company were held in dematerialised form through depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL).

(B) PAYMENT OF LISTING AND DEPOSITORIES FEES

The Company, has duly paid the requisite annual listing fees for the FY 2019-20 ending 31st March 2020, to the SME Platform of National Stock Exchange of India Limited namely NSE EMERGE.

The Company, has also duly paid the requisite annual custodian and other fees for the FY 2018-19 ended 31st March 2019, to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL).

(C) CODE OF CONDUCT FOR BUSINESS PRINCIPLES & ETHICS AND PREVENTION OF INSIDER TRADING AND OTHER CODE AND POLICIES OF THE COMPANY

Your Board of Directors are pleased to report that your Company has complied with the:-

(i) Code of Prevention of Insider Trading in MMP Securities by the Designated Persons (Insider) (as amended from time to time);
(ii) Code of Conduct of Business Principles and Conduct;
(iii) Code for Vigil Mechanism - Whistle Blower Policy;
(iv) Code for Independent Directors;
(v) Corporate Social Responsibility (CSR) Policy;
(vi) Risk Management Policy;
(vii) Policy on Document Preservations (Regulation 9 of the SEBI (LODR) Regulations, 2015);
(viii) Policy for determining of 'material' Subsidiary (Regulation 16 of the SEBI (LODR) Regulations, 2015);
(ix) Policy on materiality of related party transaction/s and on dealing with related party transactions (Regulation 23 of the SEBI (LODR) Regulations, 2015); and
(x) Policy for determination of materiality, based on specified criteria and accordingly, grant authorisation for determination of materiality of events (Regulation 30 of the SEBI (LODR) Regulations, 2015).

The aforesaid code/s and policy(ies) are available on the Company's website www.mmpil.com.

25. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

MMP Industries Limited ("the Company") has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc.) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed of during the FY 2018-19 ended 31st March 2019:-

(a)	Number of complaints pending at the beginning of the year	NIL
(b)	Number of complaints received during the year	NIL
(c)	Number of complaints disposed off during the year	NIL
(d)	Number of cases pending at the end of the year	NIL

The Certificate by the Managing Director and Whole-time Director of the Company, to that effect is enclosed herewith as an **Annex – G** which forms part and parcel of this report.

ENCLOSURES

Annex – A	Form No. AOC-1 – Information or Details about the Associate Companies of the Company
Annex – B	Form No. AOC-2 – Information or Details of contracts or arrangements or transactions not at arm's length basis and/or the details of contracts or arrangements or transactions at arm's length basis
Annex – C	Annual Report on Corporate Social Responsibility (CSR) activities together with expenditure details
Annex – D	Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo
Annex – E	Secretarial Audit Report in Form No. MR-3
Annex – F	Extract of Annual Return as of 31st March 2019 in the prescribed Form No. MGT-9
Annex – F	Certificate on Sexual Harassment of Women at the Work place and its Prevention, Prohibition & Redressal

ACKNOWLEDGEMENT

The Board of Directors acknowledges with gratitude for the co-operation and assistance received from National Stock Exchange of India Limited (NSE), Securities Exchange Board of India (SEBI), Registrar of Companies, Maharashtra, Mumbai, Auditors, Advisors & Consultants, other Intermediary service provider/s and Investor/s for their support in the maiden IPO of the Company. The Board of Directors also take this opportunity to extend its sincere thanks for co-operation and assistance received by the Company from the Central – State – Local Government and other regulatory authorities, Bankers and Members.

The Directors also record their appreciation of the dedication of all the employees at all levels for their support and commitment to ensure that the Company continues to grow.

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : 29th May 2019

ANNEX – A TO BOARD'S REPORT

Form No. AOC-1

(Pursuant to First Proviso to Sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

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

Sr. No.	Particulars	Details
1.	Name of the subsidiary	The Company does not have a Subsidiary Company. As such, No specific details are required to be provided.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures		M/s Star Circlips & Engineering Limited	M/s. Toyal MMP India Private Limited
1.	Latest Audited Balance Sheet Date	31-03-2019	31-03-2019
2.	Shares of Associate /Joint Ventures held by the Company on the year end		
	Number of Equity Shares	998860	7022600
	Amount of Investment in Associates / Joint Venture	Rs. 9,782,890	Rs. 70,226,000
	Extend of Holding %	26.06%	26.00%
3.	Description of how there is significant influence	Shareholding @26.06%	Shareholding @26.00%
4.	Reason why the Associate / Joint Venture is not consolidated	Not Applicable	Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	164,39,446.39	55,327,476.88
6.	Profit / (Loss) for the year	1,390,041,139.52	(53,353,340.00)
	Considered in Consolidation	36,224,478.76	(13,871,868.40)
	Not Considered in Consolidation	Nil, Hence Not Applicable	Nil, Hence Not Applicable

For and on behalf of the Board

	Arun Raghuveer Raj Bhandari	Lalit Ranjeet Raj Bhandari	Sharad Khandelwal	Milind Rao
	Managing Director	Whole Time Director	Chief Financial Officer	Company Secretary
Place : Nagpur	DIN - 00008901	DIN - 00010934		
Date : 29th May 2019				

ANNEX – B TO BOARD'S REPORT

FORM No. AOC - 2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements or transactions entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of material contracts or arrangements or transactions not at arm's length basis

The Company has not entered into any contracts or arrangements or transactions with its related parties which is not at arm's length during the FY 2018-19 ended 31st March 2019:

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any for the FY 2017-2018
M/s. Star Circlips and Engineering Limited	Job Work	Continuing Contact/ Arrangement/ Transactions	Job work for Springs and Washer against raw materials supplied	30.05.2018 & 29.05.2019	Rs.180.54 Lakh
M/s. Star Circlips and Engineering Limited	Purchase of Goods	Continuing Contact/ Arrangement/ Transactions	Purchase of Packing Material, Stores & Spares	30.05.2018 & 29.05.2019	Rs. 1.26 Lakh
Toyal MMP India Private Limited	Technical Advisory and Consultancy Services	Continuing Contact/ Arrangement/ Transactions	Technical Advisory and Consultancy Services	30.05.2018 & 29.05.2019	Rs.70.80 Lakh
Toyal MMP India Private Limited	Purchase of Goods	Continuing Contact/ Arrangement/ Transactions	Purchase of Goods	30.05.2018 & 29.05.2019	Rs. 6.52 Lakh
Toyal MMP India Private Limited	Sale of Automised Aluminium Powder	Continuing Contact/ Arrangement/ Transactions	Sale of Automised Aluminium Powder	30.05.2018 & 29.05.2019	Rs. 1151.38 Lakh
M/s. Mayank Fastners Private Limited	Registered Office Rent	Continuing Contact/ Arrangement/ Transactions	Rent for Registered Office of the Company	30.05.2018 & 29.05.2019	Rs. 0.90 Lakh
Mr. Mayank Arun Bhandari	Technical Consultants	Continuing Contact/ Arrangement/ Transactions	Technical Advisory and Consultancy Services	30.05.2018 & 29.05.2019	Rs. 48.00 Lakh
Ms. Rohini Arun Bhandari	Legal Advisor	Continuing Contact/ Arrangement/ Transactions	Legal Advisory and Consultancy Services	30.05.2018 & 29.05.2019	Rs.30.00 Lakh
Mrs. Saroj Arun Bhandari	Unit Head	Continuing Contact/ Arrangement/ Transactions	Remuneration by way of Salary	30.05.2018 & 29.05.2019	Rs.60.56 Lakh
Mrs. Sakshi Mayank Bhandari	Manager	Continuing Contact/ Arrangement/ Transactions	Remuneration by way of Salary	30.05.2018 & 29.05.2019	Rs. 36.00 Lakh

For and on behalf of the Board

Place : Nagpur
Date : 29th May 2019

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEX – C TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars	Particulars	
1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects orprograms.	The Board of Directors of the Company has constituted the Corporate Social Responsibility (CSR) Committee to implement or monitor implementation of CSR activities as per the CSR Policy of the Company. The CSR activities are carried out and monitored mainly through in-house departments of the Company. The contributions or donations made to such other Organization or Institutions as may be permitted under the applicable provisions from time to time. The CSR Committee has formulated a comprehensive Corporate Social Responsibility (CSR) Policy to cover various activities like Promotion of Education, Health Care, Rural Development, Water Conservation, Protection of Flora and Fauna, Environment Sustainability and other activities or project/s, which are in accordance with the provisions of Section 135 of, Schedule VII to, the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy)Rules, 2014. The Members are requested to refer the CSR Policy of the Company for more specific details.	
2.	The Composition of the CSR Committee	Name	Designation
		Mr. Arun Raghivir Raj Bhandari (Managing Director)	Chairman
		Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director)	Member
		Mr. Karan Yudhishtir Varma (Non-executive, Independent Director)	Member
		Mrs. Sudha Sukesh Gandhi (Non- executive, Independent Director)	Member
		Mr. Lalit Ranjeet Raj Bhandari (Whole-time Director	Member
		CA Sharad Mohanlal Khandelwal (Chief Financial Officer)	Invitee
		Mrs. Saroj Arun Bhandari (Unit Head)	Invitee
		Mr. T. Narsimham Murthy [Whole-time Director]	Invitee
		Statutory Auditors	Invitee
		Secretarial Auditors	Invitee
3.	Average net profit of the Company for last three financial years (Amount in Rupees)	FY 2017-18 : Rs. 2567.33 Lakh FY 2016-17 : Rs. 1608.09 Lakh FY 2015-16 : Rs. 1258.95 Lakh **Average Net Profit Rs. 1811.46 Lakh**	
4.	Prescribed CSR Expenditure [two percent (2%) of the amount as in item 3 above]	Rs. 36.23 Lakh	

Sr. No.	Particulars	Particulars
5.	Details of amount spent during the financial year on CSR activities	
a.	Total amount spent for the financial year	FY 2018-19 : Rs. 36.44 Lakh (including amount of Rs. 7.57 Lakh committed for spending)
b.	Amount unspent, if any	The Company has spent ₹ 36.44 Lakh against the mandated ₹ 36.23 Lakh during the FY 2018-19. Hence, there is no unspent amount.
c.	Manner in which the amount spent during the financial year	Refer Annex for CSR Expenditure

ANNEX FOR CSR EXPENDITURE

Amount in Rupees

CSR project or activity identified	Sector in which the Project is covered	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
				1 Direct expenditure on projects or programs		
				2 Overhead		
Education for Mentally Disabled Children	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	5,00,000.00	5,00,000.00	5,00,000.00	Implementing Agency namely Sandhya Sanwardhan Sanstha
Promotion of Education, Research, Training and Skill Development	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	15,00,000.00	15,00,000.00	20,00,000.00	Implementing Agency namely Ankush Shikshan Sanstha
Promotion of Education, Research, Training and Skill Development	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	8,43,303.00	8,43,303.00	28,43,303.00	--
Preventive Health Care, Eye Check-up Camp	Promotion of Health Care including Preventive Health Care	Nagpur (Rural, Urban and District) in the State of Maharashtra	6,00,741.00	6,00,741.00	34,44,044.00	--

CSR project or activity identified	Sector in which the Project is covered	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads		Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
				1	Direct expenditure on projects or programs		
				2	Overhead		
Distribution of Tricycle to Poor and Handicap Needy Person	Health Care	Nagpur (Rural, Urban and District) in the State of Maharashtra	15,600.00	15,600.00		34,59,644.00	Implementing Agency namely Press Club, Nagpur
Construction of Paver Blocks and Platform for Community Gathering at Village and others	Rural Development	Nagpur (Rural, Urban and District) in the State of Maharashtra	1,63,200.00	1,63,200.00		36,22,844.00	Implementing Agency namely Gram Panchayat, Neri Taluka Mohadi, District Bhandara
Distribution of Sports Material and Donations	Promotion of Rural Sports	Nagpur (Rural, Urban and District) in the State of Maharashtra	20,700.00	20,700.00		36,43,544.00	Implementing Agency namely Sub Divisional Office, District Bhandara

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : 29th May 2019

ANNEX – D TO BOARD'S REPORT

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

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

The Company has been giving utmost priority to conservation of various forms of energy used in the manufacturing process. The major conservation measures implemented so far are optimization of utility output to match process requirement thereby reducing wasteful running of equipment and timely replacement or servicing wherever required. Progressively, we are replacing normal Star Delta Starters with VFD'S for various machines.

Total energy consumption and energy consumption per unit production is as follows :-

Sr. No.	Particulars	FY 2018-19	FY 2017-18
A	**Power & Fuel Consumption**		
1	**Electricity**		
	Purchased Units (in lakh)	137.67	130.16
	Total Amount (Rupees in lakh)	882.70	713.74
	Rate per Unit (in Rupees)	6.41	5.48
2	**Furnace Oil**		
	Quantity (MT)	671.798	445.02
	Total Amount (Rupees in lakh)	296.3076	128.62
	Average Rate in Rupees (per kg)	44.01	28.90
3	**Coal Lumps & Fire Wood**		
	Quantity (MT)	458.75	1065.320
	Total Amount (Rupees in lakh)	19.41	39.65
	Average Rate in Rupees (per kg)	4.23	3.72

(ii) The steps taken by the Company for utilising alternate sources of energy

The Company has installed DG Set to cope up with the requirement of uninterrupted power supply required for manufacturing operations. The Company do not have any alternate sources of energy for internal generation of power (captive, surplus or otherwise). However, the management of the Company is exploring an alternative sources of energy like solar, wind, thermal or otherwise for internal generation of power for captive purposes.

(iii) The capital investment on energy conservation equipments

The Company has not made any material capital investment on energy conservation equipment/s.

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(i) The efforts made towards technology absorption

The Company has imported a technology from a technical collaborator namely A. Van Lerberghenv, Belgium (now called AVL Metal Powders nv) for production of aluminium powder for light weight concrete.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

The Company has developed concrete grade Aluminium Powder for producing AAC Blocks in India and abroad.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

During last three financial years, the Company has not imported any technology from abroad.

(a) The details of the technology imported : Not Applicable

(b) The year of import : Not Applicable

(c) Whether the technology been fully absorbed : Not Applicable

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable

(iv) The expenditure incurred on Research and Development

The Company does not have a separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

C. FOREIGN EXCHANGE EARNINGS / OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

The foreign exchange earned (on account of services or otherwise) in terms of actual inflows during the FY 2018-19 under review and the foreign exchange outgo (on account of value of imports, remittances in foreign currency or otherwise) during the FY 2018-19 under review in terms of actual outflows are as follows :-

Particulars	Rupees in Lakh	
	FY 2018-19	FY 2017-18
Foreign Exchange earned (on account of sale of services or otherwise) in terms of actual inflows - On Account of Export FOB Value	1182.64	1182.64
Total Foreign Exchange Earnings	**1182.64**	**1182.64**
Foreign Exchange outgo (on account of value of imports, remittances in foreign currency or otherwise) in terms of actual outflows -		
Raw Material	--	10.25
Store Goods	--	--
Capital Goods	--	--
Stores and Spares	1.50	--
Expenditure in Foreign Currency (Remittances)		
Commission on Export sales	11.44	4.17
Royalty on Technical know how	13.16	1.76
Travelling Expenses (Other)	7.45	--
Total Foreign Exchange Outgo	**33.56**	**16.18**

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : 29th May 2019

ANNEX – E TO BOARD'S REPORT

FORM No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2018-2019 ENDED 31 MARCH 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

To
The Shareholders (Members)
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office : 211, Shri Mohini, 345, Kingsway, Nagpur 440001, MH, IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MMP Industries Limited** (hereinafter called as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts or 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, review of management representation letter along with quarterly compliance reports by respective Department Head/s, Company Secretary, Chief Financial Officer, Chief Executive Officer, noted and taken on record by the Board of Directors of the Company, at their meeting/s, and also, the information and explanation provided by the Company, its officers, agents and authorised 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 2018-2019 ended 31 March 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 2018-2019 ended 31 March 2019 according to the provisions of:-

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and Regulation and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations, Circulars and Guidelines [as amended] prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable :-

(a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009];

(b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 [Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996];

(f) 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) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998] – Not Applicable to the Company during the audit period;

(h) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not Applicable to the Company for the audit period

(i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not Applicable to the Company during the audit period;

(j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – Not Applicable to the Company during the audit period;

(k) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable to the Company during the audit period; and

(l) The other Regulations and Guidelines of the Securities and Exchange Board of India to the extent and as may be applicable to the Company.

We have also examined compliance with the applicable clauses of the followings:-

(i) Secretarial Standards (SS–1 for Meetings of the Board of Directors, SS–2 for General Meetings and SS-3 for Dividend) issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs, to the extent and as may be applicable to the Company; and

(ii) The Uniform Listing Agreement ('Listing Regulations') entered into by the Company with the SME Platform of National Stock Exchange of India Limited namely NSE EMERGE, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:-

(I) The Micro, Small and Medium Enterprises Development Act, 2006;
(ii) Legal Metrology Act, 2009;
(iii) The Foreign Trade (Development and Regulation) Act, 1992;
(iv) The Environment (Protection) Act, 1986 and the rules made there under;
(v) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made there under;
(vi) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under;
(vii) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
(viii) The Indian Boilers Act, 1923; and
(viii) The Indian Electricity Act, 1910; The Electricity Act, 2003; and the rules made there under.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director/s, Non-executive Director/s and Independent Director/s including Woman Director. The change in the composition of the Board of Directors that took place during the audit period under review, were carried out in compliance with the provisions of the Act.

Adequate notice of at least seven clear days in advance, except where consent of the requisite number of Director/s was received for scheduling meeting at a shorter notice, was given to all the Director/s to schedule the Board and Committee meeting/s. Agenda and detailed notes on agenda were sent well in advance. A system exists for seeking and obtaining further information and clarifications on the agenda item/s before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting/s duly recorded and signed by the Chairman, all decisions at the Board and Committee meeting/s, as the case may be, are carried out unanimously and no dissenting views have been recorded.

We further report that as per the information and explanations given to us, the representation made by the management and relied upon by us, there are adequate systems, processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable Laws, Rules, Regulations, Guidelines, Standards, etc. to the Company.

We further report that during the audit period, the Company has following specific events or actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.:-

(a) Initial Public Offer (IPO):-

(i) The Company, pursuant to the provisions of Section 26, 32 and 62(1)(c) of the Companies Act, 2013 read with rules made there under, including the SEBI (ICDR) Regulations, 2018 [SEBI (ICDR) Regulations, 2009], and vide Shareholders' special resolution passed at the Extra-ordinary general meeting held on 14 December 2017, and in terms of Prospectus Dated 5 April 2018, offered 45,00,000 (Forty-five lakh) equity shares of face value of ₹10/- each, at a premium of ₹178/- per equity share, in the capital of the Company, through Book Building process, in its Maiden Initial Public Offer (IPO).

(ii) The IPO Bid / Issue opened on Wednesday, the 28 March 2018 and closed on Wednesday, the 4 April 2018, except for Anchor Investors, the Bidding date was Tuesday, the 27 March 2018.

(iii) The issue and allotment of equity shares in the capital of the Company was made on Tuesday, the 10 April 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective 12 April 2018.

(b) Capital Structure and Changes thereof:-

(i) In view of the Company's Maiden IPO, the Issued, Subscribed & Paid-up Share Capital of the Company has been increased from ₹ 12,43,50,750/- to ₹ 16,93,50,750/- divided into 1,69,35,075 equity shares of face value of ₹10/- each.

(c) Board of Directors, Key Managerial Personnel and Changes thereof:-

(i) Mr. Bhinvkaran Dhularam Jangid, [DIN – 08021867], Whole-time Director, designated Key Managerial Personnel (KMP), [Category – Non-Promoter, Non-Independent & Executive], ceased to be a Director and also, the Whole time Director, designated Key Managerial Personnel (KMP), of the Company, due to resignation effective 2 February 2019.

(ii) Mr. Tenneti Narasimham Murthy, [DIN – 08342116], was appointed as an Additional Director [Category – Non Promoter, Non-Independent & Executive], designated Key Managerial Personnel (KMP) of the Company, effective 2 February 2019 and also, the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years, effective 2 February 2019, subject to approval of the Shareholders (Members),for the appointment as a Director and also, the Whole-time Director, [Category – Non-Promoter, Non-Independent & Executive], designated Key Managerial Personnel (KMP), of the Company, at their ensuing Forty-sixth (46) Annual General Meeting of the Company.

(iii) CS Chandrakant Shivshankar Nimje, [ICSI Membership No. ACS – 48717, IT PAN – ATWPN0626J], ceased to be the Company Secretary and Compliance Officer, designated Key Managerial Personnel (KMP), of the Company, due to resignation, effective 31 August 2018.

(iv) CS Milind Suryakant Rao, [ICSI Membership No. ACS – 48012, IT PAN – AJZPR1361H], was appointed as the Company Secretary and Compliance Officer, designated Key Managerial Personnel (KMP), of the Company effective 1 September 2018.

(v) Mr. Vijay Singh Bapna, [DIN – 02599024], and Mr. Sunil Khanna, [DIN – 00907147], were appointed as a Director [Category – Non-executive, Independent], of the Company, at Forty-fifth (45) Annual General Meeting of the Shareholders (Members) of the Company, to hold the office for a fixed first term of three (3) consecutive years, i.e. from the conclusion of Forty-fifth (45) Annual General Meeting held for the financial year 2017-2018 ended 31 March 2018, up to the conclusion of Forty-eighth (48) Annual General Meeting of the Company to be held for the financial year 2020-2021.

Signed and Issued on this Wednesday, the 29 May 2019 at Nagpur.

For M/s. Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS – 4343, CoP No. 13693

Note - The Secretarial Audit Report is to be read with our letter of even date which is annexed as an Annex A and forms an integral part of this Report.

Annex A

To
The Shareholders (Members)
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office : 211, Shri Mohini, 345, Kingsway, Nagpur 440001, MH, IN

Our Secretarial Audit Report of even date is to be read along with this letter:-

1. Management's Responsibility

(a) It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

(b) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

2. Auditor's Responsibility

(a) Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

(b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe, the processes and practices that we followed provide a reasonable basis for our opinion. We also believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

(c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(d) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

3. **Disclaimer**

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.

Signed and Issued on this Wednesday, the 29 May 2019 at Nagpur.

For M/s. Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS –4343, CoP No. 13693

ANNEXURE - F TO BOARD'S REPORT

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
for the financial year 2018-19 ended 31st March 2019
Pursuant to Section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

1.	CIN	**L 32300 MH 1973 PLC 030813**
2.	Registration Date	**8th October 1973**
3.	Name of the Company	**MMP Industries Limited**
4.	Category/Sub-category of the Company	**Public Limited Company, Company Limited By Shares, Indian Non-Government Company**
5.	Address of the Registered office & contact details	**211, Shri Mohini, 345, Kingsway, Nagpur 440001, Maharashtra, India** **Contact No. : +91 712 2524645, 2533585 / 2530461** **e-mail id : companysecretary@mmpil.com, Website : www.mmpil.com**
6.	Whether listed company Yes/No	**Yes**
7.	Name, Address & Contact details of Registrar & Transfer Agent, if any.	**BIGSHARE SERVICES PRIVATE LIMITED** 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai- 400 059, Maharashtra, India Tel. No.: +91 22 6263 8200, Fax. No.: +91 22 6263 8299

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]

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product/service	% to total turnover of the company
1.	Aluminium Powders & Paste	32909	75.61
2.	Aluminium Conductors & Reinforcement	32909	24.39

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.	**Star Cirpclips & Engineering Limited** B-24, Hingna MIDC Area, Hingna Road, Nagpur - 440016, MH, IN	U24110MH1974PLC017301	Associate	26.06	2(6)
2.	**Toyal MMP India Private Limited,** Plot No. K-61, Butibori MIDC Area, Butibori, Nagpur - 441122, MH, IN	U36990MH2016FTC281521	Associate & Joint Venture	26.00	2(6)

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

1. Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian:									
a) Individual/ HUF	8563014	0	8563014	68.86	8563014	0	8563014	50.56	(18.30)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	3872061	0	3872061	31.14	3872061	0	3872061	22.87	(8.27)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	**12435075**	**0**	**12435075**	**100**	**12435075**	**0**	**12435075**	**72.43**	**(26.57)**
(2) Foreign:									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI.	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**12435075**	**0**	**12435075**	**100**	**12435075**	**0**	**12435075**	**72.43**	**(26.57)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of 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. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	1679400	0	1679400	9.92	9.92
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investors	0	0	0	0	723600	0	723600	4.27	4.27
f) Bank / FIs	0	0	0	0	0	0	0	0	0
g) Insurance Companies	0	0	0	0	0	0	0	0	0
h) Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0
i) Central / State Government	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**2403000**	**0**	**2403000**	**14.19**	**14.19**
(2) Non-Institutions									
a) Bodies Corporate:									
i) Indian	0	0	0	0	794400	0	794400	4.69	4.69
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals:									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	641440	0	641440	3.79	3.79
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	560400	0	560400	3.30	3.30

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify):									
Non Resident Indians	0	0	0	0	90600	0	90600	0.54	0.54
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	10160	0	10160	0.06	0.06
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**0**	**0**	**0**	**0**	**2097000**	**0**	**2097000**	**12.38**	**12.38**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**0**	**0**	**0**	**0**	**4500000**	**0**	**4500000**	**26.57**	**26.57**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**12435075**	**0**	**12435075**	**100**	**16935075**	**0**	**16935075**	**100**	**0**

NOTE:

1) The Shareholding of Promoter & Promoter Group has not changed during the financial year 2018-19 ended 31st March 2019. However, the change in percentage of shareholding is due to issue and allotment of shares to public through Initial Public Offer (IPO) of the company.

2) 4500000 (Forty-five lakh) Equity Shares of Rs. 10/- each, constituting 26.57% of post issue capital, were allotted to Public on 10th April 2018 through Initial Public Offer. Accordingly, 16935075 Equity Shares in the capital of the Company were listed and actively trading on the SME Platform of National Stock Exchange of India Limited - NSE EMERGE effective 12th April 2018.

2. Shareholding of Promoters :

Sr. No.	Shareholder's Name	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.	Mr. Arun Raghuveer Raj Bhandari	4639641	37.31	-	4639641	27.40	-	(9.91)
2.	Mr. Mayank Arun Bhandari	371559	2.99	-	371559	2.20	-	(0.79)
3.	Ms. Rohini Arun Bhandari	149550	1.20	-	149550	0.88	-	(0.32)
4.	Mrs. Saroj Arun Bhandari	2169138	17.44	-	2169138	12.81	-	(4.63)
5.	Mrs. Sakshi Mayank Bhandari	260400	2.10	-	260400	1.54	-	(0.56)
6.	M/s. Mayank Fasteners Private Limited	3189561	25.65	-	3189561	18.83	-	(6.82)
7.	M/s. Star Circlips and Engineering Limited	600000	4.83	-	600000	3.54	-	(1.29)
8.	M/s. Rohini Horticulture Private Limited	82500	0.66	-	82500	0.49	-	(0.17)
9.	Master Vivaan Mayank Bhandari	972726	7.82	-	972726	5.74	-	(2.08)
	TOTAL	**12435075**	**100.00**		**12435075**	**72.43**		**(27.57)**

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

Mr. Arun Raghuveer Raj Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	4639641	37.31		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**4639641**	**27.40**

Mrs. Saroj Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2169138	17.44		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**2169138**	**12.81**

Mr. Mayank Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	371559	2.99		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**371559**	**2.20**

Mrs. Sakshi Mayank Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	260400	2.10		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**260400**	**1.54**

Ms. Rohini Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	149550	1.20		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**149550**	**0.88**

Master Vivaan Mayank Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	972726	7.82		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**972726**	**5.74**

M/s. Star Circlips and Engineering Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	600000	4.83		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**600000**	**3.54**

M/s. Mayank Fasteners Private Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	3189561	25.65		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**3189561**	**18.83**

M/s. Rohini Horticulture Private Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	82500	0.66		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :	NIL			
3.	At the end of the year			**82500**	**0.49**

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

M/s. MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	03.08.2018 (Purchase)	135600	0.80	135600	0.80
	07.09.2018 (Purchase)	21600	0.13	157200	0.93
	14.09.2018 (Purchase)	39600	0.23	196800	1.16
	12.10.2018 (Purchase)	66600	0.39	263400	1.56
	19.10.2018 (Purchase)	235800	1.39	499200	2.95

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	26.10.2018 (Purchase)	6600	0.04	505800	2.99
	02.11.2018 (Purchase)	5400	0.03	511200	3.02
	30.11.2018 (Purchase)	31800	0.19	543000	3.21
	07.12.2018 (Purchase)	1200	0.01	544200	3.21
	14.12.2018 (Purchase)	600	0.00	544800	3.22
	28.12.2018 (Purchase)	17400	0.10	562200	3.32
	31.12.2018 (Purchase)	4200	0.02	566400	3.34
	04.01.2019 (Purchase)	1200	0.01	567600	3.35
	11.01.2019 (Purchase)	1800	0.01	569400	3.36
	18.01.2019 (Purchase)	10200	0.06	579600	3.42
	25.01.2019 (Purchase)	4200	0.02	583800	3.45
	01.02.2019 (Purchase)	600	0.00	584400	3.45
	08.02.2019 (Purchase)	6000	0.04	590400	3.49
	15.02.2019 (Purchase)	4800	0.03	595200	3.51
	22.02.2019 (Purchase)	3600	0.02	598800	3.54
	29.03.2019 (Purchase)	15000	0.09	613800	3.62
3.	At the end of the year			**613800**	**3.62**

M/s. VANTAGE EQUITY FUND

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	10.04.2018 (Allotment)	511800	3.02	511800	3.02
	10.04.2018 (Allotment)	1014600	5.99	1526400	9.01
	24.08.2018 (Sale)	(79800)	(0.47)	1446600	8.54
3.	At the end of the year			**1446600**	**8.54**

M/s. BHAVANA GOVINDBHAI DESAI

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	10.04.2018 (Allotment)	600	0.00	600	0.00
	20.04.2018 (Purchase)	36000	0.21	36600	0.22
	29.06.2018 (Purchase)	15000	0.09	51600	0.30
	13.07.2018 (Purchase)	68400	0.40	120000	0.71
	03.08.2018 (Purchase)	57000	0.34	177000	1.05
	05.10.2018 (Purchase)	11400	0.07	188400	1.11
	19.10.2018 (Purchase)	6600	0.04	195000	1.15
	02.11.2018 (Purchase)	8400	0.05	203400	1.20
3.	At the end of the year			**203400**	**1.20**

M/s. KIRAN VYAPAR LIMITED

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	07.09.2018 (Purchase)	29979	0.18	29979	0.18
	14.09.2018 (Purchase)	50421	0.30	80400	0.47
	21.09.2018 (Purchase)	106200	0.63	186600	1.10
3.	At the end of the year			**186600**	**1.10**

M/s. WAYS VINIMAY PRIVATE LIMITED

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	28.12.2018 (Purchase)	150000	0.89	150000	0.89
3.	At the end of the year			**150000**	**0.89**

M/s. IA ALL CAP FUND

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	10.04.2018 (Allotment)	127200	0.75	127200	0.75
3.	At the end of the year			**127200**	**0.75**

M/s. RAISONNEUR CAPITAL LTD

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	10.04.2018 (Allotment)	267000	1.58	267000	1.58
	22.06.2018 (Sale)	(24000)	(0.14)	243000	1.43
	13.07.2018 (Sale)	(49200)	(0.29)	193800	1.14
	03.08.2018 (Sale)	(84000)	(0.50)	109800	0.65
3.	At the end of the year			**109800**	**0.65**

M/s. MICRO STRATEGIES FUND

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	24.08.2018 (Purchase)	79800	0.47	79800	0.47
	12.10.2018 (Purchase)	30000	0.18	109800	0.65
	30.11.2018 (Purchase)	6000	0.04	115800	0.68
	18.01.2019 (Sale)	(10200)	(0.06)	105600	0.62
3.	At the end of the year			**105600**	**0.62**

M/s. SNS OVERSEAS PRIVATE LIMITED

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	10.04.2018 (Allotment)	39600	0.23	39600	0.23
	20.04.2018 (Purchase)	21600	0.13	61200	0.36
	20.07.2018 (Purchase)	1800	0.01	63000	0.37
	27.07.2018 (Purchase)	3000	0.02	66000	0.39
	10.08.2018 (Purchase)	3600	0.02	69600	0.41
	17.08.2018 (Purchase)	1200	0.01	70800	0.42
	24.08.2018 (Purchase)	2400	0.01	73200	0.43
	31.08.2018 (Purchase)	1200	0.01	74400	0.44
	07.09.2018 (Purchase)	25800	0.15	100200	0.59
	02.11.2018 (Purchase)	1200	0.01	101400	0.60
3.	At the end of the year			**101400**	**0.60**

M/s. KANJI PITAMBER FOREX PVT LTD

Sr. No.	Shareholding of each Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	--	--		
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	13.07.2018 (Purchase)	73200	0.43	73200	0.43
3.	At the end of the year			**73200**	**0.43**

5. Shareholding of Directors and Key Managerial Personnel (other than Promoters and Top 10 Shareholders

Mr. Lalit Ranjeet Raj Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	**NIL, HENCE NOT APPLICABLE**			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mr. Tenneti Narasimham Murthy

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	**NIL, HENCE NOT APPLICABLE**			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mr. Karan Yudhishtir Varma

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	**NIL, HENCE NOT APPLICABLE**			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mr. Ajay Sadashiv Gokhale

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mrs. Sudha Sukesh Gandhi

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mr. Vijay Singh Bapna

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

Mr. Sunil Khanna

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

CA Sharad Mohanlal Khandelwal

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

CS Milind Suryakant Rao

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL, HENCE NOT APPLICABLE			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

V. INDEBTEDNESS

Indebtness of the Company including interest outstanding/accrued but not due for payment **(Amount in Lakhs)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2829.47	924.33	0	3753.80
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	7.58	0	0	7.58
Total (i+ii+iii)	**2837.05**	**924.33**	**0**	**3761.38**
Change in Indebtedness during the financial year				
i) Addition	0	0	0	0
ii) Reduction	(684.73)	(725.49)	0	(1410.22)
Net Change	**(684.73)**	**(725.49)**	**0**	**(1410.22)**
Indebtedness at the end of the financial year				
i) Principal Amount	2145.67	198.84	0	2344.51
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6.65	0	0	6.65
Total (i+ii+iii)	**2152.32**	**198.94**	**0**	**2351.16**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

(Amount in Lakhs)

Sr. No.	Particulars	Name of MD / WTD / Manager				Total Remuneration
		Mr. Arun Raghuveer Raj Bhandari Managing Director	Mr. Lalit Ranjeet Raj Bhandari Whole-time Director	Mr. Bhinvkaran Dhularam Jangid Whole-time Director	Mr. Tenneti Narasimham Murthy Whole-time Director	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	133.10	18.28	4.00	2.34	157.72
	(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 -others, specify	 0 0	 0 0	 0 0	 0 0	 0 0
5.	Others, please specify *Contribution to PF	1.30	3.70	0.50	0.24	5.74
	Total	**134.40**	**21.98**	**4.50**	**2.58**	**163.46**
	Overall Ceiling as per the Companies Act : 10% of Net Profit calculated in accordance with Section 198 of the Companies Act, 2013					**302.00**

B. Remuneration to Other Directors : **(Amount in Lakhs)**

Sr. No.	Particulars	Name of Director			Total Remuneration
		Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mrs. Sudha Sukesh Gandhi	
1.	**Independent Directors**				
	Fees for attending board / committee meetings (Sitting Fee)	0.29	0.41	0.32	1.02
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0.29	0.41	0.32	1.02
2.	**Other Non-Executive Directors:**				
	Fees for attending board / committee meetings (Sitting Fee)	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (1+2)	0.29	0.41	0.32	1.02
	Total Remuneration (1+2)	**0.29**	**0.41**	**0.32**	**1.02**

Sr. No.	Particulars	Name of Director			Total Remuneration
		Mr. Vijay Singh Bapna	Mr. Sunil Khanna		
1.	**Independent Directors**				
	Fees for attending board / committee meetings (Sitting Fee)	0.40	0.40		0.80
	Commission	0	0		0
	Others, please specify	0	0		0
	Total (3)	0.40	0.40		0.80
2.	**Other Non-Executive Directors:**				
	Fees for attending board / committee meetings (Sitting Fee)	0	0		0
	Commission	0	0		0
	Others, please specify	0	0		0
	Total (4)	0	0		0
	Total (3+4)	0.40	0.40		0.80
	Total Remuneration (3+4)	**0.40**	**0.40**		**0.80**
	Total Remuneration (1+2+3+4)				**1.82**
	Overall Ceiling as per the Companies Act: 1% of Net Profit calculated in accordance with Section 198 of the Companies Act, 2013				**30.20**

C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD : **(Amount in Lakhs)**

Sr. No.	Particulars	Name of Key Managerial Personnel				Total Remuneration
		CS Chandrakant Shivshankar Nimje Company Secretary	CS Milind S. Rao Company Secretary	CA Sharad Mohanlal Khandelwal CFO	CEO	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.49	3.52	17.53	0	22.54
	(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 -others, specify	 0 0	 0 0	 0 0	 0 0	 0 0
5.	Others, please specify *Contribution to PF	0.07	0.07	2.63	0	2.77
	Total	**1.56**	**3.59**	**20.16**	**0**	**25.31**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY :					
i) Penalty	NIL, HENCE NOT APPLICABLE				
ii) Punishment					
iii) Compounding					
B. DIRECTORS:					
i) Penalty	NIL, HENCE NOT APPLICABLE				
ii) Punishment					
iii) Compounding					
C. OTHER OFFICERS IN DEFAULT:					
i) Penalty	NIL, HENCE NOT APPLICABLE				
ii) Punishment					
iii) Compounding					

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : 29th May 2019

ANNEX – G TO BOARD'S REPORT

CERTIFICATE

Sexual Harassment of Women at the Workplace and its Prevention, Prohibition & Redressal

[Pursuant to Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013]

This is to certify that :-

MMP Industries Limited ("the Company") has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees, etc) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed-off during the current financial year under review i.e. Financial Year 2018-19 ended 31 March 2019:-

Number of Complaints received	Nil
Number of Complaints disposed off	Nil, Hence Not Applicable

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : 29th May 2019

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

MMP Industries Limited ('**MMP**' or '**the Company**') is engaged in manufacturing of aluminium products at locations at and close to Nagpur in the state of Maharashtra. The aluminium product range includes pyro and flake aluminium powders, atomized aluminium powders, aluminium pastes, aluminium conductors (all aluminium, alloy aluminium and aluminium steel reinforced).

Aluminium powders (pyro, flake and atomized) are used in many industrial sectors like construction (AAC Blocks) and mining (aluminised slurry explosives), agriculture (pesticides), defence (ammunition), fire crackers, railways (thermit portions) etc. aluminium pastes are used in automotive, decorative and industrial paints. Aluminium Conductors are consumed by the power sector for laying of overhead transmission lines.

The Existing and Proposed Capacity of the Company are as below:-

Product	Existing Installed Capacity (MTPA)	Proposed Capacity Expansion (MTPA)		Installed Capacity Post Expansion (MTPA)
		2019-20	2020-21	
Aluminium Atomized Powder	7200	4800	--	12000
Aluminium Pyro and Flake	7860	1800	1000	10660
Aluminium Paste	1500	--	--	1500
Aluminium Conductor	7200	--	--	7200
Aluminium Foil	--	5000	--	5000

Associate Companies / Joint Venture Companies

The Company has joint venture with Toyo Aluminium K. K. of Japan for the manufacturing of special grades of aluminium paste in a new company - Toyal MMP India Private Limited (company holds 26% equity).

Star Circlips & Engineering Limited is an associate Company engaged in the manufacture of circlips, retaining rings, washers, shims and formed components mainly used in auto and auto component industries (company holds 26.06% equity).

Global Economic Scenario and Outlook

The Global Business policy Council forecasts moderate global economic growth of 2.9% for FY 2019, followed by slowing growth through 2023. There are cyclical, structural and geo-political risk factors contributing to this deceleration.

Protectionist policies, violations of both the rules and the spirit of free trade agreements and a looming risk that the World Trade Organization's dispute settlement mechanism will cease to function create profound risks for the current system of international trade.

The strongest regional economic performance will be in Asia, led by India, which continues to be the fastest-growing major economy. Although China's economy is slowing, its growth rate will remain robust in the coming years. Asiais leading the world in economic integration, with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership recently coming into force and the Regional Comprehensive Economic Partnership still under negotiation.

The global aluminium market will see a number of deficits over the next few years as solid demand growth, driven by the construction and autos sectors, outpaces production growth, a new aluminium supply and demand outlook by *Fitch Solutions* reports. The global aluminium demand outlook will benefit from solid construction industry growth and growing roles in autos as a lightweight substitute for steel. *Fitch* forecasts the global aluminium market to witness consistent deficits from 2019 to 2023, with the aluminium stock-to-use ratio declining steadily from 9.6% 5.1% over the same period.

Indian Economic Scenario and Outlook

India was the fourth largest producer of aluminium in the world with a share of around 5.33 per cent in global aluminium output. The principal user segment in India for aluminium continues to be electrical and electronics sector followed by the automotive and transportation, building, construction, packaging, consumer durables, industrial and other applications including defense. Over the course of last four years, India's aluminium production capacity has increased to 4.1 MMTPA, driven by investments worth Rs 1.2 lakh crore (US$ 18.54 billion). (*Source : www.ibef.otg)*

Demand for aluminium is expected to pick up as the scenario improves for user industries, like power, infrastructure and transportation. Consumption of is forecasted to reach to 5.30 million tonnes by 2020- 21.

Moreover, stable Government at the Center will boost economic growth, foreign fund flow resulting into more focus on infrastructure activities and policy reforms.

Industry or Sector wise performance

Infrastructure and Construction

Infrastructure sector plays and important role in the growth and development of Indian economy. Nearly, 9% of India's GDP is spent on Infrastructure services. It comprises of construction of power, bridges, dams, roads and urban infrastructure development which also forms as base and supporting factor for other services sectors. As infrastructure is highly responsible for propelling growth of other sectors and India's overall development, Government of India is giving huge impetus for development of Infrastructure and construction services through focused policies such as open FDI norms, large budget allocation to Infrastructure sector, Smart cities mission, etc. Infrastructure and construction activities are expected to become 3rd largest market in the world by 2025 *(KPMG Infrastructure Report)*.

Indian Real estate sector in India is expected to reach a market size of US$ 180 billion by 2020 and US$ 1 trillion by 2030. It is expected to contribute 13% of the country's GDP by 2025.Initiative by the Government to build 100 smart cities and projects like ”Housing For All by 2022” to give a further stimulus. Center's norm for compulsory use of material made out of FLY-ASH within 100 kms. radius of thermal plants is expected to drive the sales of AAC Blocks. MMP, which is pioneer in supplying the Aluminum powder for the AAC block application, has managed to increase its sales during the FY 2018-19. This segment is expected to grow the fastest amongst all the segments. We cater due to continuous focus of the government and builders towards low cost housing. Restrictions on red bricks have also resulted in more and more AAC plants coming up in India and this trend will continue in the coming years as well.

Explosives

India is the 3rd largest producer of coal as per research reports. Coal production in the country stood at 739.36 million tonnes in FY9 as compared to 688.8 million tonnes in FY18. Increase in housing and infrastructure projects, and improvement in the public transportation facilities including railways and roadways, is expected to give a boost to the demand of the Industrial Explosives industry. Also, a steady growth in the coal production is expected to lead the growth path of the industrial explosives market. Moreover, India is anticipated to be one of the most important country for the industrial explosives amongst the APAC region. *(Source: Persistence Market Research)*

MMP has been able to take advantage of the situation and the sales in the explosive segment have grown significantly during the FY 2018-19. The management foresees this momentum to continue and is working towards maintaining its market share in this segment.

Pesticides

According to a new market report published by Lucintel, the future in the global pesticide industry looks good with opportunities in insecticides, fungicides and herbicides market. The global pesticide industry is expected to reach an estimated $81.1 billion by 2021. The global pesticide industry is forecast to grow at a CAGR of 4.4% by value from 2016 to 2021. Indian pestiside market is further projected to reach INR 292.9 Billion by 2023, at a CAGR of 8.3% during 2018-2023.

The aluminium powder manufactured by the Company is also used in pesticides by the leading pesticide manufacturing industries in India. The Company is having more than 60% market share in the pesticide industry segment. The demand of aluminium powder by pesticide industry will simultaneously move upwards with anticipated growth in pesticide industry in India. The Budget 2019 has identified Agriculture Sector as one of the key drivers of the economy. Under the budget Agricultural Marketing Infrastructure (AMI) scheme 40 lakh MT of storage capacity & 400 other marketing Infrastructure projects are targeted by 2019-20.

Aluminum Conductors:-

India's power sector is forecasted to attract investments worth Rs 11.56 lakh crore (US$ 179.31 billion) between 2017-2022 in thermal, hydro, nuclear and renewables segment. *(Source IBEF)*

The Government of India targets capacity addition of around 100 GW under the 13th Five-Year Plan (2017–22). Government also approves 100% electrification of railways by 2021-22. Cable & Wire Fair 2017 (CWF17) forecasts a period of massive growth for the Indian wire and cable industry in the period 2017-2022 driven largely by five mega segments, viz. Power, Telecommunication, Infrastructure, automotive, and railways.*(Source : www. wirecable.in)*

Further, the Company will become eligible for supply to Powergrid Corporation and get the approval soon, which will increase the conductors capacity utilization, sales and consequently margins in next financial year.

Export

MMP's primarily exports its products to three (3) main regions in the world. These are Europe, Africa and the Middle East. The Company's exports were slightly lowered down during the FY 2018-19. The slowdown in the construction industry, resulted in lower off take in AAC segment.

Cost Reductions

During the FY 2018-19 under review, the Company initiated various steps to reduce operational costs through various activities like TQM and GEMBA. Moving ahead, the Company will put further additional efforts to reduce costs with a special focus towards reducing electricity costs.

Opportunities

Aluminium has been continuously finding new applications due to rising price competence since it is cheaper than copper, due to its superior weight to strength ratio, corrosion resistance, formability, dampness etc. Reforms proposed by the Government of India like the Make in India Campaign, Smart Cities, Rural Electrification and a focus on building renewable energy projects under the National Electricity Policy have augmented the usage of the metal during FY18. Buoyant demand and market recovery across businesses in India is to further increase the demand for aluminium.

With the Indian economy on the upswing and general global growth, the Company's new facilities at Umred MIDC Area will see very high utilization percentage in Q3 and Q4 of FY 2019-20.

The Company also envisages a good growth in the Aluminum Conductor segment. MMP is also working towards becoming a qualified vendor to Power Grid Corporation of India, which will enhance both volume and profitability.

The collaboration for manufacturing Aluminum Paste with Toyo Aluminum KK of Japan will give the Company a technical edge in the domestic market and will enable it to manufacture more value added products. The Company will also have access to various global Toyo marketing channels, which will help both the Aluminium powder and paste business.

Threats

The ever changing political scenario have a bigger impact over the capability of a government for decision making and accordingly, can have an adverse impact on policies resulting into a negative growth.

The volatility in the prices of important raw material namely Aluminum is another challenge with the rapidly changing global economic scenario. This impacts the Aluminium Conductor business of the Company.

The manufacturing of Aluminum Powder is a hazardous process and there is always a risk of accidents in the plant. MMP is OHSAS and EMS certified and gives prime importance to safety of its people. The Company conducts regular safety audits and trainings in order to mitigate the risks of an accident.

Cautionary Statement

The statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning applicable to securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand or supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE REPORT - FY 2018-19

As the Shareholder (Members) are aware, the Equity Shares of the Company are listed and actively trading on SME Platform of National Stock Exchange of India Limited (NSE) namely NSE EMERGE, effective 12th April 2018 (Scrip Code – MMP). Therefore, provisions relating to Corporate Governance provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR Regulations / Listing Regulations], are not applicable to the Company.

However, keeping in view the objective of encouraging the use of better corporate governance practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also helps the Company in achieving the highest standard of corporate governance. The Shareholders (Members) may note that any omission of any Corporate Governance provisions shall not be construed as a non-compliance of any relevant provisions thereof.

Brief statement on the Company's Philosophy on Code of Corporate Governance

At **MMP**, the Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the applicable laws coupled with adherence to the highest standards of transparency and business ethics. These main drivers, together with the Company's ongoing contributions to the local communities through meaningful "Corporate Social Responsibility" initiatives will play a pivotal role in fulfilling our renewed vision to be the most sustainable and competitive Company in our industry and our mission to create value for all our stakeholders.

Your Company has already implemented the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Company has also formulated various policies as required and/or in compliance with the Companies Act, 2013 read with the rules made there under as well as the Listing Regulations and accordingly, has formulated the necessary Committee(s) thereof. All the necessary and requisite information are being posted and updated from time to time on the Company's Website www.mmpil.com.

The Company always believes in compliances as applicable under various statutory and other rules or regulations governing the Company from time to time. As such, the Company is in due compliance of the provisions of Secretarial Standards [SS-1 for Meetings of the Board of Directors and SS-2 for General Meetings] in true sense and spirits.

MANDATORY REQUIREMENTS

1. MMP PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors and Management of MMP Industries Limited commit themselves to:-

(i) Strive hard towards enhancement of Stakeholders value through
- sound business decisions,
- prudent financial management, and
- high standards of ethics throughout the organization.

(ii) Ensure transparency and professionalism in all decisions and transactions of the Company.

(iii) Achieve excellence in Corporate Governance by
- Conforming to and exceeding wherever possible, the prevalent mandatory guidelines on Corporate Governance, and
- Regularly reviewing the Board processes and management systems for further improvement.

(iv) Ensure health, safety and environment management by making it an integral part of the Company's business strategy and to actively promote awareness of health, safety and environment issues throughout the Company and to our business partners.

(v) Implement, maintain and continuously improve an environment management system.

(vi) Achieve excellence in all activities with the involvement of all employees to reduce cost, increase productivity & improve quality continuously with the aim of achieving "**Zero Failure, Zero Defect and Zero Accident**"

2. BOARD OF DIRECTORS

a. Composition: The Board of Directors of the Company as of 31st March 2019 consisted of:-

Executive Directors	Non-executive Directors
Promoter Group Mr. Arun Raghuveer Raj Bhandari (DIN - 00008901) Mr. Lalit Ranjeet Raj Bhandari (DIN - 00010934) **Non-Promoter Group** Mr. Tenneti Narasimham Murthy (DIN - 08342116)	**Non-Promoter Group – Independent** Mr. Ajay Sadashiv Gokhale (DIN - 00550452) Mr. Karan Yudhishtir Varma (DIN - 06923525) Mrs. Sudha Sukesh Gandhi (DIN - 06611145) Mr. Vijay Singh Bapna (DIN - 02599024) Mr. Sunil Khanna (DIN - 00907147)

During the financial year 2018-19 ended 31st March 2019 under review :-

- Mr. Arun Raghuveer Raj Bhandari [DIN - 00008901], has been re-appointed as the Managing Director [Category Promoter & Executive], designated Key Managerial Personnel (KMP) of the Company for a further period of five (5) years effective 1st February 2018 as approved by the Shareholders (Members) at their Forty-Fifth (45th) Annual General Meeting of the Company held on 31st August 2018.

- Mr. Vijay Singh Bapna [DIN - 02599024], has been appointed as an Additional Director [Category - Non-executive, Independent] of the Company by the Board of Directors effective 7th May 2018.

- Mr. Sunil Khanna [DIN - 00907147], has been appointed as an Additional Director [Category - Non-executive, Independent] of the Company by the Board of Directors effective 7th May 2018.

- Mr. Vijay Singh Bapna [DIN - 02599024], has been appointed as a Director [Category - Non-executive, Independent] for a first fixed term of consecutive three (3) years i.e., from the conclusion of Forty-Fifth (45th) Annual General Meeting up to the conclusion of Forty-Eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-21 ending 31st March 2021.

- Mr. Sunil Khanna [DIN - 00907147], has been appointed as a Director [Category - Non-executive, Independent] for a first fixed term of consecutive three (3) years i.e., from the conclusion of Forty-Fifth (45th) Annual General Meeting up to the conclusion of Forty-Eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-21 ending 31st March 2021.

- Mr. Bhinvkaran Dhularam Jangid [DIN - 08021867], ceased to be a Director and also, the Whole-time Director [Category - Non-Promoter & Executive], designated Key Managerial Personnel (KMP) of the Company, effective 2nd February 2019 due to resignation.

- Mr. Tenneti Narasimham Murthy [DIN - 08342116], has been appointed as an Additional Director [Category - Non Promoter & Executive] of the Company by the Board of Directors effective 2nd February 2019.

- Mr. Tenneti Narasimham Murthy [DIN - 08342116], has been appointed [through change in designation] as the Whole-time Director [Category– Non-Promoter & Executive], designated Key Managerial Personnel (KMP) of the Company, by the Board of Directors effective 2nd February 2019, subject to approval of Shareholders (Members) of the Company.

b. Meetings, agenda and proceedings etc. of the Board of Directors

The attendance of Director/s at the Board Meeting/s and Forty-Fifth (45th) Annual General Meeting, details of their Directorship in other Companies, Partnership in other Firms or LLP and Membership in the Board Committees of the Company:-

- Eight (8) meetings of the Board of Directors were held on (1) 5th April 2018 (2) 10th April 2018 (3) 7th May 2018 (4) 30th May 2018 (5) 23rd July 2018 (6) 31st August 2018 (7) 12th October 2018 and (8) 2nd February 2019 during the financial year 2018-19 ended 31st March 2019 under review.

- Forty-Fifth (45th) Annual General Meeting (**AGM**) was held on 31st August 2018.

Sr. No.	Name of Director	No. of Board Meetings Attended / Entitled	Whether Attended 45th AGM	Directorship in Other Companies	Partnership in LLP's	Committee Membership
1.	Mr. Arun Raghuveer Raj Bhandari	7 / 8	Yes	6	--	--
2.	Mr. Lalit Ranjeet Raj Bhandari	8 / 8	Yes	1	--	1
3.	Mr. Ajay Sadashiv Gokhale	6 / 8	Yes	1	--	2
4.	Mr. Karan Varma	7 / 8	Yes	--	--	2
5.	Mr. Sudha Sukesh Gandhi	6 / 8	No	1	--	--
6.	Mr. Bhinvkaran Dhularam Jangid**	2 / 8	No	--	--	--
7.	Mr. Vijay Singh Bapna*	5 / 6	Yes	3	1	5
8.	Mr. Sunil Khanna*	5 / 6	Yes	1	--	1
9.	Mr. Tenneti Narasimham Murthy***	0 / 1	N.A.	--	--	--

* Appointment effective 7th May 2018
** Ceased effective 2nd February 2019
*** Appointment effective 2nd February 2019

- Directorship in other Companies meant for Companies other than Foreign Companies.

- Committee Membership meant for Chairman or Member of Audit Committee and Stakeholders' Relationship Committee of the Company and other companies also.

- None of the Independent Director/s have any material pecuniary relationship or transactions with the Company other than receiving Sitting Fees for the Board and Committee Meeting/s of the Company.

- The Company ensures that all statutory, significant material information are placed before the Board or Committee/s of Board, for their information, consideration, review and approval, if any, to enable them to discharge their responsibilities as trustees of the large family of stakeholders. The Board periodically reviews compliance of all laws applicable to the Company.

Scheduling and selection of Agenda items for the Board Meetings:-

- All department/s of the Company schedule their work and plans in advance, particularly with regard to matters requiring consideration at the Board or its Committee Meeting/s of the Company.

Post meeting follow-up mechanism

- All important decisions taken at the Board or its Committee Meeting/s are promptly communicated to the concerned department/s. Action Taken Report on decisions and minutes of previous meetings are placed at the succeeding meetings of the Board and its Committee for their information, review, ratification and approval, if any.

Code of Conduct for the Board of Directors and Senior Management:-

- The Code of Conduct has already been communicated to all the Board and senior management members. The Code is also available on the Company's website www.mmpil.com. All the Board members and senior management personnel have confirmed compliance with the Code for the financial year 2018-19 ended 31st March 2019.

c. Woman Director

As per the provisions of the Companies Act, 2013 read with Listing Regulations, Mrs. Sudha Sukesh Gandhi, [DIN –06611145], [Category – Non-executive, Independent], continued to be a Women Director on the Board of the Company.

d. Separate Meeting of Independent Directors

As stipulated by Schedule IV - Code of Independent Directors to the Companies Act, 2013 and Regulations 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exclusive meeting of the Independent Directors of the Company was held on 2nd February 2019 to review the performance of all the Director/s including Executive Directors, Chairman and Key Managerial Personnel (KMP) of the Company, and the Board including its Committees. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management, the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

e. Induction, Training and Familiarization Program for Board Members

The provision of an appropriate induction program for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. Every such newly appointed Director is required to undergone through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The Chief Financial Officer and the Company Secretary are jointly responsible for ensuring that such induction and training programs are provided to all such Directors. The Independent Directors, from time to time, request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction for Director/s include interactive sessions with executive committee members, business and functional heads, visit to the manufacturing sites, visits to locations where the CSR activities have been carried out by the Company, etc. On the matters of specialized nature, the Company engages services of outside experts and consultants for presentation and discussion with the Board members from time to time.

The presentations are made by the management team giving an overview and familiarize the Directors with the operations and business model of the Company. The Directors are also apprised about the Industry developments, new initiatives and strategy of the Company from time to time. The Board members were presented with reports, internal policies and periodic presentations at the Board and its Committee meeting/s. The Board members are also apprised of their roles, authorities, rights and responsibilities under various laws and regulations applicable to the Company, including but not limited to, the Companies Act, 2013 read with the rules made thereunder and the Listing Regulations.

f. Evaluation of the Board's Performance

During the financial year 2018-19 ended 31st March 2019, the Board continued with a formal mechanism for evaluating its performance as well as that of its Committees and individual Director/s, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and its Committee/s, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Director/s including the Chairman of the Board, who were evaluated on parameters such as attendance, contribution at the meetings, independent judgment, safeguarding of minority shareholders interest, etc. by framing suitable questionnaire.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Director/s. The Director/s were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committee/s with the Company.

g. Agenda

All the meeting/s are conducted as per well designed and structured agenda. All the agenda item/s are backed by necessary supporting information, notes and documents (except for critical or unpublished price sensitive information, which is circulated at the meeting itself) to enable the Board and its Committee to take informed decisions. The agenda also includes item related to ratification, confirmation and approval, if any, of minutes of the previous Board and its Committee meeting/s. Additional agenda item/s, if any, in the form of "Other Business" are included with the permission of the Chairman and with the requisite consent of majority of the Director/s of the Company. The agenda including notes thereof are generally circulated together with Notice, Seven (7) clear days prior to date of the Board and its Committee Meeting/s. In addition, the resolution/s passed by circulation for any business exigencies, were later placed in the ensuing Board Meeting for ratification and approval, if any.

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of Director/s in the Board and its Committee Meeting/s through video conferencing or other audio visual mode. Accordingly, the option to participate in the meeting through video conferencing (subject to technical aspects) was made available for the Director/s except in respect of such meeting/s and item/s which are not permitted to be transacted through video conferencing pursuant to the provisions of the Companies Act read with the relevant rules made thereunder.

The Board periodically reviews the item/s required to be placed before it and in particular, reviews and approves the half yearly and yearly financial statements (Audited or Un-audited), statement of Deviation or Variation (Utilization of IPO proceeds), corporate strategies, business plans, annual budgets, projects and capital expenditure. The Board monitors overall operating performance, progress of major projects and review such other items which require Board's attention. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with all applicable laws and regulations. The agenda for the Board meeting covers item/s set out as per the various laws and regulations applicable to the Company, including but not limited to, the Companies Act, 2013 read with the rules made there under and the Listing Regulations to the extent these are relevant and applicable to the Company.

h. Invitees and Proceedings

Apart from the Board members, the Company Secretary is a Secretary to the Board and all its Committee/s, while the Chief Financial Officer (CFO) is invited to attend the Board Meeting/s as well as its Committee Meeting/s. Auditors and other senior management executives are called, as and when necessary, to provide additional inputs for the item/s being discussed by the Board and its Committee/s. The CFO makes presentation on the quarterly and annual operating financial performance and capital expenditure budget. The Managing Director, CFO and other Senior Executives make presentations on capital expenditure proposals and progress, operational health, safety and other business issues. The Chairman of various Board Committee/s regularly brief the Board on all the important matters discussed and decided at their respective Committee meeting/s, which are generally held prior to the Board meeting of the Company.

i. Post Meeting Action

Post meetings, all important decisions taken at the meeting were communicated to all the concerned officials and departments. An Action Taken Report is prepared and reviewed periodically by the Company Secretary for the action taken and pending for further action.

The matters considered at the Board Meetings, which needs to be disseminated to the investors at large, in terms of SEBI Regulations including Listing Regulations, were communicated through online submission to NSE EMERGE.

j. Support and Role of Company Secretary

The Company Secretary is responsible for convening the Board and its Committee meeting/s, preparation and distribution of agenda and other documents, recording of the minutes of the meetings. He acts as an interface between the Board and the management, provides required assistance or assurance to the Board and the management on compliance and governance aspects.

k. Brief Profile of Directors

Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director [DIN – 00008901]

Arun Bhandari, aged 64 years, is the Promoter, Chairman & Managing Director of the Company. He holds a Bachelor's degree in Technology in Chemical Engineering from the Banaras Hindu University, Banaras, India. He has experience of about 37 years in the manufacture of pyro technique aluminium powder, paste and conductors and also manufacturing of circlips, retaining rings and other carbon steel stampings and formed components. He has been on Board since 5th February 1981.

Presently he holds position as the Managing Director of Toyal MMP India Private Limited and Director of Star Circlips & Engineering Limited, Mayank Fasteners Private Limited, Rohini Horticulture Private Limited, Aditya Chemicals Limited and PML Investment and Trading Company Limited. He is a Chairman of the Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee, and a Member of Risk Management Committee and is an Invitee to Audit Committee of the Company. He is holding 46,39,641 equity shares (constituting 27.40% of Shareholding) in the capital of the Company.

Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director [DIN – 00010934]

Lalit Bhandari, aged 63 years, is a Whole-time Director of the Company. He is qualified as a Graduate, has been associated with the MMP Group of Companies since Year 1981. He has worked at various positions and has experience of about 37 years in the Aluminium powder and paste business and specifically, in project management.

Presently, he hold directorship in Rohini Horticulture Private Limited. He is a Chairman of Risk Management Committee; and a Member of Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director [DIN– 00550452]

Ajay Gokhale, aged 57 years, is a Non-executive, Independent Director of the Company. He holds a Bachelor's degree in Technology in Chemical Engineering from Nagpur University and also holds a Post Graduate degree in International Trade from Punjab University, Chandigarh. He has post-graduation experience of about 37 years in project execution; project consultancy; export - import consultancy and information technology. He has been on Board since 13thAugust 2015.

Presently he hold directorship in Synergex International Private Limited. He is a Member of Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Karan Yudhishtir Varma, Non-executive, Independent Director [DIN– 06923525]

Karan Varma, aged 71 years, is a Non-executive, Independent Director of the Company. He is qualified as a Graduate. He has experience of about 48 years in various fields such as sales, service and administration. He has been on Board since 6th September 2014. He is a Chairman of Stakeholders' Relationship Committee; and a Member of Audit Committee and Corporate Social Responsibility (CSR) Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director [DIN– 06611145]

Sudha Gandhi, aged 65 years, is a Non-executive, Independent Director of the Company. She holds a Master Degree of Arts in English Literature from Jiwaji University, Gwalior. She has work experience of about 5 years as a Director of Suyog Chemicals Private Limited. She has been on Board since 18th August 2017.

She is a Member of Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Share Transfer Committee of the Company. She is not holding any equity shares in the capital of the Company.

Mr. Vijay Singh Bapna, Non-executive, Independent Director [DIN– 02599024]

Vijay Singh Bapna, aged 71 years, a Professional, holding Fellow Membership of the Institute of Chartered Accountants of India (ICAI) and a Member of the Institute of Directors, New Delhi. He has over 47 years of industry leadership experience, by holding various top level position/s, like President, CEO and Board Membership including Whole-time Directorship, for more than 25 years with the companies in India, Thailand, Canada and USA like Aditya Birla Group, Reliance Petroleum, Balco (Vedanta Group), Indorama Petrochem (Bangkok), Welspun Resource (Australia), Essar Steel Algoma (Canada), Essar Steel Mineasota (USA) Ispat Industries (Now JSW Steel), Welspun Maxsteel Limited, Welspun Steel Limited and Remi Metal Gujarat Limited.

He was the Past Chairman of Sponge Iron Manufacturers Association, Past Vice-Chairman of Cold Rollers Association and Coated Manufacturers Association. He is an Independent Director of OWS Oil and Warehousing Limited and Global Education Limited; and a Director in Lagnam Spintex Limited.

He is a Chairman of Audit Committee; and a Member of Nomination & Remuneration Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Sunil Khanna, Non-executive, Independent Director [DIN– 00907147]

Sunil Khanna, aged 64 years, a Technocrat, holds a Bachelor's Degree in Electronics Engineering from Indian Institute of Technology, Banaras Hindu University (BHU) and also holds a Post Graduate Degree in Electronics Engineering (Communication) from Indian Institute of Technology, Kanpur. He started his career in 1978 with Hindustan Aeronautics Limited as a Design Engineer. Later, he joined DCM Data Products and ABB Group, on various positions in India, Singapore and Indonesia. He has almost 41 years of vast experience in different industries including Oil, Gas, Chemicals, in various position/s in Systems, Designs, Strategic Relations, Departments, in India and abroad.

Presently, he is the Managing Director of Vertiv Energy Private Limited. He is a Chairman of Nomination & Remuneration Committee; and a Member of Audit Committee and Risk Management Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Tenneti Narasimham Murthy, Whole-time Director [DIN – 08342116]

T. N. Murthy, aged 50 years, is a Whole-time Director of the Company. He holds Masters Degree in Sociology. He has also completed Post Graduate Diploma in Industrial Relations and Personnel Management (PGDIRPM) and Post Graduate Diploma in Human Resource Management (PGDHRM). He has over 24 Years' corporate working experience in various aspects of Human Resources, Industrial (Employees) Relations, Contract Management, Welfare, Administration, Training & Development, Performance Appraisal, and related activities, including Statutory Compliances. He is associated with the Company sin February 2018 as General Manager (HR and Admin).

He joined the Board of Directors as a Whole-time Director since 2nd February 2019. He is a Member of Risk Management Committee of the Company. He is not holding any equity shares in the capital of the Company.

3. AUDIT COMMITTEE

(a) Constitution

The Board of Directors has, constituted the Audit Committee of the Company in due compliance of applicable provisions of laws, rules and regulation governing it. Mr. Vijay Singh Bapna act as the Chairman of the Committee. All other Members including Chairman of Audit Committee are the Non-executive, Independent Director/s of the Company. They all possess requisite knowledge of accounts, audit, finance, taxation, internal controls, etc.

(b) Terms of Reference, Roles & Responsibility of the Committee is as follows

Pursuant to Regulation 18(3) read with Part C of Schedule - II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference, roles and responsibilities of Audit Committee shall include, amongst others, the followings:-

(i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
(ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
(iii) examination and reviewing of the financial statement and the auditors' report thereon before submission to the Board for approval, with particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;
(iv) changes, if any, in accounting policies and practices and reasons for the same;
(v) major accounting entries involving estimates based on the exercise of judgment by management;
(vi) significant adjustments made in the financial statements arising out of audit findings;
(vii) compliance with listing and other legal requirements relating to financial statements;
(viii) disclosure of any related party transactions;
(ix) qualifications in the draft audit report;
(x) examination and reviewing, with the management, the financial statements before submission to the Board for approval;
(xi) approval or any subsequent modification of transactions of the Company with related parties;
(xii) scrutiny of inter-corporate loans and investments;
(xiii) valuation of undertakings or assets of the Company, wherever necessary;
(xiv) evaluation of internal financial controls and risk management systems;
(xv) monitoring the end use of funds raised through public offers and related matters;
(xvi) oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
(xvii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(xviii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(xix) discussion with internal auditors of any significant findings and follow up thereon;
(xx) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
(xxi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(xxii) look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(xxiii) approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
(xxiv) reviewing the Management discussion and analysis of financial condition and results of operations;
(xxv) reviewing the Management letters / letters of internal control weaknesses issued by the statutory auditors;

(xxvi) reviewing the Internal audit reports relating to internal control weaknesses;
(xxvii) reviewing the appointment, removal and terms of remuneration of the Internal Auditors shall be subject to review by the Audit Committee;
(xxviii) reviewing the functioning of the Whistle Blower mechanism;
(xxix) reviewing and redressal of complaint/s under the Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013;
(xxx) establishment of a vigil mechanism for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy in such manner as may be prescribed, which shall also provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of Audit Committee in appropriate or exceptional cases; and
(xxxi) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

(c) Composition

Chairman : Mr. Vijay Singh Bapna, Non-executive, Independent Director
Members : Mr. Ajay Sadashiv Gokhale, Mr. Karan Yudhishtir Varma and Mr. Sunil Khanna, Non-executive, Independent Director/s of the Company. [Mrs. Sudha Sukesh Gandhi – Member till 7th May 2018]
Secretary : CS Milind Suryakant Rao, Company Secretary (effective 1st September 2018)
[CS Chandrakant Shivshankar Nimje, Company Secretary till 31st August 2018]

(d) Invitees / Participants

(i) Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director
(ii) CA Sharad Mohanlal Khandelwal, Chief Financial Officer
(iii) Statutory Auditors
(iv) Secretarial Auditors
(v) Internal Auditors
(vi) Cost Auditors

(e) Meetings and Attendance

Five (5) meetings of the Audit Committee were held during the financial year 2018-19 ended 31st March 2019 on 30th May 2018, 23rd July 2018, 31st August 2018, 12th October 2018 and 2nd February 2019.

Attendance

Name of Director	Mr. Vijay Singh Bapna	Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mr. Sunil Khanna
No. of Meeting/s Attended / Held	5 / 5	3 / 5	4 / 5	5 / 5

4. NOMINATION & REMUNERATION COMMITTEE

(a) Constitution

The Board of Directors has, constituted in due compliance of applicable provisions of laws, rules and regulation governing it. Mr. Sunil Khanna act as the Chairman of the Committee. All other Members including Chairman of Nomination & Remuneration Committee are the Non-executive, Independent Director/s of the Company.

(b) Terms of Reference of the Committee is as follows

Pursuant to Regulation 19(4) read with Part D of Schedule - II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Committee is empowered to:

(a) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

(b) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Boards policy, relating to the remuneration for the directors, key managerial personnel and other employees;

(c) while formulating the policy under (b) above, ensure that:-

i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(d) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

(c) Composition

Chairman : Mr. Sunil Khanna, Non-executive, Independent Director
Members : Mrs. Sudha Sukesh Gandhi and Mr. Vijay Singh Bapna, Non-executive, Independent Director/s of the Company. [Mr. Karan Varma & Mr. Ajay Sadashiv Gokhale - Members till 7th May 2018].
Secretary : CS Milind Suryakant Rao, Company Secretary (effective 1st September 2018)
[CS Chandrakant Shivshankar Nimje, Company Secretary till 31st August 2018]

Invitees / Participants:-

(i) Statutory Auditors
(ii) Secretarial Auditors

(d) Meeting and Attendance

Five (5) meetings of the Nomination & Remuneration Committee were held during the financial year 2018-19 ended 31st March 2019 on 7th May 2018, 23rd July 2018, 31st August 2018, 12th October 2018 and 2nd February 2019

Attendance

Name of Director	Mr. Sunil Khanna	Mrs. Sudha Sukesh Gandhi	Mr. Vijay Singh Bapna	Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma
No. of Meeting/s Attended / Held	4/4	4/5	4/4	1/1	1/1

(e) The details of Sitting fees, Remuneration paid for the Financial Year 2018-19 and Commission for the Financial Year 2017-18 paid during the Financial Year 2018-19 are as under :-

Name	Designation	Sitting Fees	Total Remuneration	Commission for the FY 2017-2018	Total Amount
Mr. Arun Raghuveer Raj Bhandari	Chairman & Managing Director	--	1,34,40,000	--	1,34,40,000
Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director	--	21,98,140	--	21,98,140
Mr. Bhinvkaran Dhularam Jangid	Whole-time Director	--	4,50,023	--	4,50,023
Mr. Ajay Sadashiv Gokhale	Non-executive, Independent Director	31,500	--	--	31,500
Mr. Karan Yudhishtir Varma	Non-executive, Independent Director	43,500	--	--	43,500
Mrs. Sudha Sukesh Gandhi	Non-executive, Independent Director	35,000	--	--	35,000
Mr. Vijay Singh Bapna	Non-executive, Independent Director	40,000	--	--	40,000
Mr. Sunil Khanna	Non-executive, Independent Director	40,000	--	--	40,000
Mr. Tenneti Narasimham Murthy	Whole-time Director	--	2,58,472	--	2,58,472

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Objective

This Committee is responsible for the satisfactory redressal of shareholders or investors' grievances and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Listing Regulations.

Composition

The Board of Directors has, constituted including re-constituted, the Stakeholders' Relationship Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. The composition of Stakeholders' Relationship Committee are Mr. Karan Yudhishtir Varma, Non-executive, Independent Director, as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director and Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director, as the Committee Member/s, while CS Milind Suryakant Rao, is a Secretary to the Committee.

6. SHARE TRANSFER COMMITTEE

Objective

This Committee is responsible to consider, review and ratify, all the transfer, transmission, transposition, deletion of name, re-materialisation of shares, issue of duplicate shares, consolidation, splitting of shares and ratify dematerialisation of shares, duly approved by the Company Secretary and in his absence, the Chief Financial Officer of the Company on regular basis to comply with the directions issued by the SEBI and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Listing Regulations.

Composition

The Board of Directors has, constituted including re-constituted, the Share Transfer Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. The composition of Share

Transfer Committee are Mr. Arun Raghuveer Raj Bhandari, Managing Director as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director, Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director and Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director, as the Committee Member/s, while CS Milind Suryakant Rao, is a Secretary to the Committee.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Company is an eligible Company qualifying under Section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) for undertaking the Corporate Social Responsibility (CSR) activities as per the Company's CSR Policy during the financial year 2018-19 ended 31st March 2019.

The Board of Directors has, constituted including re-constituted, the Corporate Social Responsibility (CSR) Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. The Corporate Social Responsibility (CSR) Committee is constituted with Mr. Arun Raghuveer Raj Bhandari, Managing Director as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director, Mr. Karan Yudhishtir Varma, Non-executive, Independent Director, Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director and Mrs. Sudha Sukesh Gandhi Non-executive, Independent Director, as the Committee Member/s, while CS Milind Suryakant Rao, is a Secretary to the Committee.

During the financial year 2018-19 ended 31st March 2019, the CSR Committee had Two (2) meetings held on 30th May 2018 and 2nd February 2019, which were attended by the members as under :-

Name of Director	Mr. Arun Raghuveer Raj Bhandari	Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mr. Lalit Ranjeet Raj Bhandari	Mrs. Sudha Sukesh Gandhi
No. of Meeting/s Attended / Held	2/2	2/2	1/2	2/2	1/2

The Terms of Reference of the Committee is as follows :-

(i) formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken either by the Company or through implementing agency as specified in Schedule VII to the Companies Act, 2013 as amended from time to time;
(ii) recommend the minimum amount of expenditure to be incurred on the activities referred to in clause (a);
(iii) monitor the Corporate Social Responsibility (CSR) Policy of the Company from time to time; such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Sr. No.	Particulars	Amount
1	Average net profits of the Company for last three (3) financial years	Rs. 1811.46 Lakh
2	Prescribed CSR Expenditure [two percent (2%) of the amount as in item 1 above]	Rs. 36.23 Lakh
3	Details of CSR spent during the financial year (2018-19):-	
	a) Total amount to be spent for the FY 2018-19	Rs. 36.23 Lakh
	b) Amount unspent, if any;	The Company has spent Rs. 36.44 Lakh against the mandated Rs. 36.23 Lakh during the Financial year 2018-19. Hence, there is no unspent amount.
	c) Manner in which the amount spent during the FY 2018-19	The manner in which the amount spent is detailed in the **Annex-C** to the Board's Report.

The details pertaining to the Corporate Social Responsibility (CSR) activities together with details of expenditure is enclosed and attached as an **Annex – C** to the Boards' Report of the Company.

8. RISK MANAGEMENT COMMITTEE (RMC)

The Risk Management Committee (RMC) is required to lay down the procedures for risk assessment, risk minimization procedures and in turn, the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Business Risk Evaluation and Management (BREM) is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. The objectives and scope of the Risk Management Committee broadly comprises:-

(a) oversight of risk management performed by the executive management; reviewing the Business Risk Evaluation and Management (BREM) policy and framework in line with local & legal requirements and SEBI regulations;
(b) reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
(c) defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
(d) within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan, to identify, monitor and minimize risks as also identify business opportunities; laying down and recommendations of the procedures for risk assessment and risk minimisation procedures to the Board who shall be responsible for framing, implementing and monitoring the risk management plan of the Company; and
(e) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Listing Regulations.

The Board of Directors has, constituted including re-constituted, the Risk Management Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. Risk Management Committee comprises of the Directors and Senior Executives as its Members, as follows :-

Constitution

Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director	Chairman
Mr. Arun Raghuveer Raj Bhandari	Managing Director	Member
Mr. Sunil Khanna	Non-executive, Independent Director	Member
Mr. Tenneti Narasimham Murthy	Whole-time Director	Member
Mr. Surendra Singh Rathore	Works Manager	Member

9. PROJECT MONITORING COMMITTEE (PMC)

Objective

(a) To monitor implementation of capital project/s as to timeline, investments, milestones, objectives, etc., in line with the Object/s of the IPO and submit their recommendations and/or observations to the Board of Directors of the Company from time to time;
(b) To explore new capital project/s to be implemented in the overall interest of the Company including its viability study, utility to the business affairs of the Company, cost – benefit analysis;
(c) To review and examine the progress of the capital project/s in line with the authorization, milestones, targets and objectives;
(d) To foreclosing, dropping or modification in the components of the capital project/s, within the overall approved objectives, budget and time frame;
(e) To update in timely interval to the Board of Directors of the Company about the progress of the capital project/s; and
(f) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Listing Regulations.

Composition

In view of implementation of new projects as provided in the Objects of the Issue (IPO),it is necessary to constitute the Project Monitoring Committee to look after the process and progress of these new projects. Accordingly, the Board of Directors of the Company at its meeting held on 7th May 2018, has re-constituted the Project Monitoring Committee (PMC), as follows :-

Chairman : Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director
Members : Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director) and Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director.
Secretary: CS Milind Suryakant Rao, Company Secretary (effective 1st September 2018)
[CS Chandrakant Shivshankar Nimje, Company Secretary till 31st August 2018]

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud-free work environment and in this directions, the Audit Committee had formulated the Whistle Blower Policy providing a platform to all the Directors, employees, vendors and customers to report any suspected or confirmed incident of fraud or misconduct through any of the reporting protocols.

In order to instill more confidence amongst Whistle Blowers, the management of the reporting protocols were managed by an independent agency. Adequate safeguards have been provided in the Whistle Blower Policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases.

This Whistle Blower Policy is applicable to all the Directors, employees, vendors and customers of the Company and it is also posted on the Website of the Company.

The main objectives of the policy are as follows :-

(a) to protect the brand, reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud or misconduct;
(b) to provide guidance to the employees, vendors and customers on reporting any suspicious activity and handling critical information and evidence;
(c) to provide healthy and fraud-free work culture;
(d) to recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies & procedure and review of internal control systems; and
(e) to review the policy from time to time.

11. General Meetings

S. No.	AGM and Year	Location	Date	Time
1.	Forty-Fifth (45th) AGM - 2018	Hotel Tuli Imperial, Central Bazar Road, Ramdaspeth, Nagpur - 440010, MH	Saturday, the 31st August 2018	16:00 Hrs.
2.	Forty-Fourth (44th) AGM – 2017	Registered Office at 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN	Sunday, the 30th September 2017	10:00 Hrs.
3.	Forty-Third (43rd) AGM – 2016		Friday, the 30th September 2016	13:00 Hrs.

12. DISCLOSURES

a. Related Party Disclosures

Related Party	Relationship
Star Circlips & Engineering Limited	Associate Company
Toyal MMP India Private Limited	Associate (Joint Venture) Company
Mayank Fasteners Private Limited Rohini Horticulture Private Limited	Promoter & Promoter Group Company
Mr. Mayank Arun Bhandari Mrs. Saroj Arun Bhandari Mrs. Sakshi Mayank Bhandari Ms. Rohini Arun Bhandari	Relatives of Chairman & Managing Director, Belonging to the Promoter and Promoter Group
Mr. Arun Raghuveer Raj Bhandari	Chairman & Managing Director (SMD), Designated Key Managerial Personnel (KMP), Belonging to the Promoter and Promoter Group
Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director (WTD), Designated Key Managerial Personnel (KMP), Belonging to the Promoter and Promoter Group
Mr. Bhinvkaran Dhularam Jangid	Whole-time Director (WTD), Designated Key Managerial Personnel (KMP), [Cessation effective 2nd February 2019]
Mr. Tenneti Narasimham Murthy	Whole-time Director (WTD), Designated Key Managerial Personnel (KMP), [Appointment effective 2nd February 2019]
CA Sharad Mohanlal Khandelwal	Chief Financial Officer (CFO), Designated Key Managerial Personnel (KMP)
CS Chandrakant Shivshankar Nimje	Company Secretary (CS), Designated Key Managerial Personnel (KMP) [Cessation effective 31stAugust 2018]
CS Milind Suryakant Rao	Company Secretary (CS), Designated Key Managerial Personnel (KMP) [Appointment effective 1st September 2018]

13. Transactions with the related parties :-

Sr. No.	Name of Related Party	Relationship	Particulars	₹ in Lakh
1.	Star Circlips & Engineering Limited	Associate Company	Receipt of Job Work Charges	180.54
			Purchase of Goods	1.26
2.	Toyal MMP India Private Limited	Associate (JV) Company	Receipt of Technical Advisory and Consultancy Services charges	70.80
			Sale of Automised Aluminium Powder	1151.38
3.	Mayank Fasteners Private Limited	Promoter & Promoter Group Company	Payment of Office Rent	0.90
4.	Mr. Mayank Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Payment against Technical Advisory and Consultancy Services	48.00
5.	Mrs. Saroj Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	60.56
6.	Mrs. Sakshi Mayank Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	36.00

Sr. No.	Name of Related Party	Relationship	Particulars	₹ in Lakh
7.	Ms. Rohini Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Payment against Legal Advisory and Consultancy Services	30.00
8.	Mr. Arun Raghuveer Raj Bhandari	CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	134.40
9.	Mr. Lalit Ranjeet Raj Bhandari	WTD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	21.98
10.	Mr. Bhinvkaran Dhularam Jangid	Whole-time Director, Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	4.50
11.	Mr. Tenneti Narasimham Murthy	Whole-time Director, Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	2.58
12.	CA Sharad Mohanlal Khandelwal	Chief Financial Officer (CFO), Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	20.16
13.	CS Chandrakant Shivshankar Nimje	Company Secretary (CS), Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	1.56
14.	CS Milind Suryakant Rao	Company Secretary (CS), Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	3.59

14. Disclosure/s under Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition &Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the Summary of sexual harassment complaints received and disposed-off during the financial year 2018-19 ended 31st March 2019:-

Number of Complaints received	**NIL**	Number of Complaints disposed off	**NIL**

15. Compliance with Regulators

The Company has duly complied with the all the requirements of regulatory authorities in capital markets. There have been no instance of non-compliance by the Company on any matters related to the capital markets, nor have any penalty or strictures been imposed on the Company by the SEBI, Stock Exchanges or any other statutory authorities on such matters, for the last three (3) financial year.

16. Other Disclosures

(a) Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the notes to Financial Statements, which forms part and parcel of Annual Report of the Company.

(b) There are no materially significant transactions with the related parties, viz. Promoters, Directors, KMP, their relatives that had potential conflict with the Company's interest. Suitable disclosures as required by the Accounting Standard (AS 18) have been made in the Annual Report of the Company.

(c) The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements of the Company.

(d) There are no pecuniary relationships or transactions of Independent Director/s vis-à-vis the Company which has potential conflict with the interests of the Company at large.

(e) During the financial year 2018-19 ended 31st March 2019, the Company does not have any material listed and unlisted Subsidiary Company(ies) as defined in Regulation 16(1)(c) of the Listing Regulations.

(f) The Independent Director/s have confirmed that they meet the criteria of 'Independence' as stipulated under Section 149 of the Companies Act, 2013 read with the rules made there under, and Regulation/s 16(1)(b) and 25 of the Listing Regulations, as the case may be.

17. MEANS OF COMMUNICATION

(a) All the important information pertaining to the Company are uploaded and posted from time to time on the Company's website www.mmpil.com

(b) The important updates about Capital Projects and/or financials of the Company have been circulated to the Shareholders (Members) through e-Mail from time to time.

(c) Management Discussion and Analysis forms part and parcel of Annual Report of the Company.

18. GENERAL SHAREHOLDER INFORMATION

(a) Forty-sixth (46th) Annual General Meeting	Wednesday, the 21st August 2019 at 04.00 P.M.
(b) Book Closure Dates	Saturday, the 10th August 2019 to Wednesday the 21st August, 2019 (Both days inclusive)
Cut-off (Record) Date	Friday, the 14th August 2019
(c) Financial Calendar	
Unaudited Results for the Half Year (H-1) ending on 30th September 2019	October / November 2019
Audited Results for the Half Year (H-2)/ year ending on 31st March 2020	April / May 2020
(d) Equity Shares - Stock Codes	
Trading Symbol at Stock Exchanges	MMP
Demat ISI Number in NSDL & CDSIL	INE511Y01018
(e) Registrar & Share Transfer Agent and process of transfer of shares	
M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri (East), Mumbai - 400 059 have been acting as the Registrar & Share Transfer Agent. All the Shareholders and Investors related Services, subject to the approval of the Company either through Board or Committee of the Board, are done by the said Registrar and Share Transfer Agent for and on behalf of the Company.	

(g) Stock Market Data

The High and low prices recorded on SME platform of National Stock Exchange of India Limited (NSE) is as under:-

Month	Share Price of MMP (NSE EMERGE)	
	High	Low
April 2018	**256.40**	190.00
May 2018	245.00	213.75
June 2018	230.00	187.50
July 2018	207.00	186.00
August 2018	259.90	207.90
September 2018	241.00	205.00
October 2018	224.80	184.20
November 2018	203.00	185.00
December 2018	200.00	192.00
January 2019	209.00	188.05
February 2019	191.00	179.00
March 2019	190.00	**144.00**

(h) Distribution of Shareholding as on 31st March 2019

No of Equity Shares		Shareholders		Value of Shares	
		Number	%	Amount in Rupees	%
1	500	1	0.15	480	0.00
501	1000	461	69.95	2767790	1.63
1001	2000	78	11.84	1060210	0.63
2001	3000	27	4.10	720000	0.43
3001	4000	8	1.21	288000	0.17
4001	5000	5	0.76	228000	0.13
5001	10000	32	4.86	2219520	1.31
10001	12435075	47	7.13	162066750	95.70
TOTAL		**659***	**100.00**	**16,93,50,750**	**100.00**

No of Equity Shares		Shareholders		Value of Shares	
		Number	%	Amount in Rupees	%
1	500	-	-	-	-
501	1000	460	70.34	2761790	1.63
1001	2000	77	11.77	1048210	0.62
2001	3000	26	3.97	696000	0.41
3001	4000	8	1.22	288000	0.17
4001	5000	6	0.92	270000	0.16
5001	10000	30	4.59	2124000	1.25
10001	12435075	47	7.19	162162750	95.76
TOTAL		**654***	**100.00**	**16,93,50,750**	**100.00**

* The difference of 5 (659 less 654) shareholders in the total number of shareholders, is due to elimination of number of shareholders holding equity shares in the capital of the Company, having multiple demat accounts with same IT PAN. The SEBI directed the RTA's to provide the pattern of shareholding to listed entity, after clubbing and eliminating the shareholders having multiple folios or demat account with same IT PAN while filing shareholding pattern on quarterly basis with the Stock Exchanges.

For sake of convenience and better understanding, the pattern of shareholding with or without number of shareholders holding equity shares in the capital of the Company, having multiple demat accounts with same IT PAN is being provided.

(i) Pattern of Shareholdings as on 31st March 2019

Sr. No.	Category	No. of Shareholders	No. of Equity Shares	Percentage (%)
A.	**Promoters and Promotor Group**			
	i) Indian			
	a) Individuals	6	8563014	50.56
	b) Body Corporate	3	3872061	22.87
	ii) Foreign			
	a) Individuals	--	--	--
	b) Body Corporate	--	--	--
	TOTAL (A)	**9**	**1,24,35,075**	**73.43**
B.	**Public**			
	i) Institutions			
	a) Mutual Funds	--	--	--
	b) Venture Capital Funds	--	--	--
	c) Alternate Investment Funds	3	1679400	9.92
	d) Foreign Venture Capital Funds	--	--	--
	e) Foreign Portfolio Investors	2	723600	4.27
	f) Financial Institutions/Banks	--	--	--
	g) Insurance Companies	--	--	--
	h) Provident Fund/Pension Funds	--	--	--
	Sub Total (B-1)	**5**	**2403000**	**14.19**
	ii) Central Government / State Government	--	--	--
	Sub Total (B-2)	**--**	**--**	**--**
	iii) Non-Institutions			
	Individuals	585	1201840	7.10
	NBFC registered with RBI	--	--	--
	Employee Trust	--	--	--
	Overseas Depositories	--	--	--
	Bodies Corporate	32	794400	4.69
	f) Any Other -			
	i) Clearing Members	6	10160	0.06
	ii) NRI's	17	90600	0.54
	Sub Total (B-3)	**640**	**2097000**	**12.38**
	Total (B)	**645**	**4500000**	**26.57**
	Grand Total (A+B)	**654**	**1,69,35,075**	**100.00**

(j) Dematerialization of Shares and Trading at Stock Exchanges (Liquidity)

The equity shares of the Company are compulsorily traded in electronic form only. As on 31st March 2019, there were 1,69,35,075 equity shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company.

(k) Plant Location

Unit 1: MMP Industries Limited, Village Maregaon, Post Shahapur, Dist. Bhandara – 441906, MH, IN.
Unit 2: H. M. Engineering (I & II), B-16/2 and B-16/6, MIDC Butibori, Nagpur - 441122,MH, IN.
Unit 3: MARS Industries, Village Neri, P.O. Warthi, Tah. Mohadi, Dist. Bhandara – 441905, MH, IN.
Unit 4: NPM Industries, B-28, MIDC area, Hingna Road, Digdoh, Hingna, Nagpur - 440016,MH, IN.
Unit 5: MMP Industries Limited, Plot No. D-15/2 & D-16, Umred MIDC Area, Umred - 441203, MH, IN.

ADDRESS FOR CORRESPONDENCE OF SHAREHOLDERS / INVESTORS	
For all matters relating to Shares & Dematerialisation of shares be sent to	**For all matters relating to Annual Reports / Dividend / Grievances**
M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apts, Makwana Road, Marol Andheri (East), MUMBAI – 400059, MH, IN Phone : +91 22 62638200 Fax : +91 22 62638299 e-mail : investor@bigshareonline.com Website : http://www.bigshareonline.com	**Company Secretary** **MMP Industries Limited** 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN Phone : +91 712 2524 645 / 2533 585 Fax : +91 712 2530 461 E-Mail : companysecretary@mmpil.com Website : http://www.mmpil.com

19. CEO / CFO Certificate on Corporate Governance

The Company has also obtained a certificate from the CEO / CFO of the Company regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations.

20. Certificate on Corporate Governance

The Company has obtained a Certificate regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations from M/s. Mukesh Parakh & Associates, Company Secretaries, Nagpur [ICSI Membership No. FCS 4343 & Certificate of Practice No. 13693], and the same is reproduced hereunder.

The Company has also obtained a Certificate of non-disqualification of Directors from M/s. Mukesh Parakh & Associates, Company Secretaries, Nagpur [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693], pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations and the same is also reproduced hereunder.

NON-MANDATORY REQUIREMENTS

1. Shareholder Rights

All the important information pertaining to the Company are uploaded and posted from time to time on the Company's website www.mmpil.com. The important updates about Capital Projects and/or financials of the Company have been circulated to the Shareholders (Members) through e-Mail from time to time.

2. Postal Ballot

The Company has had no occasion to exercise the postal ballot so far.

3. Report on Corporate Governance

This chapter "Report on Corporate Governance" of the Annual Report – together with the information given under "Management Discussion and Analysis" constitutes a detailed compliance report on Corporate Governance during the financial year 2018-19 ended 31st March 2019 under review.

4. Reporting of Internal Auditors

The Internal Auditors report to the Audit Committee and/or Board of Directors of the Company from time to time.

5. Audit Qualifications

The Company's financial statements for the financial year 2018-19 ended 31st March 2019 does not contain any audit qualifications.

For and on behalf of the Board

Place : Nagpur
Date : 29th May 2019

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Certificate on voluntary compliance with the conditions of Corporate Governance

To
The Shareholder (Members)
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini, 345, Kingsway, Nagpur 440001, MH, IN

We have examined the voluntary compliance of conditions of Corporate Governance by **MMP Industries Limited** ('the Company') for the financial year 2018-2019 ended 31 March 2019, as stipulated in Regulation 15(2) [Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), to the extent applicable and adopted or followed on voluntary basis, by the Company.

Managements' Responsibility

The voluntary compliance of conditions of the Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the voluntary compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted or followed by the Company, for ensuring the voluntary 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.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the voluntary compliance with Corporate Governance requirements, by the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us together with the representations provided by the Company Management, we certify that, the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 15(2) [Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V] of the Listing Regulations, for the financial year 2018-2019 ended 31 March 2019, to the extent applicable and adopted or followed on voluntary basis, by the Company.

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

Disclaimer

The Company and its Shareholders (Members), may please note that the provisions relating to the Corporate Governance, as stipulated in Regulation 15(2) [Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V] of the Listing Regulations, are not applicable to the Company, being a Listed Company on the SME Platform of National Stock Exchange of India Limited ('NSE EMERGE'). Accordingly, the Company is not required to submit the Corporate Governance Report with this Annual Report. However, keeping in view the objective of encouraging the use of better Corporate Governance practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also helps the Company in achieving the highest standard of Corporate Governance.

As such, this Certificate is being issued on specific request of the Company Management. The Company and its Shareholders (Members), may please note that any omission of any Corporate Governance provisions and its compliance by the Company, resulting into non-reporting of non-compliance thereof, shall not be construed as a non-compliance of any relevant provisions thereof.

Signed and Issued on this Wednesday, the 29 May 2019 at Nagpur.

For Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS –4343, CoP No. 13693

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Shareholders (Members)
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office : 211, Shri Mohini, 345, Kingsway, Nagpur 440001, MH, IN

We have examined the relevant registers, records, forms, returns and declarations or disclosures received from all the Director/s of MMP Industries Limited, [CIN - L 32300 MH 1973 PLC 030813], and having its registered office at 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN, (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, Clause 10(i), of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended].

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers, agents and authorised representatives, We do hereby certify that None of the Director/s on the Board of the Company as stated below for the financial year 2018-2019 ended 31 March 2019 have been debarred or disqualified from being appointed or continuing as the Director/s of Company or Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authority:-

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Arun Raghuvir Raj Bhandari	00008901	05/02/1981
2.	Mr. Lalit Bhandari	00010934	01/08/2008
3.	Mr. Ajay Sadashiv Gokhale	00550452	13/08/2015
4.	Mr. Sunil Khanna	00907147	07/05/2018
5.	Mr. Vijay Singh Bapna	02599024	07/05/2018
6.	Mrs. Sudha Sukesh Gandhi	06611145	18/08/2017
7.	Mr. Karan Varma	06923525	06/09/2014
8.	Mr. Narasimham Murthy Tenneti	08342116	02/02/2019

Ensuring the eligibility of, for the appointment or continuity of every Director on the Board, is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signed and Issued on this Wednesday, the 29 May 2019 at Nagpur.

For M/s. Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS –4343, CoP No. 13693

INDEPENDENT AUDITORS' REPORT

To the Members of MMP Industries Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MMP INDUSTRIES LIMITED** ("the Company") which comprises the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of 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 standalone 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 Standards prescribed under section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2019**, and its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were most of significance in or audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated to our report.

The Key Audit Matters	How was the matter addressed in our Audit
Revenue Recognition	
Revenue is one of the key profit drivers and is therefore susceptible to misstatements. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can results in material misstatement of results for the years.	Our audit procedures with regards to revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-off and analytical review procedures.
Capital Work-in-Progress / Property, Plants and Equipments	
The Company had embarked on the project of setting up the manufacturing plants in "Umred". Value of such plants capitalized during the period is ₹ "NIL". The projects need to be capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the project and / or inappropriate classification of categories of items of Property, Plants and Equipments could results in material misstatement of Capital Work-in-Progress / Property, Plants and Equipments with a consequents impact on depreciation charge and results for the period.	Our audit procedures included testing the design, implementation and operating effectiveness of controls in respect of review of Capital Work-in-Progress, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of the Cut-off date considered for project capitalization. We tested the source documentation to determine whether the expenditure is of capital nature and has been appropriately approved and segregated into appropriate categories. We reviewed operating expenses to determine appropriateness of accounting. Further, through sites visits, we physically verified existence of Capital Work-in-Progress / Property, Plants and Equipments.

The Key Audit Matters	How was the matter addressed in our Audit
Intangible Assets under Developments	
During the period, the Company has gone for system Upgradation from Tally 9.0 to SAP S/4 HANA. The Upgradation of the system is in process as at the date of reporting. Migration to SAP is a major upgrade from existing core enterprise application system resulting into a significant change to financial accounting configurations which is the core for financial reporting including preparation of standalone financial statements. Risks identified as emanating from the aforesaid change were (i) Inappropriate changes made to the application systems or programs that contain relevant automated controls (i.e. configurable settings, automated algorithms, automated calculations, and automated data extraction) and / or report logic and (ii) Systems not adequately configured or updated to restrict system access to authorized users.	Our audit procedures included obtaining detailed project plans and SAP Governance framework for transition to SAP landscape. We involved Information Technology (IT) Specialists as part of the audit team to perform audit procedures in respect of this upgradation. Audit procedures performed by the IT Specialists involved, obtaining User Acceptance Testing ('UAT') sign-off to ensure that the implemented system was configured in line with business requirements, performing test of General IT Controls and user access controls in respect of SAP S/4 HANA IT environment and testing the operating effectiveness of the data migration process. The audit procedures also involved testing of critical transactions, segregation of duties (SOD) rules to ensure system access was restricted to authorized users and testing of interface controls between new SAP environment and other auxiliary systems.

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 Board's Report, Report on Corporate governance and the Business Responsibility Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 controls.
- Obtain an understanding of internal financial controls 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 expressing 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 standalone 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

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

2. As required by Section 143(3) of the Act, based on our audit, 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 and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d. In our opinion, the Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Statement of Cash Flows comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of the written representation received from the directors as on March 31, 2019 taken on the record by the Board of Directors, none of directors is disqualified as on March 31, 2019 from being appointed as a director in term of Section 164(2) of the Act.

f. With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, 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 the financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and explanations given to us, the remuneration paid by the Company to its directors during the reporting period is in accordance with the provision of Section 197 of the Act.

h. With respect to the other matters to be included in the Independent 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 its standalone financial statements – "Refer Note No. 32".

(ii) In our opinion and according to the explanation given to us, the Company has not entered into any long term contracts including derivatives contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 29, 2019

Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our report of even date) Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in term of Section 143(11) of the Companies Act, 2013 ('the Act') of MMP INDUSTRIES LIMITED ("the Company")

1. In respect of the Company's fixed assets:

(a) The Company has maintained proper records in the electronic mode showing the full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its assets.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company produced and verified by us, we report that, the title deeds of immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.

2. In respect of Company's Inventories:

As explained to us, inventories except goods in transits and the stock lying with third parties were physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As explained to us, there was no material discrepancies noticed on such physical verification of inventories as compared to the book records. However, the deficiencies if any, noticed on such physical verification have been properly dealt with in the books of accounts.

3. In respect of the loan, secured or unsecured, granted by the Company to the companies, firms, limited liabilities partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013.
According to information and explanation given to us, there are no such companies, firms, limited liabilities partnership and other parties covered in the register maintained under section 189 of the Companies Act, 2013 to whom Company has granted any kind of loan, whether secured or unsecured.

4. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act, in respect to grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, Reporting under Clause 3(v) of the Order are not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost record have been made and maintained.

7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of statutory dues, we report that :

(a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, value added tax, service tax, duties of custom, duties of excise, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, value added tax, service tax, duties of custom, duties of excise, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no material dues of duties of custom, income tax, sales tax, duties of excise, service tax, goods and service tax and value added tax which have not been deposited on account of any dispute except the following cases:

Name of the Statue	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Lakhs)
Central Sales Tax Act & Sales Tax Act of State.	Value Added Tax & Central Sales Tax Act	Appellate Authorities up to Commissioner's level	Financial year 2003-2004	4.36
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Financial year 2012-13	1.83
Central Excise Act, 1944	Excise Duty	Central Excise	April 2004 to March 2009	174.00

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in any repayment of any loans or borrowings from any financial institution, banks, and Government or has not issued any debentures during the reporting period.

9. In our opinion and according to the information and explanation given to us, during the year, the Company raised money by way of Initial Public Offer (IPO) through the Book Building process, in the designated Stock Exchange – National Stock Exchange of India Limited on its SME Platform namely *"NSE – SME – EMERGE"*. In our opinion and according to the information and explanation given to us, the Company has utilized the raised fund for the purpose for which they raised, except the funds deployed temporarily elsewhere. The Company has not taken any term loan during the reporting period.

10. According to the information and explanation given to us and on the basis of examinations of records of Company, we report that no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. The Company has paid or provided the Managerial Remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with the Schedule - V of the Companies Act, 2013.

12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to Company.

13. According to information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with Section 177 and Section 188 of the Act wherever applicable and details of such transactions have been disclosed in the Standalone financial statements, under "Note No. - 29 - the Transactions with the Related Party" as required under Accounting Standard (AS) 18 , "Related Party Disclosure" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the said Order is not applicable to Company.

1. In our opinion and according to the information and explanation given to us, during the year, the Company has not entered into any non - cash transactions with its directors or the person connected with him and hence provisions of Section 192 of Act are not applicable. Thus, reporting under clause 3 (xv) of the Order is not applicable to the Company.

2. The Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 29, 2019

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2(f) under "Report on the Other Regulatory Requirements" Section of our report of even date)
Report on the Internal Financial Controls over the Financial Reporting 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 the Financial Reporting of "**MMP INDUSTRIES LIMITED"** ("the Company") as of **March 31, 2019** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over the 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, to the best of our information and according to the explanation given to us, 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 March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 29, 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**1693.51**	1243.51
Reserve and Surplus	3	**14781.99**	4734.87
Share Application Money Pending Allotments		**-**	3001.61
Total Shareholder's Fund		**16475.50**	8979.99
Non-Current Liabilities			
Long Term Borrowings	4	**30.87**	462.45
Deferred Tax Liabilities (Net)	5	**336.45**	380.39
Other Long Term Liabilities	6	**34.06**	8.44
Long Term Provisions	7	**244.17**	243.55
Total Non - Current Liabilities		**645.55**	1094.83
Current Liabilities :			
Short Term Borrowings	8	**2033.30**	3089.16
Trade Payables	9	**1343.60**	1037.98
Other Current Liabilities	10	**679.31**	552.67
Short Term Provisions	11	**181.30**	357.90
Total Current Liabilities		**4237.51**	5037.71
TOTAL LIABILITIES		**21358.56**	15112.53
ASSETS			
Non Current Assets			
Property, Plants and Equipments			
Tangible Assets	12	**4355.09**	3722.09
Intangible Assets		**-**	-
Capital Work-in-Progress	13	**2392.59**	5.56
Intangible Assets under Developments		**89.46**	-
		6837.14	3727.65
Non Current Investments	14	**800.12**	800.37
Long Term Loans and Advances	15	**568.72**	167.48
Total Non - Current Assets		**1368.84**	967.85
Current Assets			
Inventories	16	**2449.42**	1967.00
Trade Receivables	17	**4572.35**	4538.55
Cash and Bank Balances	18	**4938.50**	3404.90
Short Term Loans & Advances	19	**886.78**	447.68
Other Current Assets	20	**6.52**	58.90
Total Current Assets		**12853.57**	10417.03
Misc. Expenditure (to the extent not Written Off)		**299.01**	-
TOTAL ASSETS		**21358.56**	15112.53
SIGNIFICANT ACCOUNTING POLICIES	**1**		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

	Particulars	Notes	Year 2018-2019	Year 2017-2018
I.	**Revenue from operations (Gross)**	21	26064.92	24924.39
	Less : Excise Duty		-	650.82
II.	**Revenue from operations (Net)**		**26064.92**	**24273.57**
III.	Other Income	22	396.70	69.79
IV.	**TOTAL REVENUE (II + III)**		**26461.62**	**24343.36**
V.	**EXPENSES**			
	Cost of Raw Materials Consumed	23	18954.72	17024.57
	Purchases of Trading Stock		-	-
	Changes in inventories of Finished Goods, Work in Progress and Trading Stock	24	(396.89)	307.81
	Employee Benefit Expenses	25	1799.85	1604.53
	Other Expenses	26	2791.11	2382.55
VI.	**TOTAL EXPENSES (Total of V)**		**23148.79**	**21319.46**
VII.	**EARNING BEFORE INTEREST, TAX, DEPRECIATION, AND AMORTIZATION (EBITDA) (IV - VI)**		**3312.83**	**3023.90**
	Finance Costs	27	277.83	384.79
	Depreciation and Amortization Expenses	28	204.25	201.75
VIII.	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEM AND TAX**		**2830.75**	**2437.36**
	Exceptional Items		-	-
IX.	**PROFIT BEFORE TAX (PBT)**		**2830.75**	**2437.36**
X.	**TAX EXPENSES**			
	Current Tax		812.87	820.45
	Deferred Tax Expenses / (Benefits)	5	(43.94)	39.60
	Income Tax Related to Earlier Years		24.70	40.14
XI.	**TOTAL OF TAX EXPENSES (Total of X)**		**793.63**	**900.19**
XII.	**PROFIT AFTER TAX (PAT) (IX - XI)**		**2037.12**	**1537.17**
XIII.	**EARNING PER EQUITY SHARE**	**37**		
	Basic and Diluted		**12.13**	**12.36**

SIGNIFICANT ACCOUNTING POLICIES **1**

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

	Particulars	Year 2018-2019	Year 2017-2018
A.	**Cash Flow from Operating Activities**		
	Net Profit before Tax as per Standalone Statement of Profit and Loss	**2830.74**	**2437.36**
	Adjusted for :		
	Depreciation and Amortization Expenses	204.25	201.75
	Interest Income	(379.08)	(15.99)
	Finance Cost	277.84	384.79
	Misc. Expenditure written off during the period	74.75	-
	Unrealised (Gain) / Loss on Foreign Exchange Fluctuation	118.59	(26.93)
	Goodwill Written Off during the year	-	0.27
	(Surplus) / Loss on Disposal of Property, Plants and Equipments	(0.40)	2.72
		295.95	**546.61**
	Operating profit before Working Capital Changes	**3126.69**	**2983.97**
	Adjusted For :		
	Increase / (Decrease) in Short Term Borrowings	(1055.86)	(117.50)
	Increase / (Decrease) in Trade Payables	305.62	58.25
	Increase / (Decrease) in Other Current Liabilities	126.64	54.74
	Increase / (Decrease) in Short Term Provisions	12.04	22.54
	(Increase) / Decrease in Inventories	(482.42)	28.40
	(Increase) / Decrease in Trade Receivables	(33.80)	(1104.95)
	(Increase) / Decrease in Short Term Loans and Advances	(439.10)	(133.00)
	(Increase) / Decrease in Other Current Assets	0.71	(3.45)
		(1566.15)	**(1194.98)**
	Cash Generated from Operations	**1560.54**	**1788.98**
	Direct taxes (Net)	(1025.59)	(708.57)
	Net Cash From / (Used) in Operating Activities	**534.95**	**1080.42**
B.	**Cash Flow From Investing Activities**		
	Addition in Property, Plants and Equipments including Capital Work-in-Progress	(3334.37)	(333.27)
	Proceeds from Disposal of Property, Plants and Equipments	21.02	103.62
	(Increase) / Decrease in Non - Current Investments	0.25	-
	Interest Income	379.08	15.99
	Net Cash From / (Used) in Investing Activities	**(2934.02)**	**(213.67)**
C.	**Cash Flow From Financing Activities**		
	Proceeds from Fresh Issue of Equity Shares	5458.39	-
	Proceeds from Share Application Money Pending Allotments	-	3001.61
	Repayment of Long Term Borrowings	(550.18)	(208.14)
	Increase / (Decrease) on Other Long Term Borrowings	25.62	1.30
	(Increase) / Decrease on Long Term Loans and Advances	(401.24)	(137.53)
	Finance Costs	(277.83)	(384.79)
	Share Issue Expenditures	(322.10)	(51.66)
	Dividend and Dividend Distribution Tax Paid	-	-
	Net Cash From / (Used) in Financing Activities	**3932.67**	**2220.79**
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)**	**1533.60**	**3087.54**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

Particulars	Year 2018-2019	Year 2017-2018
E. Cash and Cash Equivalents at the beginning of the year	3404.90	317.35
F. Cash and Cash Equivalents at the end of the year	4938.50	3404.90
G. Net Increase / (Decrease) in Cash and Cash Equivalents (F-E)	**1533.60**	**3087.55**

Notes :

a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS-3) on **"Cash Flow Statement".**

b) Cash and Cash Equivalents Comprises of :

(₹ in Lakhs)

	As At Match 31, 2019	As At Match 31, 2018
Cash and Cash Equivalents Comprises :		
Cash in Hand	10.21	8.98
Balances with Banks :		
In Current Accounts	367.74	3240.70
In Deposits with Banks	4560.54	155.22
Cheques in Hand	-	-
Cash and Cash Equivalents (Refer Notes No. 18)	**4938.50**	**3404.90**

c) Previous Year's figures have been regrouped / recasted / rearranged, wherever necessary.

d) Figures in the Brackets represent Outflows.

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

Notes to the Standalone Financial Statements for the Year Ended on March 31, 2019

1. Corporate Information

MMP INDUSTRIES LIMITED is a Limited Company, domiciled and incorporated under the provisions of Companies Act, 1956. The Company is mainly engaged in the business of Manufacturing of Aluminium Powder, Atomized Powder, Aluminium Pyro and Flake Powder, Aluminium Paste and Aluminium Conductor. The Company is also engaged in trading and manufacturing of MnO and MnO2 Powder. The Registered office of the Company is situated at *211, Shri Mohini Complex, 345, Kingsway, Nagpur - 440001, MH, IN*.

1.1 BASIS OF PREPARATION

a) Accounting Convention

These standalone financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The standalone financial statements have been prepared on an accrual basis and under the Historical Cost Convention.

Accounting Policies adopted in the preparation of standalone financial statements are consistent with those of previous year except where a newly - issued accounting standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

b) Use of Estimates

The preparation of the standalone financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of standalone financial statements and reported amounts of income and expenses during the reporting period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post - sales customer support and the useful lives of property, plants and equipments.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the *"Notes to the Standalone Financial Statements"*.

c) Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

i) It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
ii) It is held primarily for the purpose of being traded.
iii) It is expected to be realized / due to be settled within twelve months after the end of reporting date;
iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as Non - Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

1.2 Summary of Significant Accounting Policies

a) Presentation and Disclosure of Standalone Financial Statements

These standalone financial statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.

b) Property, Plants and Equipments

Tangible

Measurement at Recognition:

An item of Property, Plant and Equipment that qualifies as an asset is measured on initial recognition at cost, net of recoverable taxes, if any less accumulated depreciation / amortization and impairment losses, if any.

The Company identifies and determines cost of each part of an item of Property, Plant and Equipment separately. If the part has a cost which is significant to the total costs of that item of Property, Plant and Equipments and has a useful life that is materially different from that of remaining items.

The cost comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable to the cost of bringing the asset to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase price of such Property, Plant and Equipments.

Such cost also includes the cost of replacing a part of the plant and equipment and the borrowing cost of the long – term construction projects, if the recognition criteria are met. When the significant parts of Property, Plant and Equipments are required to be replaced at periodical intervals, the Company recognizes such part as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipments as a replacement, if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the Standalone Statement of Profit and Loss as when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a project or to the acquisition of a Property, Plants and Equipments or bringing it to its present location and working condition, is include as a part of the cost of construction of the project or as a part of the cost of Property, Plant and Equipments, till the commencement of commercial production. Any adjustments arising from exchange rate variations attributable to the Property, Plant and Equipments are capitalized as aforementioned.

Borrowing cost relating to the acquisition / construction of Property, Plant and Equipments which takes the substantial period of time to get ready for its intended use are also included in the cost of Property, Plant and Equipments / cost of constructions to the extent they relate to the period till such Property, Plant and Equipments are ready to be put to use.

Any subsequent expenditure related to an item of Property, Plant and Equipments is added to its book value only and only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Any items such as spare parts, stand by equipments and servicing equipments that meet the definitions of the Property, Plant and Equipments are capitalized at cost and depreciated over the useful life of the respective Property, Plant and Equipments. Cost is in the nature of repair and maintenances are recognized in the Standalone Statement of Profit and Loss as and when incurred.

Capital Work-in-Progress and Capital Advances

Cost of Property, Plant and Equipments not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". Any advances given towards acquisition of Property, Plants and Equipments outstanding at each balance sheet date are disclosed as "Other Non – Current Assets".

Depreciation

Depreciation on each part of Property, Plants and Equipments is provided to the extent of the depreciable amount of the assets on the basis of "Straight Line Method (SLM)" except in the case of tangible property, plants and equipments related to *"MIDC - Hingna Unit"*, which has been depreciated by using the WDV Method on the useful life of the tangible property, plants and equipments as estimated by the management on the useful life of the Property, Plants and Equipments as estimated by the management and is charged to the Standalone Statement of Profit and Loss, as per the requirement of *Schedule - II to the Companies Act, 2013*. The estimated useful life of the Property, Plants and Equipments has been assessed based on the technical advice which is considered in the nature of the Property, Plants and Equipments, the usage of the Property, Plants and Equipments, expected physical wear and tear of the such Property, Plants and Equipments, the operating conditions, anticipated technological changes, manufacturer warranties and maintenance support of the Property, Plants and Equipments etc.

When the parts of an item of the Property, Plants and Equipments have different useful life, they are accounted for as a separate item (major components) and are depreciated over their useful life or over the remaining useful life of the principal Property, Plants and Equipments, whichever is less.

The useful life of the items of Property, Plants and Equipments as estimated by the management is mentioned below:

S. No.	Name of Property, Plants and Equipments	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries (Including Continuous Process Plant)	15 - 25 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipments	10 Years
6.	Computer & Other Data Processing units	03 Years
7.	Motor Vehicles	08 - 10 Years
8.	Electrical Installation and Other Equipment	10 Years

The management believes that the useful life as given above is best to represent the period over which management expects to use these Property, Plants and Equipments.

Freehold land is not depreciated. Leasehold land and their improvement costs are amortized over the period of the lease.

The useful lives, residual value of each part of an item of Property, Plants and Equipments and intangible assets and the method of depreciation are reviewed at the end of each reporting period, if any, of these expectation differ from the previous estimates, such change is accounted for as a change in accounting estimate and adjusted prospectively, if appropriate.

Derecognition

The carrying amount of an item of Property, Plants and Equipments and Intangible Assets is recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of the Property, Plants and Equipments is measured as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the Standalone Statement of Profit and Loss, as and when the assets are derecognized.

c) Intangible Assets

Measurement at Recognition

Intangible assets acquired separately measured on the initial recognition at Cost. Intangible assets arising on the acquisition of business are measured at fair value as at the date of acquisition. Internally generated intangible assets including research cost are not capitalized and the related expenditure is recognized in the Standalone Statement of Profit and Loss in the period in which the expenditure is incurred. Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization

Intangible assets with the finite lives are amortized on a "Straight Line Basis" over the estimated useful economics life of such Intangible assets. The amortization expenses on Intangible assets with the finite lives are recognized in the Standalone Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with the finite useful life are reviewed at the end of each financial year. If any of these expectations differ from the previous estimates, such changes are accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an Intangible asset is recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an Intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Standalone Statement of Profit and Loss, as and when such asset is derecognized.

d) Impairment

The Company assesses at each reporting date whether there is an indication that assets may be impaired. If any indication exists based on internal or external factors, or when annual impairment testing for assets is required, the Company estimates the asset's recoverable amount. Where the carrying amount of the assets exceeds its recoverable amount, the assets are considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased. However, the increase in the carrying amount of assets due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no Impairment Loss been recognized for the assets in the prior years.

e) Lease

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

a) Operating Lease:- Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.

b) Finance Lease:- Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Standalone Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

f) Investments

Investments are classified into Current or Non - Current Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Non - Current Investments. However that part of Non - Current Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under "Current Investments" under "Current portion of Non - Current Investments" in consonance classification of Current / Non – Current classification of Schedule-III of the Act.

On the initial recognition, all investments are measured at the cost. The cost comprises purchases price and any other expenses i.e. directly attributable to the acquisition charges such as brokerage, fees and duties of such investments.

Current Investments are stated at the lower of Cost and fair value at each Balance Sheet date. The comparison of cost or fair value is done separately in respect of each category of investments.

Non - Current Investments are carried at cost. A provision for diminution in the value of Non - Current Investments is made only if such a decline is other than temporary in the opinion of the Management. Reversal of such provision for diminution is made when there is rise in the value of Non - Current Investments, or if the reasons for the decline no longer exist.

On the disposal of the Investments, the difference between its carrying value and the net disposal proceeds is recognized in the Standalone Statement of Profit and Loss.

g) Inventories

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing the each product to its present location and conditions are accounted as follows:

a) **Raw Material**:- Cost included the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on *First in First out basis (FIFO)*.

b) **Finished Goods and Work-in-Progress**:- Cost included cost of direct materials and the labor cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on *"First in First out basis (FIFO)"*.

c) **Stock in Trade**:- Cost included the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on "W*eighted Average Basis"*.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value. Excise Duty wherever applicable is provided on the finished goods lying within the factory and bonded warehouse at the end of the reporting period.

"Net Realizable Value" is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

h) Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 *"Borrowing Costs"*. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipments if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

I) Employee Benefits

Short Term Employee Benefits

All the employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognized in the period in which the employee renders the related services. The Company

recognizes the undiscounted amount of short term employee benefits expected to be paid in the exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment Benefits

a) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all eligible employees. The Company's contribution to defined contribution plans is recognized in the Standalone Statement of Profit and Loss in the financial year to which they relate.

b) Defined Benefits Plans

i) Provident Fund Scheme

The Company makes specified monthly contribution towards Employee Provident Fund scheme to a separate trust administrated by the Company. The minimum interest rate payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trusts and the notified interest rate.

ii) Gratuity Scheme

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

iii) Pension Scheme

The Company operates a defined benefit pension plans for certain specified employee satisfying certain conditions, as approved by the Board of Directors.

iv) Post Retirement Medical Benefit Plan

The Company operates a defined post retirement medical benefit plan for certain specified employees and payable upon the employee satisfying certain conditions.

The cost of providing defined benefits is determined using the Projected Unit Cash Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefit plans are recognized in the Standalone Statement of Profit and Loss in the year in which they arise.

The defined benefits obligations recognized in the Balance Sheet represent the present value of the defined benefit obligation as reduced by the fair value of plan assets, if applicable. Any defined benefit assets (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in the future contributions to the plans.

The Company preset the above liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the Gratuity Fund within next twelve months.

c) Other Long Term Employee Benefits

Entitlement to annual leave and sick leave are recognized when they accrue to employees, Sick leave can only be availed while annual leave can either be availed or encashed subject to the restriction on the maximum number of the accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefits method with the Actuarial Valuation being carried out at each Balance Sheet date.

The Company presents this liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent Actuary.

j) Revenue Recognition

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of Products

Revenue from sales of goods is recognized, when all the significant risks and rewards of the ownership of the goods is passed to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods and amount of revenue can be measured reliably, which is generally considered on dispatch of goods to the customers except in case of the consignment sales. Sales (Gross) includes Excise Duty but excludes VAT and Goods and Service Tax (GST) and is net of discounts and incentives to the customers. Excise Duty to the extent included in the gross turnover is deducted to arrive at the net turnover.

Sale of Services

Revenue from Sale of Services is recognized as per the Completed Service Contract Method of Revenue recognition except in the few cases when the Revenue from Sale of Services is recognized on accrual basis as per the Contractual agreement basis.

Export Incentives

Export incentives under the various schemes are accounted in the year of exports.

Interest

Revenue from Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “Other Income” in the Standalone Statement of Profit and Loss.

Royalty

Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Dividend

Revenue is recognized when the Company's right to receive the payment is established at the end of the reporting date.

Profit and Loss on disposal of Property, Plants and Equipments / Investments

Profit or loss on disposal of property, plants and equipments or investment is recorded on transfer of title from the Company, and is determined as the difference between the sales price and carrying value of the property, plants and equipments or investments and other incidental expenses.

Rental Income

Rental income arising from operating lease on investments properties is accounted for on a straight line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance Claim

Claim receivable on account of insurance is accounted for to the extent the Company is reasonably certain of their ultimate collections.

Other Income

Revenue from other income is recognized when the payment of that related income is received or credited.

k) Foreign Currency Transactions

a) Initial Recognition

Transactions in the Foreign Currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the Standalone Statement of Profit and Loss.

b) Conversion of Foreign Currency Items at Reporting Date

Foreign Currency Monetary Items of the Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India, RBI Reference Rate. Non – Monetary Items are recorded at the exchange rate prevailing on the date of the transactions. Exchange Differences arising out of these translations are recognized in the Standalone Statement of Profit and Loss.

All the other exchange differences including the make to market losses / gain are dealt with in the Standalone Statement of Profit and Loss as Income or Expenses in the period in which they arise except to the extent that they are regarded as an adjustment to the Finance Costs and capitalized to the fixed assets or charged to the Standalone Statement of Profit and Loss as per the Accounting Standard – 16, *"Borrowing Cost"*.

c) Forward Exchange Contracts

The Company enters into the forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and the firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contracts. Exchange differences on such contract are recognized in the Standalone Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expenses for the period.

l) Government Grants and Subsidies

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

i) Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relates, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.

ii) Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

m) Measurement of EBITDA

The Company has opted to present Earnings before Interest (Finance Cost), Depreciation and Amortization (EBITDA) as separate line items on the face of the Standalone Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of Profit / (Loss) from Continuing operations.

n) Taxes on Income

Tax expense comprises Current and Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of the earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realized. In the situations where the Company has unabsorbed depreciation or carry forward taxable losses, all the Deferred tax assets are recognized only if there is the virtual certainty supported by the convincing evidence that they can be realized against future taxable profits. At reporting date the Company re -assesses the unrecognized Deferred Tax assets. It recognizes unrecognized Deferred Tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.

The carrying amount of Deferred Tax assets are reviewed at each reporting date. The Company write - down the carrying amount of a Deferred Tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax asset can be realized. Any such write - down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountant of India, the said asset is created by the way of a credit to the Statement of Profit or Loss and shown as MAT Credit Entitlement. The Company reviews the same at each reporting period and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay Normal Income Tax during the specified period.

o) Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. The Company has considered as Business Segments as Primary Segments. The Company does not have any Geographical Segments.

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segments representing a Strategic business unit that offers the different products and serves the different markets. Majorly, the Company' Business Segments are *"Aluminium Powder and Paste"*, *"Aluminium Conductor"*.

Segments Accounting Policies

The Company prepares its Segment Information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole.

Inter – Segment Transfer

The Company generally accounts the Inter – Segment transfers at an agreed value of the transactions.

Allocation of Common Costs

Common allocable costs are allocated to each segment reporting according to the relative contribution of each segment to the total of common costs.

Unallocated Items

Unallocated Items include the General Corporate Income and Expense items which are not allocated to any of the Business Segments.

p) Research and Developments

Research and Developments expenditures of a revenue nature are expensed out under the respective heads of the account in the year in which it is incurred.

Property, Plants and Equipments utilized for research and developments are capitalized and depreciated in accordance with the policies stated for Tangible Property, Plants and Equipments and Intangible Assets.

q) Earnings per Share

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, *"Earnings per Share"*. Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

r) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

s) Event after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the standalone financial statement of the Company by the board of directors on **May 29, 2019**, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

t) Non - Current Assets Held for Sales

The Company classifies non – current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use of the assets and action required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non – current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to the sell. Non – current assets are not Depreciated or Amortized.

u) Cash Flow Statement

Cash Flows Statements are reported using the "Indirect Method" set out in the Accounting Standard – 3 *"Cash Flow Statements"*, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non - Cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

v) Cash and Cash Equivalents

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

2. Share Capital

	31.03.2019		31.03.2018	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Authorized Equity Shares of ₹ 10 Each, 2,00,00,000 Equity Shares (P. Y. 2,00,00,000 Equity Shares)	**2,00,00,000**	**2000.00**	**2,00,00,000**	**2000.00**
Issued, Subscribed and Fully Paid Up Equity Shares of ₹ 10 Each, 1,69,35,075* Equity Shares (P. Y. 1,24,35,075** Equity Shares)	1,69,35,075	1693.51	1,24,35,075	1243.51
	1,69,35,075	**1693.51**	**1,24,35,075**	**1243.51**

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

	31.03.2019		31.03.2018	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Shares outstanding at the beginning of the period	**1,24,35,075**	**1243.51**	**82,90,050**	**829.01**
Shares issued during the period	45,00,000	450.00	41,45,025	414.50
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	**1,69,35,075**	**1693.51**	**1,24,35,075**	**1243.51**

** During the Reporting Period, the Company has alotted 4,500,000 fully paid up Equity Shares of the Face Value of ` 10 each for cash at a price of ₹ 188 per fully paid share at a premium of ₹ 178 per fully paid share aggregating to ₹ 84.60 Crore, pursuant to the fresh issues through Book Building Process, in the Initial Public Offer (IPO) in the designated stock exchange - "National Stock Exchange of India Limited" on its SME Platforms namely "NSE - SME - EMERGE".*

*** The Company has alotted 4,145,025 fully paid up Equity Shares of the Face Value of ₹ 10 each during the last reporting period, pursuant to the Bonus issues as approved by Shareholders in their ensuing meeting.*

b. Terms / Rights attached to Equity Shares

i) The Company has only one class of shares referred to as Equity Shares having a par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in the proportion to the Number of Equity Shares held by the Shareholders.

iii) The Company declares and pay the dividend in Indian Rupees. Final Dividend proposed by the Board of Directors is subject to approval of the Shareholders in their ensuing Annual General Meeting.

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

	31.03.2019		31.03.2018	
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Equity Shares of ₹ 10 Each Fully Paid Up				
Shri Arun Bhandari	46,39,641	27.40%	46,39,641	37.31%
Master Vivaan Bhandari	9,72,726	5.74%	9,72,726	7.82%
Mayank Fasteners Private Limited	31,89,561	18.83%	31,89,561	25.65%
Smt Saroj Bhandari	21,69,138	12.81%	21,69,138	17.44%
Vantage Equity Fund	14,46,600	8.54%	-	-
	1,24,17,666	**73.33%**	**1,09,71,066**	**88.23%**

*** As Per the Records of the Company, including its Register of Members.*

(₹ in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
3 RESERVES AND SURPLUS			
Capital Reserve			
Balance as per last Standalone Financial Statements		40.32	58.21
Add : Addition During the year		--	--
Less : Transferred during the year		--	17.89
	Closing Balance	**40.32**	**40.32**
Securities Premium			
Balance as per last Standalone Financial Statements		--	--
Add : Addition during the year {Refer Note 2(a)}		8010.00	--
Less : Transferred during the year		--	--
	Closing Balance	**8010.00**	**--**
Revaluation Reserve			
Balance as per last Standalone Financial Statements		6.08	6.08
Add : Transfer from Statement of Profit and Loss		--	--
	Closing Balance	**6.08**	**6.08**
General Reserve			
Balance as per last Standalone Financial Statements		--	407.13
Add: Transfer from Statement of Profit and Loss		--	--
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]		--	407.13
	Closing Balance	**--**	**--**
Surplus / (Deficit) in the Statement of Profit and Loss			
Balance as per last Standalone Financial Statements		4688.48	3346.81
Add : Net Profit / (Loss) for the year		2037.11	1537.17
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]		--	7.37
Less: Adjustments in respect of Provisions of Gratuity and Leave Encashment (Net of Taxes)		--	188.14
	Closing Balance	**6725.59**	**4688.47**
	TOTAL	**14781.99**	**4734.87**

4. Long Term Borrowings

(₹ in Lakhs)

	Non - Current Portion		Current Maturities	
	31.03.2019	**31.03.2018**	**31.03.2019**	**31.03.2018**
Secured				
Term Loan				
From Financial Institutions				
Foreign Currency Loans	--	241.25	--	150.00
Indian Currency Loans	--	--	250.08	--
Hire Purchase Loans	--	--	--	3.18
	--	**241.25**	**250.08**	**153.18**
Unsecured				
Term Loan				
From Others				
Indian Currency Loans	30.87	186.07	--	--
	30.87	**186.07**	**--**	**--**
Deferred Payment Liabilities				
Sales Tax Deferment Scheme - "State of Maharashtra"	--	35.14	30.26	49.01
	--	**35.14**	**30.26**	**49.01**
	30.87	**462.46**	**280.34**	**202.19**

* Current Maturities covered under the head of "Other Current Liabilities". (Refer Note No. 10)

Terms of Repayments

a) Foreign Currency Term Loan from ICICI Bank Limited ₹ 750.00 Lakhs is payable in 20 Equal Quarterly Installments i.e. ₹ 37.50 Lakhs per quarter commencing from November 2015. Interest on the same to be charged separately on the outstanding amount as per "I - Base" and "Spread" per annum. During the reporting period, the Loan has been squared off.

b) Hire Purchase Loans of ₹ 8.21 Lakhs from Financial Institutions carries the Interest Range between the 10.18% to 11.75% and the same is to be repaid as per the Repayment Schedules given by the Banks or Financial Institutions. During the reporting period, the Loan has been squared off.

c) Indian Rupee Loans from other parties are Long Term Loans and are repayable on demand basis.

d) Deferred Sales Tax Liability is Interest Free. The same is to be repaid on or before the financial year 2019 - 2020.

Nature of Securities

a) The term loans from bank or financial institutions are secured by first pari - passu charge by the way of hypothecation of factory lands and building situated at the Maregaon, Neeri, Hingna and Buitibori and immovable machinery at Maregaon and Hingna.

b) Hire Purchase of Loans from banks and financial institutions is secured by the hypothecation of the related vehicles for which the loans has been obtained.

5. Deferred Tax Liabilities (Net) (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities at the beginning of the period	380.39	440.36
On account of timing differences Accelerated Depreciation	(57.46)	39.60
On account of Defined Benefit Plans	13.52	(99.57)
Deferred Tax Liabilities at the end of the period	**336.45**	**380.39**

6. Other Long Term Liabilities (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Other Liabilities		
Unsecured, Considered Goods		
Retention Money related to Capital Expenditures	34.06	8.44
Total	**34.06**	**8.44**

7. Long Term Provisions (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Provision for Employees Benefits		
Provision for Gratuity	210.47	213.98
Provision for Leave Encashment	33.70	29.57
Total	**244.17**	**243.55**

8. Short Term Borrowings (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Secured		
Loans Repayable on Demand		
From Banks		
Foreign Currency Loans	784.80	1400.93
Indian Rupee Loans	1110.79	1034.11
Unsecured		
Loans Repayable on Demand		
From Banks		
Foreign Currency Loans	-	-
Indian Rupee Loans	137.71	654.12
Total	**2033.30**	**3089.16**

Nature of Securities

a) Working Capital Loan from the Axis Bank Limited are secured by first pari - passu charge on the hypothecation of entire Inventories, Book Debts, Receivables and Other Current Assets with the Company presently held and held in the near future and the second pari - passu charge at the Factory Land and Building situtated at Bhandara and Factory Land and Building situated at B - 28, Industrial Area, MIDC, Hingna Road, Nagpur. These credit facilities are also further secured by Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

b) Working Capital Loan from the ICICI Bank Limited are secured by first pari - passu charge on the hypothecation of entire Inventories, Book Debts, Receivables and Other Current Assets with the Company presently held and held in the near future and the second pari - passu charge on all the entite Properties, Plants and Equipments related with the Company presently held and held in near future. These credit facilities are secured with the Factory Land and Building situated at Moregaon, Bhandara. These credit facilities are further secured by Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

c) Channel Finance Credit facilities of BALCO and NALCO from the Axis Bank Limited are unsecured and sanctioned on the Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

9. Trade Payables (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Trade Payables (Including Acceptances)		
Due to Micro and Small Enterprises*	-	-
Due to Others	1343.60	1037.98
Total	**1343.60**	**1037.98**

Notes * The Company has not received any Memorandum (as required to be filed by the Suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on March 31, 2019 as Micro, Small and Medium Enterprises. Consequently, As informed by the Management to us, the amount paid / payable to these parties during the reporting period and previous reporting period are "NIL".

10. Other Current Liabilities (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Current Maturities		
Current Maturities of Long-term Borrowings (Refer Note No. 4)	280.34	202.19
Other Payables		
Interest accrued but not yet due	6.65	7.58
Advances From Customers	124.10	53.20
Statutory Dues Payable	15.59	18.14
Payable towards Direct Tax	14.45	38.20
Payable towards Indirect Tax	117.48	106.97
Liabilities for Expense	43.81	34.96
Payable towards Services received	76.89	91.43
Payable to Employees		
Total	**679.31**	**552.67**

11. Short Term Provisions (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Provision for Employees Benefits		
Provision for Gratuity	66.61	57.29
Provision for Leave Encashment	11.51	9.40
Provision for Income Tax (Net of Advance Tax)		
Provision for Income Tax	103.18	291.21
Total	**181.30**	**357.90**

12. Property, Plants and Equipments

Tangible Fixed Assets

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2018	Addition During the Year	Deductions / Adjustments	As at 31.03.2019	As at 01.04.2018	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
1	Agriculture Land	196.10	21.77	-	217.87	-	-	-	-	217.87	196.10
2	Freehold Land	107.74	-	-	107.74	-	-	-	-	107.74	107.74
3	Leasehold Land	3.14	641.04	-	644.18	-	-	-	-	644.18	3.14
4	Holiday Resort	0.70	-	-	0.70	0.44	-	-	0.44	0.26	0.26
5	Electrical Installations - Agriculture Land	-	4.42	-	4.42	-	-	-	-	4.42	-
6	Factory Building	1859.05	81.50	-	1940.55	455.78	61.39	-	517.17	1423.38	1403.27
7	Non - Factory Building	104.35	14.32	-	118.67	24.18	1.85	-	26.03	92.64	80.17
8	Furniture and Fixtures	53.39	3.23	-	56.62	34.37	3.00	-	37.37	19.25	19.02
9	Plant and Machineries	3291.90	69.46	20.62	3340.74	1502.57	113.64	-	1616.21	1724.53	1789.33
10	Electrical Installations	197.02	3.50	-	200.52	119.09	10.92	-	130.01	70.51	77.93
11	Office Equipments	44.20	6.31	-	50.51	27.97	2.88	-	30.85	19.66	16.23
12	Motor Vehicles	77.26	9.83	3.72	83.37	54.27	7.63	3.72	58.18	25.19	22.99
13	Computer & Peripherals	34.45	2.48	-	36.93	28.91	2.95	-	31.86	5.07	5.54
14	Live Stocks	0.38	-	-	0.38	-	-	-	-	0.38	0.38
	Total	**5969.68**	**857.86**	**24.34**	**6803.20**	**2247.58**	**204.26**	**3.72**	**2448.12**	**4355.08**	**3722.10**
	Previous Year	**5715.71**	**381.97**	**127.98**	**5969.69**	**2049.60**	**201.75**	**3.72**	**2247.59**	**3722.09**	**3666.10**

13. Capital Work-in-Progress

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Capital Work-in-Progress		
For Building	1576.37	-
For Electrical Installations	139.73	-
For Plant and Machineries	625.87	5.56
Pre-Operative Expenses	50.63	-
Total	**2392.60**	**5.56**

14. Non-Current Investments

(₹ in Lakhs)

		As at March 31, 2019	As at March 31, 2018
Unquoted			
Other Investments			
Investment in Equity Shares			
i) Investment in Associates Companies			
Fully Paid up with Face Value of ₹ 10 each unless otherwise specified			
9,98,860 (Pre.Year - 9,98,860) Equity Shares of Star Circlips & Engineering Limited		97.83	97.83
70,22,600 (Pre. Year 70,22,600) Equity Shares of Toyal MMP India Pvt. Ltd.		702.26	702.26
	(A)	**800.09**	**800.09**
Quoted			
Investments in Govt. Securities			
Investment in Other Securities			
7 Years National Saving Certificates		0.03	0.28
	(B)	**0.03**	**0.28**
Total (A + B)		**800.12**	**800.37**

15. Long Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Security Deposits		
(Unsecured, considered good)	167.47	166.19
Other Advances		
Other Long Term Advances		
(Unsecured, considered good)	401.25	1.30
Total	**568.72**	**167.49**

16. Inventories

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Inventories (At Lower of Cost and Net Realizable Value)		
Raw Materials	716.66	674.38
Finished Goods	1459.66	1047.74
Work in Progress	2.09	17.13
Stores, Spares and Consumables	206.33	156.74
Packing Materials	64.68	71.01
Total	**2449.42**	**1967.00**

17. Trade Receivables

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Trade receivables outstanding for a period exceeding six months from the date they are become due for payment (Unsecured, Considered Good)	651.05	521.03
	651.05	**521.03**
Trade receivables outstanding for a period less than six months from the date they are become due for payment (Unsecured, Considered Good)	3921.30	4017.52
	3921.30	**4017.52**
Total	**4572.35**	**4538.55**

18. Cash and Bank Balances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In Current Accounts	367.74	3240.70
In Term Deposits (Held as Margin Money with Bank against Bank Guarantee and Commission)*	151.57	142.39
In Term Deposits	4408.98	12.83
Cash in Hand	10.21	8.98
Total	**4938.50**	**3404.90**

* Held as lien by the Banks or Financial Institutions against the Margin Money for availing the various kind of credit facilities with them during the Reporting Period.

19. Short Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Advances to Vendors	430.37	369.28
Advances to Staff	54.42	21.95
Balances with Government Authorities	96.88	48.14
Other Advances	303.25	1.56
Prepaid Expenditures	1.86	6.75
Total	**886.78**	**447.68**

20. Other Current Assets

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Interest Receivable	5.17	4.55
Other Assets	1.35	54.35
Total	**6.52**	**58.90**

21. Revenue from Operations (Gross)

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Sales of Products		
Domestic Market	24022.50	22886.23
Export Market	1153.25	1182.64
Turnover from Sale of Products... (A)	**25175.75**	**24068.87**
Sale of Services		
Receipts from Job Work	779.10	766.59
Turnover from Sale of Services... (B)	**779.10**	**766.59**
Other Operating Revenue		
Duty Drawback	50.07	28.93
Management Consultancy	60.00	60.00
Other Operating Revenue (C)	**110.07**	**88.93**
Total (A + B + C)	**26064.92**	**24924.39**

22. Other Income

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Interest Income		
Term Deposits	357.07	10.94
Others	22.01	5.06
Other Non - Operating Income		
Agriculture Income	2.75	2.29
Misc. Income	0.97	1.10
Surplus on disposal of Property, Plants and Equipments	0.40	-
Rental Income	-	5.50
Scrap Sales	12.71	7.60
Other Gain / (Loss)		
Foreign Exchange Gain (Net)	-	37.31
Sundry Balances Written Off (Net)	0.79	-
Total	**396.70**	**69.80**

23. Cost of Raw Material Consumed

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Consumption of Raw Materials		
Stock at the beginning of the period	674.38	460.02
Add : Purchases made during the period	18807.26	17110.40
Add : Direct Expenses incurred during the period	189.74	128.53
	19671.38	**17698.95**
Less : Stock at the end of the Period	716.66	674.38
Total Cost of Raw Material Consumed	**18954.72**	**17024.57**

** Refer Note No. 26.1 for further reference.*

24. Change in Inventories of Trading Goods, Finished Goods and Work-in-Progress

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Changes in Inventories		
Inventories at the beginning of the Period		
Finished Goods	1047.74	1328.06
Work-in-Progress	17.13	44.62
	1064.87	**1372.68**
Inventories at the end of the Period		
Finished Goods	1459.66	1047.74
Work-in-Progress	2.09	17.13
	1461.75	**1064.87**
(Increase) / Decrease in Inventories	**(396.88)**	**307.81**

25. Employee Benefit Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Salaries, Wages, Incentive and Managerial Remunerations	1672.08	1499.34
Contribution to PF and Other Funds	78.66	61.70
Bonus	25.42	27.39
Staff Welfare Expenses	23.70	16.10
Total	**1799.86**	**1604.53**

26. Other Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Consumption of Stores and Spares (Refer Note No. 26.2)	340.39	333.10
Consumption of Packing Material (Refer Note No. 26.3)	557.74	588.33
Power and Fuel	1152.95	882.01
Administration and Other Expenses	48.92	50.78
Agriculture Expenses	2.80	2.33
Conveyance and Travelling Expenses	48.89	35.61
Corporate Social Responsibilities Expenses (Refer Note No. 26.4)	28.86	49.37
Directors Sitting Fees	1.93	1.44
Exchange Rate Difference (Net)	118.59	-
Expenses on Live Stock	0.48	0.32
Goodwill Written Off	-	0.28
Insurance Charges	12.77	23.07
Legal Fees	152.45	136.08
Loss on disposal of Property, Plants and Equipments	-	2.72
Misc. Expenditure written off during the period	74.75	-
Payments to the Auditor (Refer Note No. 26.5)	1.05	1.05
Rent, Rates and Taxes	26.38	31.41
Repair and Maintenance Charges		
For Plant and Machineries	42.35	39.49
For Building	12.78	22.57
For Others	4.58	3.89
Security Charges	36.51	29.48
Selling and Distribution Expenses	111.34	136.28
Telephone and Mobile Expenses	14.61	12.97
Total	**2791.12**	**2382.55**

26.1 Raw Material Consumption

	2018-2019		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Raw Material				
Indigenous Consumption	18954.72	100.00%	17014.32	99.94%
Imported Consumption	-	-	10.25	0.06%
	18954.72	**100.00%**	**17024.57**	**100.00%**

26.2 Consumption of Stores and Spares

	2018-19		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Stores and Spares				
Indigenous Consumption	338.89	99.56%	333.10	100.00%
Imported Consumption	1.50	0.44%	-	-
	340.39	**100.00%**	**333.10**	**100.00%**

26.3 Consumption of Packing Materials

	2018-19		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Packing Materials				
Indigenous Consumption	557.74	100.00%	588.33	100.00%
Imported Consumption	-	-	-	-
	557.74	**100.00%**	**588.33**	**100.00%**

26.4 Corporate Social Responsibilities

During the Reporting Period, In the term of the requirements of Section 135 of the Companies Act, 2013, the Company had spent a sum of ₹ **28.86 Lakhs** (Previous Year ₹ **49.37 Lakhs**) on Corporate Social Responsibilities Activities. The details of the amount spent during the Reporting Period are provided in the **Annexures to the Director's Report.**

26.5 Payments to Auditor (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
As Auditor :		
Audit Fees	0.75	0.75
Tax Audit Fees	0.30	0.30
Other Services	-	-
Reimbursement of Expenses	-	-
Total	**1.05**	**1.05**

27. Finance Costs (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Interest Expenses		
Interest on Bank Borrowings	219.04	326.93
Interest on Bill Discounting	14.12	13.52
Interest to others	5.62	25.11
Other Borrowing Costs	39.05	19.23
Total	**277.83**	**384.79**

28. Depreciation and Amortization Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Depreciation Expenses	204.25	201.75
Amortization Expenses	-	-
Total	**204.25**	**201.75**

29. Information on Related Party Transaction as required by Accounting Standards - 18 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2019.

The Company's material Related Party Transactions and outstanding balances with whom Company had entered into the transactions in the ordinary course of Business are as follows:

Related Parties are as follows:

1. **Controlled Entities**
   a) Star Circlips and Engineering Limited (Holds 26.06% of Total Equity)
   b) Toyal MMP India Private Limited (Holds 26.00% of Total Equity)

2. **Related Party where Significant Influences Exists**
   a) Mayank Fastners Private Limited

3. **Key Managerial Person Name and their Designation**

S. No.	Name of the Persons	Designation
a)	Shri Arun Bhandari	Managing Director
b)	Shri Lalit Bhandari	Whole-time Director
c)	Shri Bhinvkaran Dhularam Jangid	Whole-time Director
d)	Shri Ajay Sadashiv Gokhale	Director
e)	Shri Sunil Khanna	Director
f)	Shri Vijay Singh Bapna	Director
g)	Smt. Sudha Sukesh Gandhi	Director
h)	Shri Karan Verma	Director
i)	Shri Narasimham Murthy Tenneti	Whole-time Director
j)	Shri Sharad Khandelwal	Chief Financial Officer
k)	Shri Chandrakant Nimje	Company Secretary
l)	Shri Milind Suryakant Rao	Company Secretary

4. **Relatives of Key Managerial Person**

S. No.	Name of the Persons	Relation
a)	Smt. Saroj Bhandari	Wife of Managing Director
b)	Shri Mayank Bhandari	Son of Managing Director
c)	Smt. Sakshi Bhandari	Daughter-in-Law of Managing Director
d)	Ms. Rohini Bhandari	Daughter of Managing Director

Terms and Conditions with the transactions with Related Parties as under:

a) The sales to and purchases from the related parties are made on the terms equivalents to those that prevails in the arm's length transactions.

b) Outstanding balances of the related parties at the end of the Reporting Period are unsecured, interest free and will be settled in the cash on demand basis.

Transaction with Related Parties is as under : **(₹ in Lakhs)**

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	**Purchases of Goods**				
	Star Circlips and Engineering Limited	₹ 01.26 (P. Y. ₹ 00.64)	–	–	–
	Toyal MMP India Private Limited	₹ 06.52 (P. Y. ₹ NIL)	–	–	–
2.	**Payment of Office Rent**				
	Mayank Fastners Private Limited	–	₹ 00.90 (P.Y. ₹ 00.90)	–	–
3.	**Reimbursement of Expenses Received**				
	Toyal MMP India Private Limited	₹ 01.55 (P.Y. ₹ 33.26)	–	–	–
	Star Circlips and Engineering Limited	₹ 00.62 (P. Y. ₹ 04.08)	–	–	–
4.	**Reimbursement of Expenses Paid**				
	Toyal MMP India Private Limited	₹ 00.43 (P.Y. ₹ NIL)	–	–	–
5.	**Remuneration**				
	Shri Arun Bhandari	–	–	₹ 134.40 (P.Y. ₹ 90.25)	–
	Shri Lalit Bhandari	–	–	₹ 21.98 (P.Y. ₹ 18.18)	–
	Shri Madan Mohan Agrawal	–	–	₹ NIL (P.Y. ₹ 01.80)	–
	Shri Bhinvkaran Jangid	–	–	₹ 04.50 (P.Y. ₹ 01.75)	–
	Shri Narasimham Murthy Tenneti	–	–	₹ 02.58 (P.Y. ₹ NIL)	–
	Shri Sharad Khandelwal	–	–	₹ 20.16 (P.Y. ₹ 16.30)	–
	Shri Chandrakant Nimje	–	–	₹ 01.56 (P.Y. ₹ 02.09)	–
	Shri Milind Rao	–	–	₹ 03.59 (P.Y. ₹ NIL)	–
6.	**Salary and Perquisites**				
	Smt. Saroj Bhandari	–	–	–	₹ 60.56 (P.Y. ₹ 52.75)
	Smt. Sakshi Bhandari	–	–	–	₹ 36.00 (P.Y. ₹ 19.50)
7.	**Legal and Professional Charges**				
	Shri Mayank Bhandari	–	–	–	₹ 48.00 (P.Y. ₹ 56.28)
	Ms. Rohini Bhandari	–	–	–	₹ 30.00 (P.Y. ₹ 30.00)

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
8.	**Director Sitting Fees**				
	Shri Karan Verma	–	–	₹ 0.435 (P.Y. ₹ 0.605)	–
	Smt. Sudha Sukesh Gandhi	–	–	₹ 0.35 (P.Y. ₹ 0.085)	–
	Shri Ajay Sadashiv Gokhale	–	–	₹ 0.34 (P.Y. ₹ 0.655)	–
	Shri Vijay Singh Bapna	–	–	₹ 0.40 (P.Y. ₹ NIL)	–
	Shri Sunil Khanna	–	–	₹ 0.40 (P.Y. ₹ NIL)	–
9.	**Sales of Goods**				
	Toyal MMP India Private Limited	₹ 1,151.38 (P.Y. ₹ 393.13)	–	–	–
10.	**Receipts of Job Work Charges**				
	Star Circlips and Engineering Limited	₹ 180.54 (P.Y. ₹ 183.06)	–	–	–
11.	**Receipts of Management Service Charges**				
	Toyal MMP India Private Limited	₹ 70.80 (P.Y. ₹ 70.35)	–	–	–
12.	**Receipts of Depot Rent**				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 06.22)	–	–	–

Balances payable to the related parties as on March 31, 2019 (₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	**Purchases of Goods**				
	Mayank Fastners Private Limited	–	₹ 01.48 (P. Y. ₹ 00.89)	–	–
2.	**Director Remuneration and Salary**				
	Shri Arun Bhandari	–	–	₹ NIL (P.Y. ₹ 21.14)	–
	Shri Lalit Bhandari	–	–	₹ 00.80 (P.Y. ₹ 00.40)	–
	Shri Bhinvkaran Jangid	–	–	₹ NIL (P.Y. ₹ 00.27)	–
	Shri Narasimham Murthy Tenneti	–	–	₹ 00.93 (P.Y. ₹ NIL)	–

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
	Shri Sharad Khandelwal	–	–	₹ 01.29 (P.Y. ₹ 00.82)	–
	Shri Chandrakant Nimje	–	–	₹ NIL (P.Y. ₹ 00.22)	–
	Shri Milind Rao	–	–	₹ 00.48 (P.Y. ₹ NIL)	–
	Smt. Saroj Bhandari	–	–	–	₹ 02.57 (P.Y. ₹ 00.19)
	Smt. Sakhshi Bhandari	–	–	–	₹ 03.00 (P.Y. ₹ 01.10)
	Shri Mayank Bhandari	–	–	–	₹ 04.00 (P.Y. ₹ NIL)
	Ms. Rohini Bhandari	–	–	–	₹ 02.50 (P.Y. ₹ NIL)

30. Segment Reporting

Segment information has been prepared in conformity with the Accounting Policies adopted for prepairing and presenting the standalone financial statements of the Company.

As a part of the Segment Reporting, the Company has no Geographical Segment by its locations.

A) Business Primary Segment

Primary Segment has been identified based on the Nature of the Products and the Services, the different risk and returns and the Internal Reporting Structure. The Company considers the Business Segment as the Primary Segments for their Disclosures. Details of the products included in the Primary Segments are as under:

a)	Aluminium Powder and Pastes	Aluminium Power, Aluminium Pastes and Atomized Powder
b)	Aluminium Conductor	Aluminium Conductor
c)	Others	Manganese Oxide / Dioxide, Washers, Circlips and Coals

Information about Business Segment are as under : **(₹ in Lakhs)**

Particulars	2018-2019				2017-2018			
	Aluminium Powder and Paste	Aluminium Conductor	Others	Total	Aluminium Powder and Paste	Aluminium Conductor	Others	Total
A. Revenue								
a. Gross Sales	19711.16	5748.06	546.56	26005.78	17,680.09	5,762.73	814.22	24,257.04
b. Other Unallocated	-	-	-	455.84	-	-	-	86.32
c. Total Revenue	**19711.16**	**5748.06**	**546.56**	**26461.62**	**17,680.09**	**5,762.73**	**814.22**	**24,343.36**
B. Results								
a. Segment Results	3037.67	423.93	(23.86)	3437.74	2,655.44	545.62	103.08	3,304.15
C. Segment Results	**3037.67**	**423.93**	**(23.86)**	**3437.74**	**2,655.44**	**545.62**	**103.08**	**3,304.15**

Information about Business Segment are as under : **(₹ in Lakhs)**

Particulars	2018-2019				2017-2018			
	Aluminium Powder and Paste	Aluminium Conductor	Others	Total	Aluminium Powder and Paste	Aluminium Conductor	Others	Total
D. Unallocated Expenses Netted off with Unallocated Income*				329.17				481.99
E. Operating Profit				**3,108.57**				**2,822.15**
F. Finance Costs and Foreign Exchange Fluctuations (Net)				277.83				384.79
G. Profit Before Tax (PBT)				**2,830.74**				**2,437.36**
H. **Add :** Extra Ordinary Items				-				-
I. **Less :** Tax Expenses								
Current Tax				812.87				820.45
Deferred Tax				(43.94)				39.60
Income tax related to Earlier Year				24.70				40.14
J. Profit After Tax (PAT)				**2,037.11**				**1,537.17**
Other Information								
1. Segment Assets	9,378.75	2,524.06	495.41	12,398.22	6,693.83	2,379.73	519.30	9,592.86
Unallocated Corporate Assets				8,960.34				5,519.66
Total Assets				**21,358.56**				**15,112.53**
2. Segment Liabilities	1398.37	91.66	74.94	1,564.96	1,014.65	38.98	76.30	1,129.93
Unallocated Corporate Liabilities				2,981.65				4,622.22
Total Liabilities				**4,546.61**				**5,752.15**
3. Capital Expenditure	3,246.14	37.37	-	3,283.51	95.67	(69.85)	16.24	42.06
Depreciation and Amortization Expenses	106.07	40.32	31.23	177.62	102.13	40.89	35.47	178.49
Unallocated Corporate Capital Expenditure				50.86				314.47
Total Capital Expenditure				**3,511.99**				**535.03**

Notes * Unallocated Items include General Corporate Income, Expenses, Assets and Liabililities which are not allocated to any other Business Segments.

31. Disclosure in relation to Employee Benefit Expenses (As per AS - 15) :

The Present Value of defined benefit obligation and the related current service cost were measured using the Project Credit Method, with Actuarial Valuations being carried out at each of the Reporting period.

The following tables sets out the funded status of Gratuity plan and the amount recognized in the Company's standalone financial statements as at March 31, 2019.

	Year 2018-2019	Year 2017-2018
Assumptions		
Discount Rate (at the beginning of the year)	7.75%	7.75%
Discount Rate (at the end of the year)	7.75%	7.75%
Salary Growth Rate	7.00%	7.00%
Mortality	IALM 2006 - 08 Ultimate	IALM 2006 - 08 Ultimate
Withdrawal Rate (Per annum) (18 to 30 Years)	5.00%	7.00%
Withdrawal Rate (Per annum) (30 to 44 Years)	5.00%	5.00%
Withdrawal Rate (Per annum) (44 to 58 Years)	3.00%	3.00%

Table Showing Changes in Present Value

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Present Value Obligation at the beginning of the period	**271.27**	**251.86**
Interest Cost	21.02	19.52
Current Service Cost	14.55	13.28
Past Service Cost	-	2.79
Benefits Paid (if any)	(18.39)	(19.74)
Actuarial Gain / (Loss)	(11.38)	3.56
Present Value Obligation at the end of the period	**277.07**	**271.27**

Key Results (the amount to be recognized in the Balance Sheet)

Present Value Obligation at the end of the period	**277.07**	**271.27**
Fair Value of Plan Assets at the end of the period	-	-
Net Liability / (Assets) recognized in the Balance Sheet and Related Analysis	277.07	271.27
Funded Status	**(277.07)**	**(271.27)**

Key Results (Expenses to be recognized in the Statement of Profit or Loss)

Interest Cost	21.02	19.52
Current Service Cost	14.55	13.28
Past Service Cost	-	2.79
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) or Loss recognized in the Period	(11.38)	3.56
Expenses to be recognized in the Profit or Loss	**24.19**	**39.15**

Experience Adjustments

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Experience adjustments (Gain) / Loss for Plan Liabilities	(12.14)	6.35
Experience Adjustments Gain / (Loss) for Plan Liabilities	-	-

Summary of Membership Data at the Date of Valuation and Statistics below :

	Year 2018-2019	Year 2017-2018
Number of Employee	359	344
Total Monthly Salary (₹ In Lakhs)	28.24	26.66
Average Past Service (Years)	17.50	18.00
Average Future Service (Years)	13.00	12.70
Average Age (Years)	45.00	45.30
Weighted Average Duration (Based on Discounted Cash Flow) in Years	8.00	8.00
Average Monthly Salary (₹ in Lakhs)	0.08	0.08

Benefits Valued

	Year 2018-2019	Year 2017-2018
Valuation of Benefits		
Normal Retirement Age	58 Years	58 Years
Salary	Last drawn Qualifying Salary	Last drawn Qualifying Salary
Vesting Period	5 Years	5 Years
Benefit of Normal Retirement	15 / 26 * Salary * Past Service (Years)	15 / 26 * Salary * Past Service (Years)
Benefit on early exit due to death and disability	As Above Except that No Vesting Conditions Apply	As Above Except that No Vesting Conditions Apply
Limit (₹ In Lakhs)	20.00	20.00

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Current Liabilities (*Short Term)	66.61	57.29
Non Current Liabilities (*Long Term)	210.47	213.98

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Best Estimate for Contribution during the Next Period	16.61	15.70

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of Change in Mortality rate is negligible. Please Note that the Sensitivity Analysis presented below may not be representative of actual change in the Defined Benefit Obligation as it is unlikely that the change in assumption would occur is isolation of one another as some of the assumptions may be correlated. The results of the Sensitivity Analysis are given below:

Defined Benefit Obligation (Base)	**2,77,07,843 @ Salary Increase Rate : 7% and Discount Rate: 7.75%**
Liability with X% Increase in Discount Rate	2,63,74,381; X = 1% {Changes (5%)}
Liability with X% Decrease in Discount Rate	2,91,80,084; X = 1% {Changes 5%}
Liability with X% Increase in Salary Growth Rate	2,91,76,518; X = 1% {Changes 5%}
Liability with X% Decrease in Salary Growth Rate	2,63,53,553; X = 1% {Changes (5%)}
Liability with X% Increase in Withdrawal Rate	2,77,37,837; X = 1% {Changes 0%}
Liability with X% Decrease in Withdrawal Rate	2,76,74,153; X = 1% {Changes 0%}

Reconciliation of Liabilities in Balance Sheet

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Reconciliation		
Opening Gross Defined Benefit Liability / (Assets)	**271.27**	**251.86**
Expenses to be recognized in Statement of Profit and Loss	24.19	39.15
Benefit paid (if any)	(18.39)	(19.74)
Closing Gross Defined Benefit Liability / (Assets)	**277.07**	**271.27**

32. Contingent Liabilities

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
a) Guarantee given by the Company's Bankers	73.12	124.01
b) Bill Discounted with the Company's Bankers under the Letter of Credit	654.27	386.05
c) Bill Discounted with the Company's Bankers under the Letter of Credit	730.97	640.02
d) Sales Tax Demand pending with the Appellate Authorities	4.36	40.66
e) Income Tax Demand Appeal pending with the Commissioner Income Tax (Appeals)	1.83	1.83
f) Central Excise Duty and Service Tax Demand pending along with Additional Commissioner Nagpur - II	174.00	193.46
g) Export Obligations	35.00	35.00
Total	**1673.55**	**1421.03**

33. Capital and Other Commitments

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Capital Commitments		
Estimated amount of contracts remaining to be executed by the Company on Capital and not provided for		
Towards Property, Plants and Equipments	422.83	-
Towards Intangible Assets	61.10	-
	483.93	**-**
Other Commitments		
For Derivative Contract related Commitments {Refer Note No. 36(A)}	-	-
	-	**-**
Total	**483.93**	**-**

34. Expenditures in Foreign Currency

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Value of Import calculated on C.I.F. Basis		
On Raw Material	-	10.25
On Capital Goods	-	-
On Stores and Spares	1.50	-
On Trading Goods	-	-
	1.50	**10.25**
Normal Business Expenditures		
On Traveling Expenses	7.45	-
On Royalty	13.16	1.76
On Sales Commission	11.44	4.17
	32.05	**5.93**
Total	**33.55**	**16.18**

35. Earnings in Foreign Currency

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Value of Export calculated on FOB Basis		
Export of own Product at FOB Value (Direct)	1153.25	1182.64
Total	**1153.25**	**1182.64**

36. Details of Hedged and Unhedged Exposures in Foreign Currency

A) Exposure in Foreign Currency - Hedged

The Company has not entered into any forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and their firm commitments. No such derivative instruments for trading and speculative purpose had been entered into by the Company during the reporting period.

B) Exposure in Foreign Currency - Unhedged

The Foreign Currency exposure not hedged as at March 31, 2019 are as follows:

(In Lakhs)

	Payable (in Foreign Currency)		Receivable (in Foreign Currency)	
	2018-2019	2017-2018	2018-2019	2017-2018
Foreign Currency - Unhedged				
U. S. Dollar ($)	11.39	27.43	1.08	0.80
EURO (€)	0.02	-	0.41	-

(₹ in Lakhs)

	Payable (in Indian Currency)		Receivable (in Indian Currency)	
	2018-2019	2017-2018	2018-2019	2017-2018
U. S. Dollar ($)	787.95	1784.17	74.37	51.91
EURO(€)	1.63	-	31.83	-

37. Earnings Per Share (EPS)

	Year 2018-2019	Year 2017-2018
Net Profit after tax as per Standalone Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	**2037.11**	**1537.17**
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of Equity Shares considered as denominator for calculating earnings per share*	1,67,87,130	1,24,35,075
Basic and Diluted Earnings per Share (₹)	**12.13**	**12.36**

Notes* Basic and Diluted Earnings per Share for the period ended on March 31, 2018, have been adjusted retrospectively for the Bonus share issued during the year ended March 31, 2018.

38. Previous Year audited figures has been regrouped / rearranged / recasted wherever necessary to make them comparable for the purpose of preparation and presentation of standalone financial statements.

SIGNATURE TO NOTE "1" TO NOTE "38"

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of MMP Industries Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **MMP INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its associates companies (the Holding Company and its associates companies together referred to as "the Group") which comprises the Consolidated Balance Sheet as at **March 31, 2019**, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditor on separate financial statements of one of the associates company referred below in other matter paragraph below, the aforesaid consolidated 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 Standards prescribed under section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **March 31, 2019**, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were most of significance in or audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated to our report.

The Key Audit Matters	How was the matter addressed in our Audit
Revenue Recognition	
Revenue is one of the key profit drivers and is therefore susceptible to misstatements. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can results in material misstatement of results for the years.	Our audit procedures with regards to revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-off and analytical review procedures.
Capital Work-in-Progress / Property, Plants and Equipments	
The Company had embarked on the project of setting up the manufacturing plants in "Umred". Value of such plants capitalized during the period is ₹ "NIL". The projects need to be capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the project and / or inappropriate classification of categories of items of Property, Plants and Equipments could results in material misstatement of Capital Work-in-Progress / Property, Plants and Equipments with a consequents impact on depreciation charge and results for the period.	Our audit procedures included testing the design, implementation and operating effectiveness of controls in respect of review of Capital Work-in-Progress, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of the Cut-off date considered for project capitalization. We tested the source documentation to determine whether the expenditure is of capital nature and has been appropriately approved and segregated into appropriate categories. We reviewed operating expenses to determine appropriateness of accounting. Further, through sites visits, we physically verified existence of Capital Work-in-Progress / Property, Plants and Equipments.

The Key Audit Matters	How was the matter addressed in our Audit
Intangible Assets under Developments	
During the period, the Company has gone for system Upgradation from Tally 9.0 to SAP S/4 HANA. The Upgradation of the system is in process as at the date of reporting. Migration to SAP is a major upgrade from existing core enterprise application system resulting into a significant change to financial accounting configurations which is the core for financial reporting including preparation of consolidated financial statements. Risks identified as emanating from the aforesaid change were (i) Inappropriate changes made to the application systems or programs that contain relevant automated controls (i.e. configurable settings, automated algorithms, automated calculations, and automated data extraction) and / or report logic and (ii) Systems not adequately configured or updated to restrict system access to authorized users.	Our audit procedures included obtaining detailed project plans and SAP Governance framework for transition to SAP landscape. We involved Information Technology (IT) Specialists as part of the audit team to perform audit procedures in respect of this upgradation. Audit procedures performed by the IT Specialists involved, obtaining User Acceptance Testing ('UAT') sign-off to ensure that the implemented system was configured in line with business requirements, performing test of General IT Controls and user access controls in respect of SAP S/4 HANA IT environment and testing the operating effectiveness of the data migration process. The audit procedures also involved testing of critical transactions, segregation of duties (SOD) rules to ensure system access was restricted to authorized users and testing of interface controls between new SAP environment and other auxiliary systems.

Information Other than the Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report, Report on Corporate governance and the Business Responsibility Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, compare with the financial statements of one of the associate companies audited by the other auditor, to the extent it relates to these entities and, in doing so, place the reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the associate, is traced from their financial statements audited by the other auditors.

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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principle generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 presentations of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Group, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies are responsible for assessing the Group'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.

The respective Board of Directors of the Holding Company and of its associates is also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 controls.

- Obtain an understanding of internal financial controls 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 expressing our opinion on whether the Group 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 Group'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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Group and other entities included in the consolidated financial statements of which are independent auditors 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 consolidated 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.

Other Matters

We have not audited the standalone financial statements of one of the associate company. These standalone financial statements have been audited by the other auditor whose report have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements is based solely on the report of the other auditor.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of one of the associate company incorporated in India, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

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

b. In our opinion proper books of account as required by law have been kept by the Holding Company and its associates included in the Group including the relevant records relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors;

c. In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained by the Holding Company and its associates included in the Group including the relevant records relating to the preparation of the consolidated financial statements;

d. In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of the written representation received from the directors of the Holding Companies as on March 31, 2019 taken on the record by the Board of Directors of the Holding Company and based on the audit reports of the statutory auditor of its associates company, none of directors of the Group is disqualified as on March 31, 2019 from being appointed as a director in term of Section 164(2) of the Act.

f. With respect to adequacy of the internal financial controls over financial reporting of the Holding Company and its associates and the operating effectiveness of such control, refer to our separate report in **Annexure "A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over the financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and explanations given to us, the remuneration paid by the Group to its directors during the reporting period is in accordance with the provision of Section 197 of the Act.

h. With respect to the other matters to be included in the Independent 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 consolidated financial statements disclose the impact of pending litigations on its financial position in its consolidated financial statements – "Refer Note No. 31".

(ii) In our opinion and according to the explanation given to us, the Group has not entered into any long term contracts including derivatives contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Group.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 29, 2019

Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under "Report on the Other Regulatory Requirements" Section of our report of even date)
Report on the Internal Financial Controls over the Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of consolidated financial statements of the Holding Company as of and for the year ended **March 31, 2019**, we have audited the Internal Financial Controls over the Financial Reporting of "**MMP INDUSTRIES LIMITED"** ("the Holding Company") and its associates companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over the Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associates companies, to the best of our information and according to the explanation given to us, the Holding 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 **March 31, 2019** based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting of the Holding Company, in so far as it relates to separate standalone financial statements of one of the associate company, which is incorporated in India, is based on the corresponding report of the auditor of such associate company, which is incorporated in India.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 29, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Shareholders' Funds :			
Share Capital	2	1693.51	1243.51
Reserve and Surplus	3	16178.45	5907.82
Share Application Money Pending Allotments		-	3001.61
Total Shareholder's Fund		**17871.96**	**10152.94**
Non-Current Liabilities :			
Long Term Borrowing	4	30.87	462.45
Deferred Tax Liabilities (Net)	5	336.45	380.39
Other Long Term Liabilities	6	34.06	8.44
Long Term Provisions	7	244.17	243.55
Total Non - Current Liabilities		**645.55**	**1094.83**
Current Liabilities :			
Short Term Borrowings	8	2033.30	3089.16
Trade Payables	9	1343.60	1037.98
Other Current Liabilities	10	679.31	552.67
Short Term Provisions	11	181.30	357.90
Total Current Liabilities		**4237.51**	**5037.71**
TOTAL LIABILITIES		**22755.02**	**16285.48**
ASSETS			
Non Current Assets			
Property, Plant and Equipments			
Tangible Assets	12	4355.09	3722.09
Intangible Assets		-	-
Capital Work-in-Progress	13	2392.59	5.56
Intangible Assets under Developments		89.46	-
		6837.14	**3727.65**
Non Current Investments	14	2196.59	1973.31
Long Term Loans and Advances	15	568.72	167.48
Total Non - Current Assets		**2765.31**	**2140.79**
Current Assets			
Inventories	16	2449.42	1967.00
Trade Receivables	17	4572.35	4538.55
Cash and Bank Balances	18	4938.50	3404.90
Short Term Loans and Advances	19	886.78	447.68
Other Current Assets	20	6.52	58.90
Total Current Assets		**12853.57**	**10417.03**
Misc. Expenditure (to the extent not Written Off)		299.01	-
TOTAL		**22755.02**	**16285.48**
SIGNIFICANT ACCOUNTING POLICIES	**1**		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019 (₹ in Lakhs)

	Particulars	Notes	Year 2018-2019	Year 2017-2018
I.	**Revenue from operations (Gross)**	21	26064.92	24924.39
	Less : Excise Duty		-	650.82
	Revenue from operations (Net)		**26064.92**	**24273.57**
II.	Other Income	22	396.70	69.79
III.	**TOTAL REVENUE (I + II)**		**26461.62**	**24343.36**
IV.	**EXPENSES**			
	Cost of Raw Materials Consumed	23	18954.72	17024.57
	Purchases of Trading Stock		-	-
	Changes in Inventories of Finished Goods, Work in Progress and Trading Stock	24	(396.89)	307.81
	Employee Benefit Expenses	25	1799.85	1604.53
	Other Expenses	26	2791.11	2382.55
V.	**TOTAL EXPENDITURE (IV)**		**23148.79**	**21319.46**
VI.	**EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA) (III - V)**		**3312.83**	**3023.90**
	Finance Costs	27	277.83	384.79
	Depreciation and Amortization Expenses	28	204.25	201.75
VII.	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEM AND TAX**		**2830.75**	**2437.36**
	Exceptional Items		-	-
VIII.	**PROFIT BEFORE TAX (PBT)**		**2830.75**	**2437.36**
IX.	**TAX EXPENSES**			
	Current Tax		812.87	820.45
	Deferred Tax Expenses / (Benefits)	5	(43.94)	39.60
	Income Tax Related to Earlier Years		24.70	40.14
X.	**TOTAL OF TAX EXPENSES (IX)**		**793.63**	**900.19**
XI.	**PROFIT AFTER TAX (PAT) (VIII - X)**		**2037.12**	**1537.17**
XII.	**Add: Share of Profit from Associates (Net)**		**223.53**	**366.44**
XIII.	**NET PROFIT / (LOSS) AFTER SHARE OF PROFIT / (LOSS) FROM ASSOCIATES (XI + XII)**		**2260.65**	**1903.61**
XIV.	**EARNING PER EQUITY SHARE**	**37**		
	Basic and Diluted		**13.47**	**15.31**
	SIGNIFICANT ACCOUNTING POLICIES	**1**		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

(₹ in Lakhs)

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

	Particulars	Year 2018-2019	Year 2017-2018
A.	**Cash Flow from Operating Activities**		
	Net Profit before Tax as per Consolidated Statement of Profit and Loss	**2830.74**	**2437.36**
	Adjusted for :		
	Depreciation and Amortization Expenses	204.25	201.75
	Interest Income	(379.08)	(15.99)
	Finance Cost	277.83	384.79
	Misc. Expenditure written off during the year	74.75	-
	Unrealised (Gain) / Loss on Foreign Exchange Fluctuation	118.59	(26.93)
	Goodwill Written Off during the year	-	0.28
	(Surplus) / Loss on Disposal of Fixed Assets	(0.40)	2.72
		295.95	**546.62**
	Operating Profit Before Working Capital Changes	**3126.69**	**2983.98**
	Adjusted For :		
	Increase / (Decrease) in Short Term Borrowings	(1055.86)	(117.50)
	Increase / (Decrease) in Trade Payables	305.62	58.25
	Increase / (Decrease) in Other Current Liabilities	126.64	54.74
	Increase / (Decrease) in Short Term Provisions	12.04	22.54
	(Increase) / Decrease in Inventories	(482.42)	28.40
	(Increase) / Decrease in Trade Receivables	(33.80)	(1104.95)
	(Increase) / Decrease in Short Term Loans and Advances	(215.57)	233.44
	(Increase) / Decrease in Other Current Assets	0.72	(3.45)
		(1342.63)	**(828.53)**
	Cash Generated From Operation	**1784.06**	**2155.45**
	Direct Taxes (Net)	(1025.59)	(708.57)
	Net Cash From / (Used) in Operating Activities	**758.47**	**1446.88**
B.	**Cash Flow From Investing Activities**		
	Addition in Property, Plants and Equipments including Capital Work-in-Progress	(3334.37)	(333.28)
	Proceeds from Disposal of Property, Plants and Equipments	21.02	103.62
	(Increase) / Decrease in Non - Current Investments	(223.28)	(366.44)
	Interest Income	379.08	15.99
	Net Cash From / (Used) in Investing Activities	**(3157.55)**	**(580.11)**
C.	**Cash Flow From Financing Activities**		
	Proceeds from Fresh Issue of Equity Shares	5458.39	-
	Proceeds from Share Application Money Pending Allotments	-	3001.61
	Repayment of Long Term Borrowings	(550.18)	(208.14)
	Increase / (Decrease) on Other Long Term Borrowings	25.62	1.30
	(Increase) / Decrease on Long Term Loans and Advances	(401.24)	(137.53)
	Finance Costs	(277.83)	(384.79)
	Share Issue Expenses	(322.10)	(51.66)
	Dividend and Dividend Distribution Tax Paid	-	-
	Net Cash From / (Used) in Financing Activities	**3932.66**	**2220.79**
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)**	**1533.58**	**3087.56**

(₹ in Lakhs)

Particulars	Year 2018-2019	Year 2017-2018
E. Cash and Cash Equivalents at the beginning of the period	3404.90	317.35
F. Cash and Cash Equivalents at the end of the period	4938.50	3404.90
G. Net Increase / (Decrease) in Cash and Cash Equivalents (F-E)	**1533.61**	**3087.55**

Notes :

a) The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS - 3) on "Cash Flow Statement".

b) Cash and Cash Equivalents Comprises of :

(₹ in Lakhs)

	As At Match 31, 2019	As At Match 31, 2018
Cash and Cash Equivalents Comprises :		
Cash in Hand	10.21	8.98
Balances with Banks :		
In Current Accounts	367.74	3240.70
In Deposits with Banks	4560.54	155.22
Cheques in Hand	-	-
Cash and Cash Equivalents (Refer Notes No. 18)	**4938.50**	**3404.90**

c) Previous Year's figures have been regrouped / recasted / rearranged, wherever necessary.

d) Figures in the Brackets represent Outflows.

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

Notes to the Consolidated Financial Statements for the Year than Ended on March 31, 2019

1. Corporate Information

MMP INDUSTRIES LIMITED is a Limited Company, domiciled and incorporated under the provisions of Companies Act, 1956. The Company is mainly engaged in the business of Manufacturing of Aluminium Powder, Atomized Powder, Aluminium Pyro and Flake Powder, Aluminium Paste and Aluminium Conductor. The Company is also engaged in trading and manufacturing of MnO and MnO2 Powder. The Registered office of the Company is situated at *211, Shree Mohini Complex, Kingsway, Nagpur (M.S.) - 440001*.

1.1 BASIS OF PREPARATION

a) Basis of Consolidation

The Consolidated financial statements of **MMP INDUSTRIES LIMITED** comprise the standalone financial statements of MMP Industries Limited ("the Holding Company") and its associate companies (collectively referred to as "the Group") as on March 31, 2019. The consolidated financial statements have been prepared on the following basis:

i) The Group's Investment in the associates where the Holding Company directly or indirectly holds more than 20% of the Equity, are accounted for using Equity Method and its share of pre – acquisition profits / (losses) is reflected as Capital Reserve / Goodwill in the carrying value of investments in accordance with the Accounting Standard – 23, *"Accounting for Investments in Associates in Consolidated Financial Statements"* as specified under the section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014.

ii) The Group accounts for its share of post acquisition changes in the net assets of associates, after eliminating the unrealized profit and losses resulting from transactions between the Holding Company and its associates to the extent of its share, through Consolidates Statement of Profit and Loss, to the extent such changes is attributable to the associates' Statement of Profit and Loss and through its reserves and surplus for the balance based on available information.

iii) The difference between the cost of investment in the associates and the Group's share of net assets at the time of acquisition of the share in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

iv) The unamortized carrying value of the Goodwill is tested for impairment as at each Balance Sheet date.

v) The standalone financial statements of the associates companies used in the consolidation are drawn up to the same reporting date as of the Holding Company i.e. March 31, 2019.

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

The list of the associates companies which are included in the consolidation and the Group's holdings therein are as under :

S. No.	Name of the Associates Company	31.03.2019	31.03.2018	Country of Incorporation
		Ownership in Percentage either through directly or indirectly		
1.	Star Circlips and Engineering Limited	26.06%	26.06%	India
2.	Toyal MMP India Private Limited	26.00%	26.00%	India

b) Accounting Convention

These consolidated financial statements of the Holding Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on an accrual basis and under the Historical Cost Convention.

Accounting Policies adopted in the preparation of consolidated financial statements are consistent with those of previous year except where a newly - issued accounting standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

c) Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of consolidated financial statements and reported amounts of income and expenses during the reporting period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post - sales customer support and the useful lives of property, plants and equipments.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimate are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the *"Notes to the Consolidated Financial Statements"*.

d) Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

i) It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
ii) It is held primarily for the purpose of being traded.
iii) It is expected to be realized / due to be settled within twelve months after the end of reporting date;
iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as Non - Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

1.2 Summary of Significant Accounting Policies

a) Presentation and Disclosure of Consolidated Financial Statements

These consolidated financial statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Group has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.

b) Property, Plants and Equipments

Tangible

Measurement at Recognition:

An item of Property, Plant and Equipment that qualifies as an asset is measured on initial recognition at cost, net of recoverable taxes, if any less accumulated depreciation / amortization and impairment losses, if any.

The Holding Company identifies and determines cost of each part of an item of Property, Plant and Equipment separately. If the part has a cost which is significant to the total costs of that item of Property, Plant and Equipments and has a useful life that is materially different from that of remaining items.

The cost comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable to the cost of bringing the asset to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase price of such Property, Plant and Equipments.

Such cost also includes the cost of replacing a part of the plant and equipment and the borrowing cost of the long – term construction projects, if the recognition criteria are met. When the significant parts of Property, Plant and Equipments are required to be replaced at periodical intervals, the Holding Company recognizes such part as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipments as a replacement, if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the Consolidated Statement of Profit and Loss as when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a project or to the acquisition of a Property, Plants and Equipments or bringing it to its present location and working condition, is include as a part of the cost of construction of the project or as a part of the cost of Property, Plant and Equipments, till the commencement of commercial production. Any adjustments arising from exchange rate variations attributable to the Property, Plant and Equipments are capitalized as aforementioned.

Borrowing cost relating to the acquisition / construction of Property, Plant and Equipments which takes the substantial period of time to get ready for its intended use are also included in the cost of Property, Plant and Equipments / cost of constructions to the extent they relate to the period till such Property, Plant and Equipments are ready to be put to use.

Any subsequent expenditure related to an item of Property, Plant and Equipments is added to its book value only and only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Any items such as spare parts, stand by equipments and servicing equipments that meet the definitions of the Property, Plant and Equipments are capitalized at cost and depreciated over the useful life of the respective Property, Plant and Equipments. Cost is in the nature of repair and maintenance are recognized in the Consolidated Statement of Profit and Loss as and when incurred.

Capital Work-in-Progress and Capital Advances

Cost of Property, Plant and Equipments not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". Any advances given towards acquisition of Property, Plants and Equipments outstanding at each balance sheet date are disclosed as "Other Non – Current Assets".

Depreciation

Depreciation on each part of Property, Plants and Equipments is provided to the extent of the depreciable amount of the assets on the basis of "Straight Line Method (SLM)" except in the case of tangible property, plants and equipments related to *"MIDC - Hingna Unit"*, which has been depreciated by using the WDV Method on the useful life of the tangible property, plants and equipments as estimated by the management on the useful life of the Property, Plants and Equipments as estimated by the management and is charged to the Consolidated Statement of Profit and Loss, as per the requirement of *Schedule - II to the Companies Act, 2013*. The estimated useful life of the Property, Plants and Equipments has been assessed based on the technical advice which is considered in the nature of the Property, Plants and Equipments, the usage of the Property, Plants and Equipments, expected physical wear and tear of the such Property, Plants and Equipments, the operating conditions, anticipated technological changes, manufacturer warranties and maintenance support of the Property, Plants and Equipments etc.

When the parts of an item of the Property, Plants and Equipments have different useful life, they are accounted for as a separate item (major components) and are depreciated over their useful life or over the remaining useful life of the principal Property, Plants and Equipments, whichever is less.

The useful life of the items of Property, Plants and Equipments as estimated by the management is mentioned below :

S. No.	Name of Assets	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries (Including Continuous Process Plant)	15 - 25 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipments	10 Years
6.	Computer & Other Data Processing units	03 Years
7.	Motor Vehicles	08 - 10 Years
8.	Electrical Installation and Other Equipment	10 Years

The management believes that the useful life as given above is best to represent the period over which management expects to use these Property, Plants and Equipments.

Freehold land is not depreciated. Leasehold land and their improvement costs are amortized over the period of the lease.

The useful lives, residual value of each part of an item of Property, Plants and Equipments and intangible assets and the method of depreciation are reviewed at the end of each reporting period, if any, of these expectation differ from the previous estimates, such change is accounted for as a change in accounting estimate and adjusted prospectively, if appropriate.

Derecognition

The carrying amount of an item of Property, Plants and Equipments and Intangible Assets is recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of the Property, Plants and Equipments is measured as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the Consolidated Statement of Profit and Loss, as and when the assets are derecognized.

c) Intangible Assets

Measurement at Recognition

Intangible assets acquired separately measured on the initial recognition at Cost. Intangible assets arising on the acquisition of business are measured at fair value as at the date of acquisition. Internally generated intangible assets including research cost are not capitalized and the related expenditure is recognized in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred. Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization

Intangible assets with the finite lives are amortized on a “Straight Line Basis” over the estimated useful economics life of such Intangible assets. The amortization expenses on Intangible assets with the finite lives are recognized in the Consolidated Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with the finite useful life are reviewed at the end of each financial year. If any of these expectations differ from the previous estimates, such changes are accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an Intangible asset is recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an Intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Consolidated Statement of Profit and Loss, as and when such asset is derecognized.

d) Impairment

The Holding Company assesses at each reporting date whether there is an indication that assets may be impaired. If any indication exists based on internal or external factors, or when annual impairment testing for assets is required, the Holding Company estimates the asset's recoverable amount. Where the carrying amount of the assets exceeds its recoverable amount, the assets are considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased. However, the increase in the carrying amount of assets due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no Impairment Loss been recognized for the assets in the prior years.

e) Lease

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Holding Company is classified as a finance lease.

The Holding Company as a lessee:

a) Operating Lease:- Rental payable under the operating lease are charged to the Consolidated Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.

b) Finance Lease:- Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Consolidated Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Holding Company has not provided any of its assets on the basis of operating lease or finance lease to others.

f) Investments

Investments are classified into Current or Non - Current Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Non - Current Investments. However that part of Non - Current Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under “Current Investments” under “Current portion of Non - Current Investments” in consonance classification of Current / Non – Current classification of Schedule - III of the Act.

On the initial recognition, all investments are measured at the cost. The cost comprises purchases price and any other expenses i.e. directly attributable to the acquisition charges such as brokerage, fees and duties of such investments.

Current Investments are stated at the lower of Cost and fair value at each Balance Sheet date. The comparison of cost or fair value is done separately in respect of each category of investments.

Non - Current Investments are carried at cost. A provision for diminution in the value of Non - Current Investments is made only if such a decline is other than temporary in the opinion of the Management. Reversal of such provision for diminution is made when there is rise in the value of Non - Current Investments, or if the reasons for the decline no longer exist.

On the disposal of the Investments, the difference between its carrying value and the net disposal proceeds is recognized in the Consolidated Statement of Profit and Loss.

g) Inventories

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing the each product to its present location and conditions are accounted as follows:

a) **Raw Material**:- Cost included the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on *First in First out basis (FIFO)*.

b) **Finished Goods and Work-in-Progress**:- Cost included cost of direct materials and the labor cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on *"First in First out basis (FIFO)"*.

c) **Stock in Trade**:- Cost included the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on "W*eighted Average Basis"*.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value. Excise Duty wherever applicable is provided on the finished goods lying within the factory and bonded warehouse at the end of the reporting period.

"Net Realizable Value" is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

h) Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 *"Borrowing Costs"*. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipments if they are directly attributable to their acquisition or charged to the Consolidated Statement or Profit and Loss.

i) Employee Benefits

Short Term Employee Benefits

All the employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognized in the period in which the employee renders the related services. The Holding Company recognizes the undiscounted amount of short term employee benefits expected to be paid in the exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment Benefits

a) **Defined Contribution Plans**

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all eligible employees. The Holding Company's contribution to defined contribution plans is recognized in the Consolidated Statement of Profit and Loss in the financial year to which they relate.

b) Defined Benefits Plans

i) Provident Fund Scheme

The Holding Company makes specified monthly contribution towards Employee Provident Fund scheme to a separate trust administrated by the Holding Company. The minimum interest rate payable by the trust to the beneficiaries is being notified by the Government every year. The Holding Company has an obligation to make good the shortfall, if any, between the return on investments of the trusts and the notified interest rate.

ii) Gratuity Scheme

The Holding Company operates a defined benefit gratuity plan for employees. The Holding Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

iii) Pension Scheme

The Holding Company operates a defined benefit pension plans for certain specified employee satisfying certain conditions, as approved by the Board of Directors.

iv) Post Retirement Medical Benefit Plan

The Holding Company operates a defined post retirement medical benefit plan for certain specified employees and payable upon the employee satisfying certain conditions.

The cost of providing defined benefits is determined using the Projected Unit Cash Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefit plans are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise.

The defined benefits obligations recognized in the Balance Sheet represent the present value of the defined benefit obligation as reduced by the fair value of plan assets, if applicable. Any defined benefit assets (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in the future contributions to the plans.

The Holding Company preset the above liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent actuary; however, the entire liability towards gratuity is considered as current as the Holding Company will contribute this amount to the Gratuity Fund within next twelve months.

c) Other Long Term Employee Benefits

Entitlement to annual leave and sick leave are recognized when they accrue to employees, Sick leave can only be availed while annual leave can either be availed or encashed subject to the restriction on the maximum number of the accumulation of leave. The Holding Company determines the liability for such accumulated leaves using the Projected Accrued Benefits method with the Actuarial Valuation being carried out at each Balance Sheet date.

The Holding Company presents this liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent Actuary.

j) Revenue Recognition

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Holding Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Holding Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of Products
Revenue from sales of goods is recognized, when all the significant risks and rewards of the ownership of the goods is passed to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods and amount of revenue can be measured reliably, which is generally considered on dispatch of goods to the customers except in case of the consignment sales. Sales (Gross) includes Excise Duty but excludes VAT and Goods and Service Tax (GST) and is net of discounts and incentives to the customers. Excise Duty to the extent included in the gross turnover is deducted to arrive at the net turnover.

Sale of Services
Revenue from Sale of Services is recognized as per the Completed Service Contract Method of Revenue recognition except in the few cases when the Revenue from Sale of Services is recognized on accrual basis as per the Contractual agreement basis.

Export Incentives
Export incentives under the various schemes are accounted in the year of exports.

Interest
Revenue from Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "Other Income" in the Consolidated Statement of Profit and Loss.

Royalty
Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Dividend
Revenue is recognized when the Holding Company's right to receive the payment is established at the end of the reporting date.

Profit and Loss on disposal of Property, Plants and Equipments / Investments
Profit or loss on disposal of property, plants and equipments or investment is recorded on transfer of title from the Holding Company, and is determined as the difference between the sales price and carrying value of the property, plants and equipments or investments and other incidental expenses.

Rental Income
Rental income arising from operating lease on investments properties is accounted for on a straight line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance Claim
Claim receivable on account of insurance is accounted for to the extent the Holding Company is reasonably certain of their ultimate collections.

Other Income
Revenue from other income is recognized when the payment of that related income is received or credited.

k) Foreign Currency Transactions

a) Initial Recognition
Transactions in the Foreign Currencies entered into by the Holding Company are accounted at the exchange rates prevailing on the date of the transaction. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the Consolidated Statement of Profit and Loss.

b) Conversion of Foreign Currency Items at Reporting Date
Foreign Currency Monetary Items of the Holding Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India, RBI Reference Rate. Non – Monetary Items are recorded at the exchange rate prevailing on the date of the transactions. Exchange Differences arising out of these translations are recognized in the Consolidated Statement of Profit and Loss.

All the other exchange differences including the make to market losses / gain are dealt with in the Consolidated Statement of Profit and Loss as Income or Expenses in the period in which they arise except to the extent that they are regarded as an adjustment to the Finance Costs and capitalized to the fixed assets or charged to the Consolidated Statement of Profit and Loss as per the Accounting Standard – 16, *"Borrowing Cost"*.

c) Forward Exchange Contracts

The Holding Company enters into the forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and the firm commitments. The Holding Company does not enter into any derivative instruments for trading or speculative purposes.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contracts. Exchange differences on such contract are recognized in the Consolidated Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expenses for the period.

l) Government Grants and Subsidies

The Holding Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

i) Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relates, on accrual basis, where there is reasonable assurance that the Holding Company will comply with all the necessary conditions attached to them.

ii) Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

m) Measurement of EBITDA

The Holding Company has opted to present Earnings before Interest (Finance Cost), Depreciation and Amortization (EBITDA) as separate line items on the face of the Consolidated Statement of Profit and Loss for the year. The Holding Company measures EBITDA on the basis of Profit / (Loss) from Continuing operations.

n) Taxes on Income

Tax expense comprises Current and Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of the earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realized. In the situations where the Holding Company has unabsorbed depreciation or carry forward taxable losses, all the Deferred tax assets are recognized only if there is the virtual certainty supported by the convincing evidence that they can be realized against future taxable profits. At reporting date the Holding Company re -assesses the unrecognized Deferred Tax assets. It recognizes unrecognized Deferred Tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.

The carrying amount of Deferred Tax assets are reviewed at each reporting date. The Holding Company write - down the carrying amount of a Deferred Tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax asset can be realized. Any such write - down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Holding Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in

Guidance Note issued by the Institute of Chartered Accountant of India, the said asset is created by the way of a credit to the Statement of Profit or Loss and shown as MAT Credit Entitlement. The Holding Company reviews the same at each reporting period and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Holding Company will pay Normal Income Tax during the specified period.

o) Research and Developments

Research and Developments expenditures of a revenue nature are expensed out under the respective heads of the account in the year in which it is incurred.

Property, Plants and Equipments utilized for research and developments are capitalized and depreciated in accordance with the policies stated for Tangible Property, Plants and Equipments and Intangible Assets.

p) Earnings per Share

The Holding Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, *"Earnings per Share"*. Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

q) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Holding Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Holding Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Holding Company does not recognize a Contingent Liability but disclosed its existence in the consolidated financial statements.

r) Event after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the consolidated financial statement of the Holding Company by the board of directors on **May 29, 2019**, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

s) Non - Current Assets Held for Sales

The Holding Company classifies non – current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use of the assets and action required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non – current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to the sell. Non – current assets are not Depreciated or Amortized.

t) Cash Flow Statement

Cash Flows Statements are reported using the "Indirect Method" set out in the Accounting Standard – 3 *"Cash Flow Statements"*, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non - Cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Holding Company are segregated.

u) Cash and Cash Equivalents

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

2. Share Capital

	31.03.2019		31.03.2018	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Authorized Equity Shares of ₹ 10 Each, 2,00,00,000 Equity Shares (P. Y. 2,00,00,000 Equity Shares)	**2,00,00,000**	**2000.00**	**2,00,00,000**	**2000.00**
Issued, Subscribed and Fully Paid Up Equity Shares of ₹ 10 Each, 1,69,35,075* Equity Shares (P. Y. 1,24,35,075** Equity Shares)	1,69,35,075	1693.51	1,24,35,075	1243.51
	1,69,35,075	**1693.51**	**1,24,35,075**	**1243.51**

a. Reconciliation of the Shares outstanding at the beginning and at the end of the Reporting Period

	31.03.2019		31.03.2018	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Shares outstanding at the beginning of the period	**1,24,35,075**	**1243.51**	**82,90,050**	**829.01**
Shares issued during the period	45,00,000	450.00	41,45,025	414.50
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	**1,69,35,075**	**1693.51**	**1,24,35,075**	**1243.51**

** During the Reporting Period, the Holding Company has alotted 4,500,000 fully paid up Equity Shares of the Face Value of ₹ 10 each for cash at a price of ₹ 188 per fully paid share at a premium of ₹ 178 per fully paid share aggregating to ₹ 84.60 Crore, pursuant to the fresh issues through Book Building Process, in the Initial Public Offer (IPO) in the designated stock exchange - "National Stock Exchange of India Limited" on its SME Platforms namely "NSE - SME - EMERGE".*

*** The Holding Company has alotted 4,145,025 fully paid up Equity Shares of the Face Value of ₹ 10 each during the last reporting period, pursuant to the Bonus issues as approved by Shareholders in their ensuing meeting.*

b. Terms / Rights attached to Equity Shares

i) The Holding Company has only one class of shares referred to as Equity Shares having a par value of ` 10 per share. Each holder of Equity Shares is entitled to one vote per share.

ii) In the event of liquidation of the Holding Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in the proportion to the Number of Equity Shares held by the Shareholders.

iii) The Holding Company declares and pay the dividend in Indian Rupees. Final Dividend proposed by the Board of Directors is subject to approval of the Shareholders in their ensuing Annual General Meeting.

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

	31.03.2019		31.03.2018	
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Equity Shares of ₹ 10 Each Fully Paid Up				
Shri Arun Bhandari	46,39,641	27.40%	46,39,641	37.31%
Master Vivaan Bhandari	9,72,726	5.74%	9,72,726	7.82%
Mayank Fasteners Private Limited	31,89,561	18.83%	31,89,561	25.65%
Smt Saroj Bhandari	21,69,138	12.81%	21,69,138	17.44%
Vantage Equity Fund	14,46,600	8.54%	-	-
	1,24,17,666	**73.33%**	**1,09,71,066**	**88.23%**

*** As per the record of the Holding Company, including its Register of Members.*

(₹ in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
3 RESERVES & SURPLUS			
Capital Reserve			
Balance as per last Consolidated Financial Statements		465.82	483.71
Add : Addition During the year		--	–
Less : Transferred during the year		--	17.89
	Closing Balance	**465.82**	**465.82**
Securities Premium			
Balance as per last Consolidated Financial Statements		–	--
Add : Addition During the year {Refer Note No. 2 (a)}		8010.00	--
Less : Transferred during the year		--	–
	Closing Balance	**8010.00**	**--**
Revaluation Reserve			
Balance as per last Consolidated Financial Statements		6.08	6.08
Add: Transfer from Consolidated Statement of Profit and Loss		--	--
	Closing Balance	**6.08**	**6.08**
General Reserve			
Balance as per last Consolidated Financial Statements		--	407.13
Add: Transfer from Consolidated Statement of Profit and Loss		--	--
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]			407.13
	Closing Balance	**--**	**--**
Surplus / (Deficit) in the Consolidated Statement of Profit and Loss			
Balance as per last Consolidated Financial Statements		5435.91	3727.81
Add : Net Profit / (Loss) for the year		2260.64	1903.61
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]		--	7.37
Less: Adjustments in respect of Provisions of Gratuity & Leave Encashment (Net of Taxes)		--	188.14
	Closing Balance	**7696.55**	**5435.92**
	TOTAL	**16178.45**	**5907.82**

4. Long Term Borrowings

(₹ in Lakhs)

	Non - Current Portion		Current Maturities*	
	31.03.2019	**31.03.2018**	**31.03.2019**	**31.03.2018**
Secured				
Term Loan				
From Financial Institutions				
Foreign Currency Loans	-	241.25	-	150.00
Indian Currency Loans	-		250.08	-
Hire Purchase Loans	-		-	3.18
	-	**241.25**	**250.08**	**153.18**
Unsecured				
Term Loan				
From Others				
Indian Currency Loans	30.87	186.07	-	-
	30.87	**186.07**	-	-
Deferred Payment Liabilities				
Sales Tax Deferment Scheme - "State of Maharashtra"	-	35.14	30.26	49.01
	-	**35.14**	**30.26**	**49.01**
	30.87	**462.46**	**280.34**	**202.19**

* Current Maturities covered under the head of "Other Current Liabilities". (Refer Note No. 10)

Terms of Repayments

a) Foreign Currency Term Loan from ICICI Bank Limited ` 750.00 Lakhs is payable in 20 Equal Quarterly Installments i.e. ` 37.50 Lakhs per quarter commencing from November 2015. Interest on the same to be charged separately on the outstanding amount as per "I - Base" and "Spread" per annum. During the reporting period, the Loan has been squared off.

b) Hire Purchase Loans of ` 8.21 Lakhs from Financial Institutions carries the Interest Range between the 10.18% to 11.75% and the same is to be repaid as per the Repayment Schedules given by the Banks or Financial Institutions. During the reporting period, the Loan has been squared off.

c) Indian Rupee Loans from other parties are Long Term Loans and are repayable on demand basis.

d) Deferred Sales Tax Liability is Interest Free. The same is to be repaid on or before the financial year 2019 - 2020.

Nature of Securities

a) The term loans from bank or financial institutions are secured by first pari - passu charge by the way of hypothecation of factory lands and building situated at the Maregaon, Neeri, Hingna and Buitibori and immovable machinery at Maregaon and Hingna.

b) Hire Purchase of Loans from banks and financial institutions is secured by the hypothecation of the related vehicles for which the loans has been obtained.

5. Deferred Tax Liabilities (Net) (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities at the beginning of the period	380.39	440.36
On account of timing differences accelerated depreciation	(57.46)	39.60
On Account of Defined Benefit Plans	13.52	(99.57)
Deferred Tax Liabilities at the end of the period	**336.45**	**380.39**

6. Other Long Term Liabilities (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Other Liabilities		
Unsecured, Considered Goods		
Retention Money related to Capital Expenditures	34.06	8.44
Total	**34.06**	**8.44**

7. Long Term Provisions (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Provision for Employees Benefits		
Provision for Gratuity	210.47	213.98
Provision for Leave Encashment	33.70	29.57
Total	**244.17**	**243.55**

8. Short Term Borrowings (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Secured		
Loans Repayable on Demand		
From Banks		
Foreign Currency Loans	784.80	1400.93
Indian Rupee Loans	1110.79	1034.11
Unsecured		
Loans Repayable on Demand		
From Banks		
Foreign Currency Loans	-	-
Indian Rupee Loans	137.71	654.12
Total	**2033.30**	**3089.16**

Nature of Securities

a) Working Capital Loan from the Axis Bank Limited are secured by first pari - passu charge on the hypothecation of entire Inventories, Book Debts, Receivables and Other Current Assets with the Company presently held and held in the near future and the second pari - passu charge at the Factory Land and Building situated at Bhandara and Factory Land and Building situated at B - 28, Industrial Area, MIDC, Hingna Road, Nagpur. These credit facilities are also further secured by Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

b) Working Capital Loan from the ICICI Bank Limited are secured by first pari - passu charge on the hypothecation of entire Inventories, Book Debts, Receivables and Other Current Assets with the Company presently held and held in the near future and the second pari - passu charge on all the entite Properties, Plants and Equipments related with the Company presently held and held in near future. These credit facilities are secured with the Factory Land and Building situated at Moregaon, Bhandara. These credit facilities are further secured by Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

c) Channel Finance Credit facilities of BALCO and NALCO from the Axis Bank Limited are unsecured and sanctioned on the Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

9. Trade Payables (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Trade Payables (Including Acceptances)		
Due to Micro and Small Enterprises*	-	-
Due to Others	1343.60	1037.98
Total	**1343.60**	**1037.98**

Notes * The Holding Company has not received any Memorandum (as required to be filed by the Suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on March 31, 2019 as Micro, Small and Medium Enterprises. Consequently, As informed by the Management to us, the amount paid / payable to these parties during the reporting period and previous reporting period are "NIL".

10. Other Current Liabilities (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Current maturities of Long-term Borrowings (Refer Note No. 4)	280.34	202.19
Other Payables		
Interest accrued but not yet due	6.65	7.58
Advances From Customers	124.10	53.20
Statutory Dues Payable		
Payable towards Direct Tax	15.59	18.14
Payable towards Indirect Tax	14.45	38.20
Liabilities for Expenses	117.48	106.97
Payable towards Services received	43.81	34.96
Payable to Employees	76.89	91.43
Total	**679.31**	**552.67**

11. Short Term Provisions (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Provision for Employees Benefits		
Provision for Gratuity	66.61	57.29
Provision for Leave Encashment	11.51	9.40
Provision for Income Tax (Net of Advance Tax)		
Provision for Income Tax	103.19	291.21
Total	**181.30**	**357.90**

12. Property, Plant and Equipments

Tangible Fixed Assets

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2018	Addition During the Year	Deductions / Adjustments	As at 31.03.2019	As at 01.04.2018	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
1	Agriculture Land	196.10	21.77	-	217.87	-	-	-	-	217.87	196.10
2	Freehold Land	107.74	-	-	107.74	-	-	-	-	107.74	107.74
3	Leasehold Land	3.14	641.04	-	644.18	-	-	-	-	644.18	3.14
4	Holiday Resort	0.70	-	-	0.70	0.44	-	-	0.44	0.26	0.26
5	Electrical Installations - Agriculture Land	-	4.42	-	4.42	-	-	-	-	4.42	-
6	Factory Building	1859.05	81.50	-	1940.55	455.78	61.39	-	517.17	1423.38	1403.27
7	Non - Factory Building	104.35	14.32	-	118.67	24.18	1.85	-	26.03	92.64	80.17
8	Furniture and Fixtures	53.39	3.23	-	56.62	34.37	3.00	-	37.37	19.25	19.02
9	Plant and Machineries	3291.90	69.46	20.62	3340.74	1502.57	113.64	-	1616.21	1724.53	1789.33
10	Electrical Installations	197.02	3.50	-	200.52	119.09	10.92	-	130.01	70.51	77.93
11	Office Equipments	44.20	6.31	-	50.51	27.97	2.88	-	30.85	19.66	16.23
12	Motor Vehicles	77.26	9.83	3.72	83.37	54.27	7.63	3.72	58.18	25.19	22.99
13	Computer & Peripherals	34.45	2.48	-	36.93	28.92	2.95	-	31.87	5.06	5.53
14	Live Stocks	0.38	-	-	0.38	-	-	-	-	0.38	0.38
	Total	5969.68	857.86	24.34	6803.20	2247.59	204.26	3.72	2448.13	4355.07	3722.09
	Previous Year	5715.71	381.97	127.98	5969.69	2049.60	201.75	3.76	2247.59	3722.09	3666.10

13. Capital Work-in-Progress (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Capital Work-in-Progress		
For Building	1576.37	-
For Electrical Installations	139.73	-
For Plant and Machineries	625.87	5.56
Pre-Operative Expenses	50.63	-
Total	**2392.60**	**5.56**

14. Non-Current Investments (₹ in Lakhs)

		As at March 31, 2019	As at March 31, 2018
Unquoted			
Other Investments			
Investment in Equity Shares			
i) Investment in Associates Companies			
Fully Paid up with Face Value of ₹ 10 each unless otherwise specified			
9,98,860 (Pre.Year - 9,98,860) Equity Shares of Star Circlips & Engineering Limited		1643.28	1281.04
70,22,600 (Pre. Year 70,22,600) Equity Shares of Toyal MMP India Pvt. Ltd.		553.27	691.99
	(A)	2196.55	**1973.03**
Quoted			
Investments in Govt. Securities			
Investment in Other Securities			
7 Years National Saving Certificates		0.03	0.28
	(B)	**0.03**	**0.28**
Total (A + B)		**2196.58**	**1973.31**

15. Long Term Loans and Advances (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Security Deposits		
(Unsecured, considered good)	167.47	166.19
Other Advances		
Other Long Term Advances		
(Unsecured, considered good)	401.25	1.30
Total	**568.72**	**167.49**

16. Inventories (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Inventories (At Lower of Cost and Net Realizable Value)		
Raw Materials	716.66	674.38
Finished Goods	1459.66	1047.74
Work in Progress	2.09	17.13
Stores, Spares and Consumables	206.33	156.74
Packing Materials	64.67	71.01
Total	**2449.41**	**1967.00**

17. Trade Receivables

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Trade receivables outstanding for a period exceeding six months from the date they are due for payment (Unsecured, Considered Good)	651.05	521.03
	651.05	**521.03**
Trade receivables outstanding for a period less than six months from the date they are due for payment (Unsecured, Considered Good)	3921.30	4017.52
	3921.30	**4017.52**
Total	**4572.35**	**4538.55**

18. Cash and Bank Balances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In Current Accounts	367.74	3240.70
In Term Deposits (Held as Margin Money against Bank Guarantee and Commission)*	151.57	142.39
In Term Deposits	4408.98	12.83
Cash in Hand	10.21	8.98
Total	**4938.50**	**3404.90**

* Held as lien by the Banks or Financial Institutions against the Margin Money for availing the various kind of credit facilities with them during the Reporting Period.

19. Short Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Advances to Vendors	430.37	369.28
Advances to Staff	54.42	21.95
Balances with Government Authorities	96.88	48.14
Other Advances	303.25	1.56
Prepaid Expenditures	1.87	6.75
Total	**886.79**	**447.68**

20. Other Current Assets

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Interest Receivable	5.17	4.55
Other Assets	1.35	54.35
Total	**6.52**	**58.90**

21. Revenue from Operations (Gross) (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Sales of Products		
Domestic Market	24022.50	22886.23
Export Market	1153.25	1182.64
Turnover from Sale of Products... (A)	**25175.75**	**24068.87**
Sale of Services		
Receipts from Job Work	779.10	766.59
Turnover from Sale of Services... (B)	**779.10**	**766.59**
Other Operating Revenue		
Duty Drawback	50.07	28.93
Management Consultancy Receipts	60.00	60.00
Other Operating Revenue (C)	**110.07**	**88.93**
Total (A + B + C)	**26064.92**	**24924.39**

22. Other Income (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Interest Income		
Term Deposits	357.07	10.94
Others	22.01	5.06
Other Non - Operating Income		
Agriculture Income	2.75	2.29
Misc. Income	0.97	1.10
Surplus on disposal of Property, Plants and Equipments	0.40	-
Rental Income	-	5.50
Scrap Sales	12.71	7.60
Other Gain / (Loss)		
Foreign Exchange Gain (Net)	-	37.31
Sundry Balances Written Off (Net)	0.79	-
Total	**396.70**	**69.80**

23. Cost of Raw Material Consumed (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Consumption of Raw Materials		
Stock at the beginning of the period	674.38	460.02
Add : Purchases made during the period	18807.26	17110.40
Add : Direct Expenses incurred during the period	189.74	128.53
	19671.38	**17698.95**
Less : Stock at the end of the Period	716.66	674.38
Total Cost of Raw Material Consumed	**18954.72**	**17024.57**

** Refer Note No. 26.1 for further reference.*

24. Change in Inventories of Trading Goods, Finished Goods and Work-in-Progress

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Inventories at the beginning of the Period		
Finished Goods	1047.74	1328.06
Work-in-Progress	17.13	44.62
	1064.87	**1372.68**
Inventories at the end of the Period		
Finished Goods	1459.66	1047.74
Work-in-Progress	2.09	17.13
	1461.75	**1064.87**
(Increase) / Decrease in Inventories	**(396.88)**	**307.81**

25. Employee Benefit Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Salaries, Wages, Incentive and Managerial Remunerations	1672.08	1499.34
Contribution to PF and Other Funds	78.66	61.70
Bonus	25.42	27.39
Staff Welfare Expenses	23.70	16.10
Total	**1799.86**	**1604.53**

26. Other Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Consumption of Stores and Spares (Refer Note No. 26.2)	340.39	333.10
Consumption of Packing Material (Refer Note No. 26.3)	557.74	588.33
Power and Fuel	1152.95	882.01
Administration and Other Expenses	48.92	50.78
Agriculture Expenses	2.80	2.33
Conveyance and Travelling Expenses	48.89	35.61
Corporate Social Responsibilities Expenses (Refer Note No. 26.4)	28.86	49.37
Directors Sitting Fees	1.93	1.44
Exchange Rate Difference (Net)	118.59	-
Expenses on Live Stock	0.48	0.32
Goodwill Written Off	-	0.28
Insurance Charges	12.77	23.07
Legal Fees	152.45	136.08
Loss on disposal of Property, Plants and Equipments	-	2.72
Misc. Expenditure written off during the period	74.75	-
Payments to the Auditor (Refer Note No. 26.5)	1.05	1.05
Rent, Rates and Taxes	26.38	31.41
Repair and Maintenance Charges		
For Plant and Machineries	42.35	39.49
For Building	12.78	22.57
For Others	4.58	3.89
Security Charges	36.51	29.48
Selling and Distribution Expenses	111.34	136.28
Telephone and Mobile Expenses	14.61	12.97
Total	**2791.12**	**2382.58**

26.1 Raw Material Consumption

	2018-2019		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Raw Material				
Indigenous Consumption	18954.72	100.00%	17014.32	99.94%
Imported Consumption	-	-	10.25	0.06%
	18954.72	**100.00%**	**17024.57**	**100.00%**

26.2 Consumption of Stores and Spares

	2018-19		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Stores and Spares				
Indigenous Consumption	338.89	99.56%	333.10	100.00%
Imported Consumption	1.50	0.44%	-	-
	340.39	**100.00%**	**333.10**	**100.00%**

26.3 Consumption of Packing Materials

	2018-19		2017-2018	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Packing Materials				
Indigenous Consumption	557.74	100.00%	588.33	100.00%
Imported Consumption	-	-	-	-
	557.74	**100.00%**	**588.33**	**100.00%**

26.4 Corporate Social Responsibilities

During the Reporting Period, In the term of the requirements of Section 135 of the Companies Act, 2013, the Company had spent a sum of ₹ **28.86 Lakhs** (Previous Year ₹ **49.37 Lakhs**) on Corporate Social Responsibilities Activities. The details of the amount spent during the Reporting Period are provided in the **Annexures to the Director's Report.**

26.5 Payments to Auditor (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
As Auditor :		
Audit Fees	0.75	0.75
Tax Audit Fees	0.30	0.30
Other Services	-	-
Reimbursement of Expenses	-	-
Total	**1.05**	**1.05**

27. Finance Costs (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Interest Expenses		
Interest on Bank Borrowings	219.04	326.93
Interest on Bill Discounting	14.12	13.52
Interest to others	5.62	25.11
Other Borrowing Costs	39.05	19.23
Total	**277.83**	**384.79**

28. Depreciation and Amortization Expenses

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Depreciation Expenses	204.25	201.75
Amortization Expenses	-	-
Total	**204.25**	**201.75**

29. Information on Related Party Transaction as required by Accounting Standards - 18 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2019.

The Holding Company's material Related Party Transactions and outstanding balances with whom Holding Company had entered into the transactions in the ordinary course of Business are as follows:

Related Parties are as follows:

1. **Controlled Entities**
   a) Star Circlips and Engineering Limited (Holds 26.06% of Total Equity)
   b) Toyal MMP India Private Limited (Holds 26.00% of Total Equity)

2. **Related Party where Significant Influences Exists**
   a) Mayank Fastners Private Limited

3. **Key Managerial Person Name and their Designation**

S. No.	Name of the Persons	Designation
a)	Shri Arun Bhandari	Managing Director
b)	Shri Lalit Bhandari	Whole-time Director
c)	Shri Bhinvkaran Dhularam Jangid	Whole-time Director
d)	Shri Ajay Sadashiv Gokhale	Director
e)	Shri Sunil Khanna	Director
f)	Shri Vijay Singh Bapna	Director
g)	Smt. Sudha Sukesh Gandhi	Director
h)	Shri Karan Verma	Director
i)	Shri Narasimham Murthy Tenneti	Whole-time Director
j)	Shri Sharad Khandelwal	Chief Financial Officer
k)	Shri Chandrakant Nimje	Company Secretary
l)	Shri Milind Suryakant Rao	Company Secretary

4. **Relatives of Key Managerial Person**

S. No.	Name of the Persons	Designation
a)	Smt. Saroj Bhandari	Wife of Managing Director
b)	Shri Mayank Bhandari	Son of Managing Director
c)	Smt. Sakshi Bhandari	Daughter-in-Law of Managing Director
d)	Ms. Rohini Bhandari	Daughter of Managing Director

Terms and Conditions with the transactions with Related Parties as under:

a) The sales to and purchases from the related parties are made on the terms equivalents to those that prevails in the arm's length transactions.

b) Outstanding balances of the related parties at the end of the Reporting Period are unsecured, interest free and will be settled in the cash on demand basis.

Transaction with Related Parties is as under : **(₹ in Lakhs)**

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	**Purchases of Goods**				
	Star Circlips and Engineering Limited	₹ 01.26 (P. Y. ₹ 00.64)	–	–	–
	Toyal MMP India Private Limited	₹ 06.52 (P. Y. ₹ NIL)	–	–	–
2.	**Payment of Office Rent**				
	Mayank Fastners Private Limited	–	₹ 00.90 (P.Y. ₹ 00.90)	–	–
3.	**Reimbursement of Expenses Received**				
	Toyal MMP India Private Limited	₹ 01.55 (P.Y. ₹ 33.26)	–	–	–
	Star Circlips and Engineering Limited	₹ 00.62 (P. Y. ₹ 04.08)	–	–	–
4.	**Reimbursement of Expenses Paid**				
	Toyal MMP India Private Limited	₹ 00.43 (P.Y. ₹ NIL)	–	–	–
5.	**Remuneration**				
	Shri Arun Bhandari	–	–	₹ 134.40 (P.Y. ₹ 90.25)	–
	Shri Lalit Bhandari	–	–	₹ 21.98 (P.Y. ₹ 18.18)	–
	Shri Madan Mohan Agrawal	–	–	₹ NIL (P.Y. ₹ 01.80)	–
	Shri Bhinvkaran Jangid	–	–	₹ 04.50 (P.Y. ₹ 01.75)	–
	Shri Narasimham Murthy Tenneti	–	–	₹ 02.58 (P.Y. ₹ NIL)	–
	Shri Sharad Khandelwal	–	–	₹ 20.16 (P.Y. ₹ 16.30)	–
	Shri Chandrakant Nimje	–	–	₹ 01.56 (P.Y. ₹ 02.09)	–
	Shri Milind Rao	–	–	₹ 03.59 (P.Y. ₹ NIL)	–
6.	**Salary and Perquisites**				
	Smt. Saroj Bhandari	–	–	–	₹ 60.56 (P.Y. ₹ 52.75)
	Smt. Sakshi Bhandari	–	–	–	₹ 36.00 (P.Y. ₹ 19.50)
7.	**Legal and Professional Charges**				
	Shri Mayank Bhandari	–	–	–	₹ 48.00 (P.Y. ₹ 56.28)
	Ms. Rohini Bhandari	–	–	–	₹ 30.00 (P.Y. ₹ 30.00)

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
8.	**Director Sitting Fees**				
	Shri Karan Verma	–	–	₹ 0.435 (P.Y. ₹ 0.605)	–
	Smt. Sudha Sukesh Gandhi	–	–	₹ 0.35 (P.Y. ₹ 0.085)	–
	Shri Ajay Sadashiv Gokhale	–	–	₹ 0.34 (P.Y. ₹ 0.655)	–
	Shri Vijay Singh Bapna	–	–	₹ 0.40 (P.Y. ₹ NIL)	–
	Shri Sunil Khanna	–	–	₹ 0.40 (P.Y. ₹ NIL)	–
9.	**Sales of Goods**				
	Toyal MMP India Private Limited	₹ 1,151.38 (P.Y. ₹ 393.13)	–	–	–
10.	**Receipts of Job Work Charges**				
	Star Circlips and Engineering Limited	₹ 180.54 (P.Y. ₹ 183.06)	–	–	–
11.	**Receipts of Management Service Charges**				
	Toyal MMP India Private Limited	₹ 70.80 (P.Y. ₹ 70.35)	–	–	–
12.	**Receipts of Depot Rent**				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 06.22)	–	–	–

Balances payable to the related parties as on March 31, 2019 (₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	**Purchases of Goods**				
	Mayank Fastners Private Limited	–	₹ 01.48 (P. Y. ₹ 00.89)	–	–
2.	**Director Remuneration and Salary**				
	Shri Arun Bhandari	–	–	₹ NIL (P.Y. ₹ 21.14)	–
	Shri Lalit Bhandari	–	–	₹ 00.80 (P.Y. ₹ 00.40)	–
	Shri Bhinvkaran Jangid	–	–	₹ NIL (P.Y. ₹ 00.27)	–
	Shri Narasimham Murthy Tenneti	–	–	₹ 00.93 (P.Y. ₹ NIL)	–

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
	Shri Sharad Khandelwal	–	–	₹ 01.29 (P.Y. ₹ 00.82)	–
	Shri Chandrakant Nimje	–	–	₹ NIL (P.Y. ₹ 00.22)	–
	Shri Milind Rao	–	–	₹ 00.48 (P.Y. ₹ NIL)	–
	Smt. Saroj Bhandari	–	–	–	₹ 02.57 (P.Y. ₹ 00.19)
	Smt. Sakhshi Bhandari	–	–	–	₹ 03.00 (P.Y. ₹ 01.10)
	Shri Mayank Bhandari	–	–	–	₹ 04.00 (P.Y. ₹ NIL)
	Ms. Rohini Bhandari	–	–	–	₹ 02.50 (P.Y. ₹ NIL)

30. Disclosure in relation to Employee Benefit Expenses (As per AS - 15) :

The Present Value of defined benefit obligation and the related current service cost were measured using the Project Credit Method, with Actuarial Valuations being carried out at each of the Reporting period.

The following tables sets out the funded status of Gratuity plan and the amount recognized in the Company's standalone financial statements as at March 31, 2019.

	Year 2018-2019	Year 2017-2018
Assumptions		
Discount Rate (at the beginning of the year)	7.75%	7.75%
Discount Rate (at the end of the year)	7.75%	7.75%
Salary Growth Rate	7.00%	7.00%
Mortality	IALM 2006 - 08 Ultimate	IALM 2006 - 08 Ultimate
Withdrawal Rate (Per annum) (18 to 30 Years)	5.00%	7.00%
Withdrawal Rate (Per annum) (30 to 44 Years)	5.00%	5.00%
Withdrawal Rate (Per annum) (44 to 58 Years)	3.00%	3.00%

Table Showing Changes in Present Value

(₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Present Value Obligation at the beginning of the year	**271.27**	**251.86**
Interest Cost	21.02	19.52
Current Service Cost	14.55	13.28
Past Service Cost	-	2.79
Benefits Paid (if any)	(18.39)	(19.74)
Actuarial Gain / (Loss)	(11.38)	3.56
Present Value Obligation at the end of the year	**277.07**	**271.27**

Key Results (the amount to be recognized in the Balance Sheet) (₹ in Lakhs)

	Year 2018-2019	Year 2017-2018
Present Value Obligation at the end of the period	**277.07**	**271.27**
Fair Value of Plan Assets at the end of the Year	-	-
Net Liability / (Assets) recognized in the Balance Sheet and Related Analysis	277.07	271.27
Funded Status	**(277.07)**	**(271.27)**

Key Results (Expenses to be recognized in the Statement of Profit or Loss)

Interest Cost	21.02	19.52
Current Service Cost	14.55	13.28
Past Service Cost	-	2.79
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) or Loss recognized in the Period	(11.38)	3.56
Expenses to be recognized in the Profit or Loss	**24.19**	**39.15**

Experience Adjustments

Experience adjustments (Gain) / Loss for Plan Liabilities	(12.14)	6.35
Experience Adjustments Gain / (Loss) for Plan Liabilities	-	-

Summary of Membership Data at the Date of Valuation and Statistics below :

	Year 2018-2019	Year 2017-2018
Number of Employee	359	344
Total Monthly Salary (₹ In Lakhs)	28.24	26.66
Average Past Service (Years)	17.50	18.00
Average Future Service (Years)	13.00	12.70
Average Age (Years)	45.00	45.30
Weighted Average Duration (Based on Discounted Cash Flow) in Years	8.00	8.00
Average Monthly Salary (₹ in Lakhs)	0.08	0.08

Benefits Valued

	Year 2018-2019	Year 2017-2018
Valuation of Benefits		
Normal Retirement Age	58 Years	58 Years
Salary	Last drawn Qualifying Salary	Last drawn Qualifying Salary
Vesting Period	5 Years	5 Years
Benefit of Normal Retirement	15 / 26 * Salary * Past Service (Years)	15 / 26 * Salary * Past Service (Years)
Benefit on early exit due to death and disability	As Above Except that No Vesting Conditions Apply	As Above Except that No Vesting Conditions Apply
Limit (₹ In Lakhs)	20.00	20.00

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Current Liabilities (*Short Term)	66.61	57.29
Non Current Liabilities (*Long Term)	210.47	213.98

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Best Estimate for Contribution during the Next Period	16.61	15.70

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of Change in Mortality rate is negligible. Please Note that the Sensitivity Analysis presented below may not be representative of actual change in the Defined Benefit Obligation as it is unlikely that the change in assumption would occur is isolation of one another as some of the assumptions may be correlated. The results of the Sensitivity Analysis are given below:

Defined Benefit Obligation (Base)	**2,77,07,843 @ Salary Increase Rate : 7% and Discount Rate: 7.75%**
Liability with X% Increase in Discount Rate	2,63,74,381; X = 1% {Changes (5%)}
Liability with X% Decrease in Discount Rate	2,91,80,084; X = 1% {Changes 5%}
Liability with X% Increase in Salary Growth Rate	2,91,76,518; X = 1% {Changes 5%}
Liability with X% Decrease in Salary Growth Rate	2,63,53,553; X = 1% {Changes (5%)}
Liability with X% Increase in Withdrawal Rate	2,77,37,837; X = 1% {Changes 0%}
Liability with X% Decrease in Withdrawal Rate	2,76,74,153; X = 1% {Changes 0%}

Reconciliation of Liabilities in Balance Sheet (₹ in Lakhs)

	Year 2018-2019	**Year 2017-2018**
Reconciliation		
Opening Gross Defined Benefit Liability / (Assets)	**271.27**	**251.86**
Expenses to be recognized in Statement of Profit and Loss	24.19	39.15
Benefit paid (if any)	(18.39)	(19.74)
Closing Gross Defined Benefit Liability / (Assets)	**277.07**	**271.27**

31. Contingent Liabilities (₹ in Lakhs)

	As at March 31, 2019	**As at March 31, 2018**
a) Guarantee given by the Company's Bankers	73.12	124.01
b) Bill Discounted with the Company's Bankers under the Letter of Credit	654.27	386.05
c) Bill Discounted with the Company's Bankers under the Letter of Credit	730.97	640.02
d) Sales Tax Demand pending with the Appellate Authorities	4.36	40.66
e) Income Tax Demand Appeal pending with the Commissioner Income Tax (Appeals)	1.83	1.83
f) Central Excise Duty and Service Tax Demand pending along with Additional Commissioner Nagpur - II	174.00	193.46
g) Export Obligations	35.00	35.00
Total	**1673.55**	**1421.03**

32. Capital and Other Commitments (₹ in Lakhs)

	Year 2018-2019	**Year 2017-2018**
Capital Commitments		
Estimated amount of contracts remaining to be executed by the Company on Capital and not provided for		
Towards Property, Plants and Equipments	422.83	-
Towards Intangible Assets	61.10	-
	483.93	**-**
Other Commitments		
For Derivative Contract related Commitments {Refer Note No. 35(A)}	-	-
	-	**-**
Total	**483.93**	**-**

33. Expenditures in Foreign Currency **(₹ in Lakhs)**

Particulars	2018-2019	2017-2018
Value of Import calculated on C.I.F. Basis		
On Raw Material	-	10.25
On Capital Goods	-	-
On Stores and Spares	1.50	-
On Trading Goods	-	-
	1.50	**10.25**
Normal Business Expenditures		
On Traveling Expenses	7.45	-
On Royalty	13.16	1.76
On Sales Commission	11.44	4.17
	32.05	**5.93**
Total	**33.55**	**16.18**

34. Earnings in Foreign Currency **(₹ in Lakhs)**

Particulars	2018-2019	2017-2018
Value of Export calculated on FOB Basis		
Export of own Product at FOB Value (Direct)	1153.25	1182.64
Total	**1153.25**	**1182.64**

35. Details of Hedged and Unhedged Exposures in Foreign Currency

A) Exposure in Foreign Currency - Hedged

The Company has not entered into any forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and their firm commitments. No such derivative instruments for trading and speculative purpose had been entered into by the Company during the reporting period.

B) Exposure in Foreign Currency - Unhedged

The Foreign Currency exposure not hedged as at March 31, 2019 are as follows:

(In Lakhs)

	Payable (in Foreign Currency)		Receivable (in Foreign Currency)	
	2018-2019	2017-2018	2018-2019	2017-2018
Foreign Currency - Unhedged				
U. S. Dollar ($)	11.39	27.43	1.08	0.80
EURO (€)	0.02	-	0.41	-

(₹ in Lakhs)

	Payable (in Indian Currency)		Receivable (in Indian Currency)	
	2018-2019	2017-2018	2018-2019	2017-2018
U. S. Dollar ($)	787.95	1784.17	74.37	51.91
EURO(€)	1.63	-	31.83	-

36. Earnings Per Share (EPS)

	Year 2018-2019	Year 2017-2018
Net Profit after tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	**2260.65**	**1903.61**
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of Equity Shares considered as denominator for calculating earnings per share*	1,67,87,130	1,24,35,075
Basic and Diluted Earnings per Share (₹)	**13.47**	**15.31**

Notes* Basic and Diluted Earnings per Share for the period ended on March 31, 2018, have been adjusted retrospectively for the Bonus share issued during the year ended March 31, 2018.

37. Previous Year audited figures has been regrouped / rearranged / recasted wherever necessary to make them comparable for the purpose of preparation and presentation of standalone financial statements.

SIGNATURE TO NOTE "1" TO NOTE "37"

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 29, 2019

For and on behalf of the Board

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Sharad Khandelwal
Chief Financial Officer

Milind Rao
Company Secretary

Place : Nagpur
Date : May 29, 2019

PROXY FORM

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

MMP INDUSTRIES LIMITED

Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN
Tel No.: +91 712 2524645 / 2533585; Fax No.: +91 712 2530461
E-mail: companysecretary@mmpil.com; Website: www.mmpil.com

Forty-Sixth (46th) Annual General Meeting - Wednesday, the 21st August 2019 at 04.00 P.M.

Name of the Member(s) :	
Registered Address :	
e-mail ID :	

DPID		Reg. Folio No.	
CLID		No. of Shares	

1. Name :….....Email :.....

Address :.....

..... Signature :….....

or failing him / her

2. Name :….....Email :.....

Address :.....

..... Signature :….....

or failing him / her

3. Name :.....Email :.....

Address :.....

..... Signature :….....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Forty-Sixth (46th) Annual General Meeting of the Company, to be held on Wednesday, the 21st August, 2019 at 04.00 P.M. at Vidarbha Industries Association's (VIA) Auditorium, Udyog Bhavan, Civil Lines, Nagpur – 440001, MH IN. and at any adjournment thereof in respect of such resolutions/s as are indicated below:-

Sr. No.	Resolution	Vote (Optional) (Refer Note 2)		
		For	Against	Abstain
Ordinary Business				
1	**Ordinary Resolution** - Adoption of Financial Statements (Standalone & Consolidated) of the Company viz. Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Report of the Statutory Auditors and Board's Report for the year 2018-19 ended 31st March 2019			
2	**Ordinary Resolution** - Appointment of a Director in place of Mr. Lalit Ranjeet Raj Bhandari, (DIN - 00010934), [Category - Promoter & Executive], who retires by rotation and being eligible, offers himself for re-appointment			
Special Business				
3	**Ordinary Resolution** - Appointment of Mr. Tenneti Narasimham Murthy, [DIN - 08342116], as a Director, [Category - Non-Promoter & Executive], of the Company			
4	**Special Resolution** - Appointment of Mr. Tenneti Narasimham Murthy, [DIN– 08342116], as the Whole-time Director, [Category – Non Promoter & Executive], designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years, effective 2nd February 2019			
5	**Special Resolution** - Consent and Approval of the Shareholders (Members) of the Company, for issue or giving of Corporate Guarantee OR providing Securities, in connection with loan/s to entity, which is either a Subsidiary, Associate, Joint Venture or Group Company, of the Company, in whom any of the Director of the Company is interested			
6	**Ordinary Resolution** - Ratification of Remuneration of Cost Auditors of the Company			

Signed this.....day of….....2019 Signature of Shareholder.....

Affix Revenue Stamp

....
Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes :

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP

MMP INDUSTRIES LIMITED

Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN
Tel No.: +91 712 2524645 / 2533585; Fax No.: +91 712 2530461
E-mail: companysecretary@mmpil.com; Website: www.mmpil.com

Forty-Sixth (46th) Annual General Meeting - Wednesday, the 21st August 2019 at 04.00 P.M.

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Joint Shareholders may obtain additional Slips on request.

Name of the Member(s) :	
Registered Address :	
e-mail ID :	

DPID		Reg. Folio No.	
CLID		No. of Shares	

I hereby record my presence at the Forty-Sixth (46th) Annual General Meeting of the Company held at Vidarbha Industries Association's (VIA) Auditorium, Udyog Bhavan, Civil Lines, Nagpur – 440001, MH IN. on Wednesday, the 21st August 2019 at 04.00 P.M.

SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If Shareholder, Please Sign here	If Proxy, Please Sign here
.....	.....

Note : Your copy of Annual Report may please be brought alongwith you to the meeting hall

GENERAL INFORMATION

To,
MMP INDUSTRIES LIMITED
CIN: L32300MH1973PLC030813
Regd Office: 211, Shri Mohini, 345,
Kingsway, Nagpur - 440001, MH, IN

UPDATION OF SHAREHOLDER INFORMATION

I / We request you to record the following information against my / our DP Id - Client Id / Folio No.:

(A) General Information:

DP Id - Client Id / Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN / Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
e-mail ID:	

* Self attested copy of the document(s) enclosed

(B) Bank Details:

IFSC : (11 digit)	
MICR : (9 digit)	
Bank A/c Type :	
Bank A/c No. : #	
Name of the Bank:	
Bank Branch Address:	

A blank cancelled cheque is enclosed to enable verification of bank details.

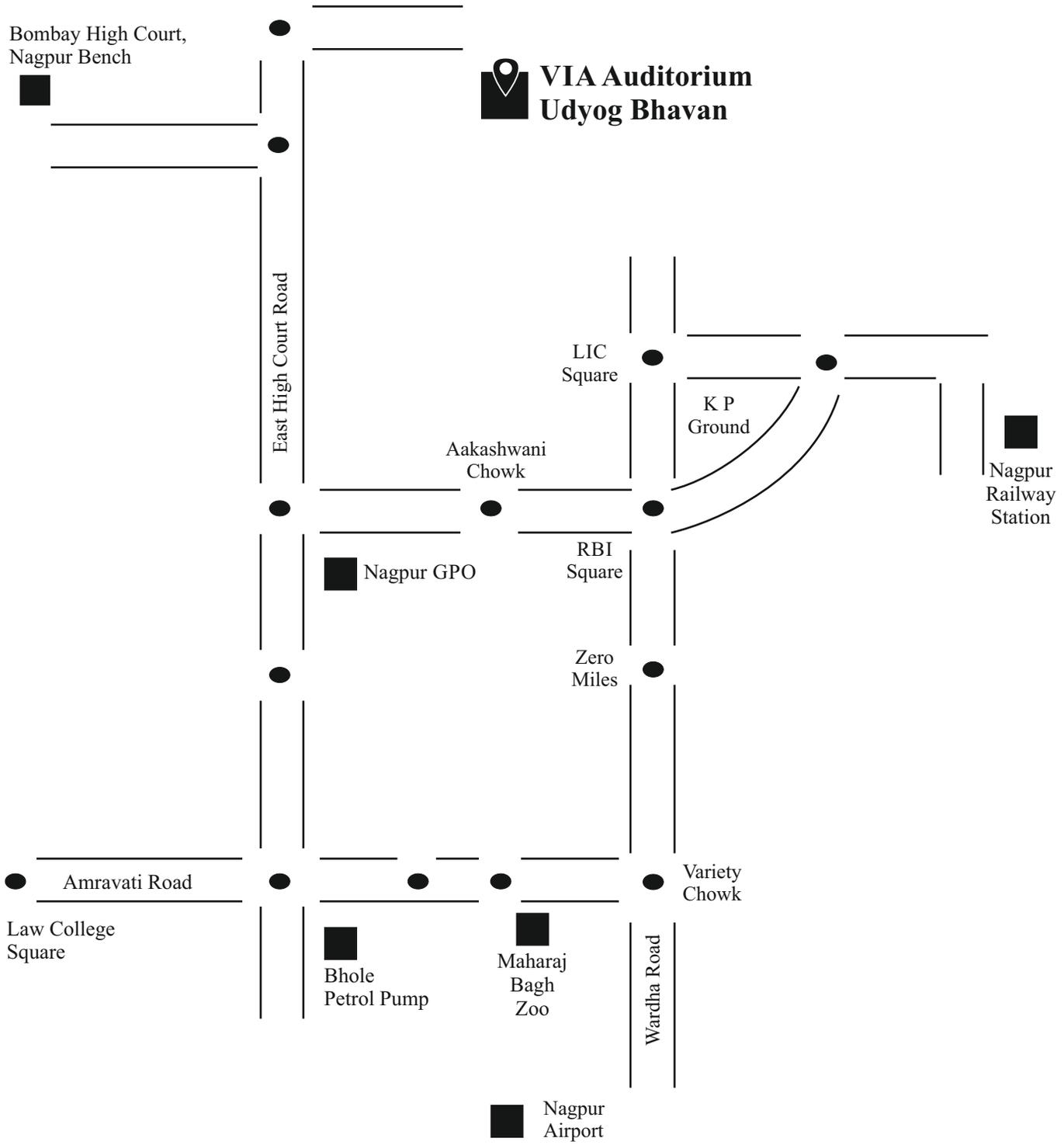
I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information. I / We would not hold the Company / Registrar & Share Transfer Agent responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / We hold the securities under the above mentioned Folio No.

Place:
Date: Signature of Sole / First holder

Important Information : The Shareholders (Members) may please note that the SEBI vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P.2018/73 dated 20th April 2018 has mandated submission of Permanent Account Number (PAN) and Bank Account details of all securities holders holding securities in physical form.

The Shareholders (Members) may also please note that the physical transfer of shares will not be allowed effective 1st April 2019 pursuant to SEBI guidelines.

ROUTE MAP FOR VENUE OF FORTY-SIXTH (46th) ANNUAL GENERAL MEETING



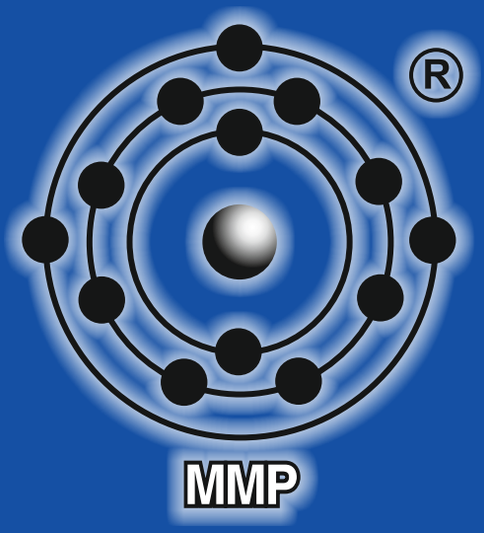
VISION

To be the most preferred manufacturer and brand of aluminium powders and aluminium conductors globally for all user applications.

MISSION

To consistently exceed customer's expectations of quality, cost and delivery through process up-gradation, improvement in systems and continuous customer interaction.

To build and sustain an atmosphere of trust and mutual respect with all stakeholders of the business and outside.



211 SHRI MOHINI, 345, KINGSWAY, NAGPUR - 440001, MH, IN

Tel Nos. : +91 712 2524645, +91 7104 668000

Fax No. : +91 712 2530461, +91 7104 668032

E-mail : companysecretary@mmpil.com Website : www.mmpil.com