ITL Industries Ltd.

ITL/BSE/2017-18/34 October 03, 2017

To,
The Bombay Stock Exchange Limited
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street,Mumbai-400 001
Online Filing at:-listing.bseindia.com
Email :- corp.relations@bseindia.com
FAX :- 022 22723121,22722039,2272041

Sub. : Submission of the approved and adopted copy of the Annual Report for the Financial Year 2016-17 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Dear Sir,

In Compliance of the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Please find attached herewith Annual Report of the Company for the Financial Year 2016-17, duly approved and adopted by the members of the Company at the 29th Annual General Meeting (AGM) held on Thursday, September 28th,2017 at 111, Sector "B", Sanwer Road, Industrial Area, Indore -452 015.

The Annual Report is also displayed on website of the Company (www.itl.co.in).

This is for your information and record purpose.

Thanking You,

Yours faithfully,
For **ITL Industries Ltd.**

Mahendra Singh Jain
Joint Managing Director
(DIN - 00256047)
Encl: a/a

Technology with Time .....

ITL Industries Ltd.

Technology with Time...

29th ANNUAL REPORT 2016 2017

MAKE IN INDIA

Message to the Members

Dear Shareholder,

Global Economy

The global economy continued to be subdued in 2016. The slowdown in the advanced economies of the West adversely impacted growth levels, resulting in the slowing of the world economic growth to 3.1% from 3.4% in the earlier year.The growth in emerging markets and developing economies was encouraging. However, China and India experienced a deceleration. Financial markets reflected a broad uptrend, notwithstanding Brexit and the rate hikes by the US Fed. Recent data reveals that the global economy is gaining momentum. The IMF has projected global growth to notch up to 3.5% in 2017 from 3.1% last year. Growth in the advanced economies is estimated at 2%, with US growth 2.3%, the Euro area at 1.7% and Japan at 1.2%. Growth in the emerging markets is pegged at 4.5%, driven largely by China, India and the ASEAN region. Latin America is expected to grow only 1.1%, affected by the weak trend in Brazil.

Indian Economy

India is on a roll. There is a buzz about India, as the fastest growing economy in the world at 7.1%. The trade deficit in 2016-17 was USD 106 billion, lower by 11% over the previous year. The current account deficit has been significantly pared. India's foreign exchange reserves as at March end 2017 were USD 370 billion. Investors are bullish. Foreign investment flows, which were at over USD 60 billion in FY-17 are scaling new records. Markets are buoyant. Stock index is at a historic peak. India's global ranking has jumped up in competitiveness and on the innovation index. The various initiatives and reforms of the Modi Government have built the platform for a quantum leap ahead. Going forward the nation expected to grow at 7.5% to 8%. The Government has taken many steps, including a sharp focus on improving ease of doing business, speeding of green clearances and stepping up public sector outlays for infrastructure.

Performance of your Company

The year ended March 2017 was a good year for your company. The Company during the year recorded a turnover of Rs.74.95 crores in 2016-17 as against Rs. 60.57 crores in 2015-16 with a net profit after tax at Rs.482.81 laks as against Rs.275.41 laks. We remain confident that your company will also perform well during the current year too.

New Developments

New developments as well as modifications in existing models are necessary to offer value for money to our esteemed customers. Two new larger size models of CSNC Carbide Circular Saw Machine for Steel cutting have been further developed during the year. The company had made break through into export markets this year and exported few machines.

The domestic demand for companie's products is expected to remain better. Apart from Designing and Manufacturing activities, Company's Trading divisions are also expected to perform well.

We remain committed to improve the Shareholders value towards this end, we are continuously looking for the opportunities and are upgrading the infrastructure befitting to the same.

To Our Teams

The support of our Shareholders, Business Associates, Valued Customers, Banks and Financial Institutions has always been a source of strength to us and we thank all of them wholeheartedly for remaining the integral part of our growth story. I also wish to thank all the employees for their devoted efforts in bringing up the company to the present level.

Thanking you,

Rajendra Singh Jain
Managing Director
DIN-00256515

DIRECTORS

Manohar Singh Jain	-	Non-Executive Director
Rajendra Singh Jain	-	Managing Director
Mahendra Singh Jain	-	Joint Managing Director
N.Chakraborty	-	Non-Executive Director
Dr.S.K.Kapoor	-	Non-Executive Director
Dr.Pratima Jain	-	Non-Executive Director

CHIEF FINANCIAL OFFICER - Ashok Ajmera

COMPANY SECRETARY - Akhilesh Gautam

AUDITORS
Mahaveer M.Jain & Co.
Chartered Accountants
105, Silver Sanchora Castle
7-8, R.N.T. Marg
INDORE-452001 (M.P.)

REGISTERED OFFICE & WORKS
111, Sector-B,Sanwer Road, Industrial Area,
INDORE-452015 (M.P.)

BANKERS
State Bank of India
Industrial Finance Branch,
Khel Prashal, Race Course Road,
INDORE (M.P.)
Bank of Baroda
Siyaganj Branch,
INDORE (M.P.)

ADVISORS/CONSULTANTS
Mahendra Badjatya & Co.
Chartered Accountants
208, Mourya Centre
Race Course Road, INDORE (M.P.)

DIVISIONS
Indtools Sales & Services
Indore Saws & Tools
eSupply World
H&S Innovation

REGISTRAR & SHARE TRANSFER AGENT
M/s.Ankit Consultancy Pvt.Ltd.
Plot No.60, Electronic Complex
Pardeshipura
INDORE (M.P.) - 452010
Phone No. : 0731-3198601, 3198602

ISIN (DMAT) NO.: 478D01014 **BSE Scrip Code : 522183**
Website : www.itl.co.in
CIN No. : L28939MP1989PLC005037

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of the Members of ITL Industries Limited will be held on Thursday, the 28th day of September, 2017 at 3.30 P.M. at the Registered Office of the Company at 111 Sector "B" Sanwer Road, Industrial Area, Indore - 452015 to transact the following business.

Ordinary Business :-

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31st March, 2017 and together with the report of the Directors and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the year ended on 31st, March 2017.
3. To elect a Director in place of Mr. Manohor Singh Jain (DIN : 00256131), who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint of New Statutory Auditor of the Company in place of retiring Statutory Auditor of the Company and fix their Remuneration and in this regard to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee & Board of Directors in their meeting held on May 30th, 2017, the Board be and is hereby accord their approval for appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) as the new Statutory Auditor of the Company for a period of five consecutive years (commencing from April 01st, 2017) from the conclusion of this Annual General Meeting (AGM) till the conclusion of 34th Annual General Meeting of the Company, subject to ratification at every Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company, in place of M/s. M K Jain & Co. Chartered Accountants (ICAI FRN 001749C), the retiring statutory auditor of the Company."

For and on behalf of the Board

Rajendra Singh Jain
(Managing Director)
DIN: 00256515

Place : Indore
Dated : 11/08/2017

NOTES

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

02. The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, the 22nd September, 2017 to Thursday, the 28th September, 2017 (Both days inclusive).

03. (a) Members are requested to send their queries, if any, at least 7 days in advance of the meeting, so that the information can be made available at the meeting.

(b) Members/proxies should bring the Attendance slip sent herewith, duly filled, for attending the Meeting.

(c) Members who hold shares in Electronic Form are requested to bring their Depository ID number and client ID number to facilitate easier identification for attendance at the Annual General Meeting.

04. The Shareholders are hereby informed that all the correspondence in connection with the shares be addressed to the Registrar & Share Transfer Agent M/s. Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.).

05. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agent enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.

06. The Dividend, as recommended by the Board, if declared at the meeting will be paid, on or after 3rd October, 2017 to those members or their mandates whose names stand registered on the Company's Register of Members as on book closure dates as stated above.

07. Shareholders who are still holding physical share certificate (s) are advised to dematerialize their shareholding to avail benefit of dematerialization.

08. (a) Members are requested to notify the change in address if any , the name of Bank(s) with account number(s) for inscribing it on the face of dividend warrant(s) to avoid the fraudulent encashment of the same. Members holding Shares in Electronic Form should send the above information to the respective Depository Participants.

(b) In case mailing address mentioned on the Annual Report is either without Pin Code or with incorrect Pin Code, members are requested to kindly inform Registrar & Share Transfer Agent of the Company or the respective Depository Participant (s), as the case may be, their Pin Code immediately for speedy and proper delivery.

09. Dividend for the financial year ended March 31st, 2010, which remain unclaimed or unpaid, will be due for transfer to the Investor Education & Protection Fund of the Central Government, pursuant to the provision of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), on October 31st, 2017. Members who have not yet encashed their dividend warrants for the financial year ended March 31st 2010 or any subsequent financial years are requested to lodge their claims with the company/Registrar, without delay. Members are advised that no claims shall lie against the said fund or against the Company for the amounts of dividend so transferred to the said fund.

10. All documents referred to in the notice will be available for inspection by the members at the registered office of the company between 9.30 a.m. To 5.00 p.m. On all working days from the date hereof up to the date of the meeting.

12. The Notice of AGM along with the Annual Report 2016-17 is being sent by electronic mode to those members whose email address are registered with the Company or the Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies are being sent by the permitted mode. To support the “Green Initiative”, the members who have not registered their email address are requested to register the same with Registrar of the Company/Depositories.

13. INSTRUCTIONS FOR E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and

Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be allowed to cast their vote again.

The remote e-voting period commences on 25th September, 2017 (9:00 am) and ends on 27th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

I. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

II. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

III. Click on Shareholder - Login

IV. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

V. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

VI. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

VII. Select "EVEN" of "ITL Industries Limited".

VIII. Now you are ready for remote e-voting as Cast Vote page opens.

IX. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

X. Upon confirmation, the message "Vote cast successfully" will be displayed.

XI. Once you have voted on the resolution, you will not be allowed to modify your vote.

XII. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vishnuguptaassociates@yahoo.co.in with a copy marked to evoting@nsdl.co.in

B. In case Email I.D. of the member is not registered with the depository participant and members holding shares in Physical Form:

(i) Initial password will be provided/intimated through Letter from our Registrar:

REVEN (Remote E Voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-

voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

III. In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2017.

VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or (Company/RTA email id) However, If you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot user Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no: 1800-222-990.

VII. Mr.Vishnu Gupta , Practicing Chartered Accountant (Membership No.075560) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.

IX. The results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with Scrutinisers' report shall be placed on the Company's website: www.itl.co.in and website of NSDL.

X. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

XI. A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on cut -off date only shall be entitled to avail the facility of remote e-voting at the meeting through ballot papers.

XII. The remote e-voting period commences on 25th September, 2017 (9:00 am) and ends on 27th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

XIII. For any further queries relating to the shares of the Company,you may contact the share Transfer Agents at the following address : M/s Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010, Tel:0731-2551745-46, Fax:0731-4065798, E-mail ankit_4321@yahoo.com.

For and on behalf of the Board

Place : Indore
Dated : 11/08/2017

Rajendra Singh Jain
(Managing Director)
DIN: 00256515

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING

(Under Regulations 36 of the SEBI [LODR] Regulation 2015)

Name of Director	**Shri Manohar Singh Jain**
DIN	00256131
Category	Non-Executive Director
Inter relationship	Father of Shri Rajendra Jain,Managing Director of the Company
Date of Birth	23rd November, 1929
Date of Appointment	25th January, 1989
Qualification	Visharad
Expertise in specific Functional areas	Wide experience in Business and promoter Director
List of other Public Companies in which Directorships held	NIL
Chairman / Member of the Committee of the Board of Directors of the Company (includes only Audit Committee and Shareholders' /Investors' Grievance Committee	NIL
Chairman / Member of Committees of other Public Companies (includes only Audit Committee and Shareholders' /Investors' Grievance Committee	NIL
Shareholdings in the Company	75100

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 29th Annual Report of the Company and the Audited statement of accounts for the year ended 31st March, 2017.

01. FINANCIAL RESULTS : (Amount in ₹)

		Financial year ended 31.03.2017	Financial year ended 31.03.2016
a)	Sales & Other Income	759918111	618544551
b)	Profit before interest, Depreciation & Tax	79729143	59445678
c)	**Less** : - Interest and Finance Charges	22752154	21879036
	- Depreciation	8755575	10019522
d)	Profit before Tax	48221414	27547120
e)	Less : Provision for Tax Current year	10000000	5800000
f)	Less : Deferred Tax Liabilities	1370000	-145000
g)	Less : Income Tax earlier year	- 549741	859322
h)	Profit after Tax	37401155	21032798
i)	Profit brought forward from previous year	9181193	9311049
j)	Profit available for appropriations	46582348	30343847
k)	Transferred to General Reserve	40000000	19235000
l)	Proposed Dividend	1601600	1601600
m)	Provision for Dividend Distribution Tax	277141	326054
n)	Balance carried to Balance Sheet	4703607	9181193

02. DIVIDEND :

Your Directors are pleased to recommend Dividend at the rate of Rs. 0.50 Per share (previous year Rs. 0.50 per share) for the year ended 31st March, 2017 subject to approval of the members in the ensuing Annual General Meeting.

03. OPERATIONS :

During the year under review, the sales & other Income of Company increased from Rs. 6185.45 Lacs to Rs. 7599.18 Lacs showing a growth of 22.85% & profit after Tax of the Company for the year under review has increased from Rs. 210.33 lacs to Rs. 374.01 Lacs showing a growth of 77.82%.

04. FUTURE OUTLOOK :

The growth outlook for the Indian economy in the near term remains positive on account of inter-alia, the following factors: (a) expectations that the industrial sector would remain buoyant; (b) increase in corporate sales and profitability; (c) pick-up in order books and capacity utilization as per different survey results; (d) turnaround in exports with improving global conditions; (e) pick-up in lead services indicators for transportation, telecommunication and construction and; (f) revival in credit demand from the private sector.

05. DIRECTORS :

Shri Manohar Singh Jain, retire by rotation and being eligible, offers himself for re-appointment.

06. DIRECTORS' RESPONSIBILITY STATEMENT :

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

a) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) that the annual financial statements have been prepared on a going concern basis;
e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

07. PUBLIC DEPOSIT:

During the year under review, your company has neither invited nor accepted any deposit under the provisions of Section 73 of the Companies Act, 2013 and rules made there under.

08. AUDITORS :

08.1 - STATUTORY AUDITORS

In the Board Meeting held on May 30th, 2017 recommended appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) as the new Statutory Auditor of the Company for a period of five consecutive years (commencing from April 01st, 2017) from the conclusion of the upcoming Annual General Meeting (AGM) till the conclusion of 34th AGM of the Company, subject to ratification at every Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company, in place of M/s. M K Jain & Co. Chartered Accountants (ICAI FRN 001749C), the retiring statutory auditor of the Company."

08.2 - SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Raju Chandra Pal, Practicing Company Secretary (CP No.:14771 & ACS:24927),to undertake the secretarial audit of the company. The Secretarial Audit Report is given in the Annexure forming part of this report.

08.3 - INTERNAL AUDITORS

Mrs. Pratibha Kothari, Chartered Accountant performs the duties of internal auditor of the company and her report is reviewed by the audit committee from time to time.

09. TRANSFER OF AMOUNT OF INVESTOR EDUCATION AND PROTECTION FUND :

Pursuant to provisions of section 125 (1) of the Companies Act 2013, and relevant amount which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

10. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE :

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is given in the Annexure forming part of this report.

11. INDUSTRIAL RELATIONS :

Industrial relations of the Company remained cordial during the year.

12. SUBSIDIARY COMPANY:

M/s. M.M. Metals Pvt. Ltd. is subsidiary of your Company. The business operations of the said companies have not been commenced.

The Statement pursuant to the Companies Act, 2013, in respect of the Subsidiary Company is separately annexed and forms part of the Annual Report.

13. RELATED PARTY TRANSACTIONS :

All related party transactions that are entered into during the last financial year were on arms length basis and were in the

ordinary course of business. There were no materially significant related party transactions made with Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest of the Company at large.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY :

Provisions of section 135 of the Companies Act, 2013 does not apply to the Company, therefore Company has not constituted Corporate Social Responsibility (CSR) Committee as require under the Act.

15. REMUNERATION POLICY/DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEE :

In accordance with section 178 and other applicable provisions if any, of the Companies Act 2013 read with the rules issued under there the Board of Directors formulated the Nomination and Remuneration Policy of your Company ion the recommendations of the Nomination and Remuneration Committee. Details of Policy covering these Requirements have disclosed in Corporate Governance Report.

During the year none of the employee of the company is drawing more than 60,00,000/- per annum or Rs. 5,00,000/- per month for the part of the year, therefore Particulars of the employee as require under section 197 of the Companies Act 2013 read with rule 5(2) of the Companies (appointment and remuneration) Rule 2014 are not applicable.

16. REPORT ON MANAGEMENT DISCUSSION ANALYSIS REPORTS ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS :

Pursuant to Regulations 34(2)(e) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 a separate titled "Report on Corporate Governance and Management Discussion and Analysis" forms part of this Annual Report.

Certificate confirming compliance with conditions of Corporate Governance as stipulated under Regulations 34(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 also forms parts of this Annual Report.

17. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM / WHISTLE BLOWER POLICY :

The Company has a whistle blower policy to report genuine concerns or grievances. The details of establishment of the reporting mechanism are disclosed on the Company's website i.e. www.itl.co.in.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY :

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

19. CODE OF CONDUCT :

The Company laid down a code of conduct for all Board Members and Senior Management and Independent Directors of the Company. All the Board Members including Independent Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct. Declaration on adherence to the code of Conduct is forming part of the Corporate Governance Report.

20. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The Board of Directors has adopted Risk Management Policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy. The code of conduct is disclosed on the Company's website i.e. www.itl.co.in.

21. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION & REDRESSAL) ACT, 2013 :

The Company has in place an Anti Sexual Harassment Policy in line with requirements of the Sexual Harassment of the Women at Workplace (Prevention Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been setup to redress the Complaints received regarding sexual harassment. There was no case of sexual harassment reported during the year under review.

22. PREVENTION OF INSIDER TRADING :

In view of the SEBI (Prohibition of Insider Trading) Regulation 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The code requires Trading Plan, pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company' shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed.

23. EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return of the Company in form MGT-9 is given in the Annexure forming part of this report.

24. CONSOLIDATED FINANCIAL STATEMENTS:

The Directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiary, viz M/s. M.M. Metals Pvt. Ltd. and Consolidating the financial information of associates on equity method as prepared in compliance with the accounting standards and listing agreement.

25. ACKNOWLEDGMENT:

We wish to acknowledge the understanding & support and the services of the workers, staff and executives of the Company, who have largely contributed to the efficient operations & management of the operations of the Company.

Your Directors also wish to place on record the valuable co-operation & support received from the Bankers and Financial Institutions.

We would also like to express thanks to our Shareholders for their confidence and understanding.

For and On behalf of the Board

Place : Indore
Date : 11.08.2017

Rajendra Singh Jain
(Managing Director)
DIN:00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

ANNEXURE TO THE DIRECTORS' REPORT

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder :

A. RESEARCH & DEVELOPMENT:

1.	Specific areas in which R & D carried out by the Company.	The Research & Development activities resulted in the development of new range of products of the Company during the previous year.
2.	Benefits derived as a result.	Better Market coverage & New Market Development, cost reduction saving of Foreign Exchange on account of further indigenization.
3.	Future plan on R & D	To develop special purpose Machines/ Plants.

4. Expenditure on R & D:

	2016-17	2015-16	2014-15
a) Capital	3.42 Lacs	Rs. 2.04 Lacs	Rs. 2.04 Lacs
b) Recurring	252.91 Lacs	Rs. 202.46 Lacs	Rs. 174.68 Lacs
Total :	256.33 Lacs	**Rs. 229.74 Lacs**	**Rs. 176.72 Lacs**
Total R & D expenditures as a Percentage of total turnover	3.64%	3.71%	2.92%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1.	Efforts in brief made towards technology absorption	Technology developed by R & D Department is fully absorbed for manufacturing of special purpose Machine.
2.	Benefits derived as a result of the efforts, e.g. product improvement, Cost reduction product development, import substitution etc.	Import substitution in the areas, special purpose machinery resulting in cost reduction and conservation of Foreign Exchange.
3.	a. Technology imported	NIL
	b. Year of Import	Not Applicable
	c. Has technology been fully absorbed	Not Applicable
	d. If no fully absorbed areas where this has not taken place reasons thereof and future plans of action.	Not Applicable

C. CONSERVATION OF ENERGY :

.	a. Energy Conservation Measures taken	The Company has no major scope for conservation of energy.
	b. Additional investments and proposals if any, being, implemented for reduction of consumption of energy.	NIL
	c. Impact of the measures (a) and (b) above for reduction of energy consumption consequent impact on the cost of production of goods.	NIL
	d. Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.	Not Applicable

D. FOREIGN EXCHANGE EARNING AND OUT GO :

The information of Foreign Exchange Earnings and out go is given in Note No. 27 & 28 in Notes to Accounts.

For and On behalf of the Board

Place : Indore
Date : 11.08.2017

Rajendra Singh Jain
(Managing Director)
DIN:00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

ANNEXURE TO DIRECTORS REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN ON THE FINANCIAL YEAR ENDED ON MARCH 31st, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L28939MP1989PLC005037
ii.	Registration Date	25/01/1989
iii.	Name of the Company	ITL Industries Limited
iv.	Category / Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office and contact details	111, Sector "B", Sanwer Road, Industrial Area, Indore - 452015
vi.	Whether listed company	Yes (Listed in BSE Limited)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Ankit Consultancy Private Limited 60, Electronic Complex, Pardeshipura, Indore -452010 0731 2551745, 46

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 :-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Machine Manufacturing	2822	69.22%
2	Trading of Cutting Tools, Hydraulics etc.	2822	30.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	M M Metals Private Limited 103-B, Sanwer Road, Industrial Area, Indore - 452015	U02710MP1983PTC002163	Subsidiary	89.58	2(87)
2.	Indore Tools Private Limited	U28932MP1998PTC012805	Associate	39.65	2(6)
3.	Luhadiya Sons Private Limited	U29100MP2010PTC023272	Associate	30.79	2(6)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				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									
1) Indian									
a) Individual/ HUF	1283784	NIL	1283784	38.93	1283784	NIL	1283784	38.93	NIL
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	131100	NIL	1311000	3.98	131100	NIL	131100	3.98	NIL
e) Banks / FI									
f) Any Other									
Sub total (A)(1) :-	**1414884**	**NIL**	**1414884**	**42.91**	**1414884**	**NIL**	**1414884**	**42.91**	**NIL**

2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.					NIL				
j) Banks / FI									
k) Any Other….									
Sub-total (A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds					NIL				
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)									
2. Non Institutions									
a) Bodies Corp.	272514	1100	273614	8.30	272514	1100	273614	8.30	-0.01
(i) Indian (ii) Overseas									
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	685014	375226	1060240	32.15	692862	370126	1062988	32.24	0.09
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	481446	NIL	481446	14.60	477677	NIL	477677	14.49	-0.11
c) Others(Specify)									
NRI & OCB	6251	60000	66251	2.01	6110	60000	66110	2.00	-0.01
CLEARING MEMBER	865	1661	865	0.03	1661	NIL	1661	0.05	0.02
Sub-total (B)(2)	**1446090**	**436326**	**1882416**	**57.09**	**1451190**	**431226**	**1882416**	**57.09**	**0.00**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1446090	436326	1882416	57.09	1451190	431226	1882416	57.09	0.00
C. Shares held by Custodian for GDRs & ADRs					NIL				
Grand Total (A+B+C)	**2860974**	**436326**	**3297300**	**100.00**	**2866074**	**431226**	**3297300**	**100.00**	**0.00**

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% in change share holding during the year
1.	Mr. Rajendra Jain	363400	11.02	NIL	363400	11.02	NIL	NIL
1.	Mr. Rajendra Jain	363400	11.02	NIL	363400	11.02	NIL	NIL
2.	Mr. Mahendra Jain	242713	7.36	NIL	242713	7.36	NIL	NIL
3.	M/s Remswegs Marketing	131100	3.98	NIL	131100	3.98	NIL	NIL
	Private Limited							
4.	Mrs. Rekha Jain	131013	3.97	NIL	131013	3.97	NIL	NIL
5.	Mr. Ravish Jain	94150	2.86	NIL	94150	2.86	NIL	NIL
6.	Mr. Shekhar Jain	92885	2.82	NIL	92885	2.82	NIL	NIL
7.	Mrs. Meena Jain	87251	2.65	NIL	87251	2.65	NIL	NIL
8.	Mr. Prakhar Jain	82601	2.51	NIL	82601	2.51	NIL	NIL
9.	Mr. Manish Jain	75850	2.30	NIL	75850	2.30	NIL	NIL
10.	Mr. Manohar Singh Jain	75100	2.28	NIL	75100	2.28	NIL	NIL
11.	Mrs. Namrata Jain	11000	.33	NIL	11000	.33	NIL	NIL
12.	Mrs. Renu Bai Doshi	10000	.30	NIL	10000	.30	NIL	NIL
13.	Mrs. Rekha Jain	10000	.30	NIL	10000	.30	NIL	NIL
14.	Mrs. Nidhi Jain	6821	.21	NIL	6821	.21	NIL	NIL
15.	Mr. Harsh Jain	1000	.03	NIL	1000	.03	NIL	NIL
	Total	**1414884**	**42.91**		**1414884**	**42.91**		

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

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
	At the beginning of the year	**1414884**	**42.91**	**1414884**	**42.91**
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	**1414884**	**42.91**	**1414884**	**42.91**

iv. Change in Shareholding of Top Ten Shareholder

Sr. No.	For each of the Top Ten shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAJASTHAN GLOBAL SECURITIES PVT. LTD.	87746	2.66	80638	2.45
2.	PUSHPA SHARMA	60000	1.82	60000	1.82
3.	DINESH KUMAR JAIN	58000	1.76	58000	1.76
4.	ACIRA CONSULTANCY PRIVATE LIMITED	56623	1.72	56623	1.72
5.	DHEERAJ KUMAR LOHIA	54933	1.67	55913	1.70
6.	SANGEETHA S	52100	1.58	52100	1.58
7.	RUCHIT BHARAT PATEL	30623	0.93	30623	0.93
8.	KASHMIRA MANISH MEHTA	29500	0.89	5000	0.15
9.	MANISHKUMAR SUMATILAL MEHTA(HUF)	29000	0.88	4750	0.14
10.	DHEERAJ KUMAR LOHIA HUF	28534	0.87	0	0
11.	INVESTMART STOCK BROKERS PVT. LTD.	26044	0.79	30219	0.92
12.	SHAILESH AGRAWAL	10000	0.30	10000	0.30
13.	NITIN SETHI	6000	0.18	6000	0.18
14.	RITA VALECHA	4700	0.14	4700	0.14
15.	MAYA JAIN	3400	0.10	3400	0.10
16.	RAMESH DAMANI	2700	0.08	2700	0.08
17.	MANJU JAIN	2300	0.07	2300	0.07
18.	ARTI DAGARIA	2000	0.06	2000	0.06
19.	AMUL DAGARIA	2000	0.06	2000	0.06
20.	ATUL DAGARIA	2000	0.06	2000	0.06
21.	ANSHUL SAIGAL	0	0	33152	1.01
22.	MANOJ DUA	0	0	28279	0.86
23.	RAJEEV JAWAHAR	0	0	27943	0.85

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and Key Managerial Personnel	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.	Mr. Rajendra Jain	363400	11.02	363400	11.02
2.	Mr. Mahendra Jain	242713	7.36	242713	7.36
3.	Mr. Manohar Singh Jain	75100	2.28	75100	2.28
4.	Mr. Ashok Ajmera	0	0.00	0.00	0.00
5.	Mr. Akhilesh Gautam	0	0.00	0.00	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01/04/2016)				
i) Principal Amount	161734070	10748228		172482298
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	722274	–	–	722274
Total (i+ii+iii)	**162456344**	**10748228**		**173204572**
Change in Indebtedness during the financial year				
- Addition	–	2000000	–	2000000
- Reduction	-43782012	-7137002	–	-50919014
Net Change	-43782012	-5137002	–	-48919014
Indebtedness at the end of the financial year				
I) Principal Amount	117952058	6333500	–	124285558
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	**117952058**	**6333500**		**124285558**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Rajendra Singh Jain (Managing Director)	Mr.Mahendra Singh Jain (Joint Managing Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3060000	2790000	5850000
	(b) Value of bonus & perquisites u/s 17(2) Income-tax Act, 1961	489600	446920	936520
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	- as % of profit			
	- others, specify…			
5.	Others, please specify	NIL	NIL	NIL
6.	**Total (A)**	**3549600**	**3236920**	**6786520**

B. Remuneration to other directors

S. No.	Particulars of Remuneration	Name of Other Directors			Total Amount
		Mr. N. Chakraborty	Dr. S.K. Kapoor	Dr. Pratima Jain	
	Independent Directors • Fee for attending Board & Committee meetings • Commission • Others, please specify	750000	13000	15000	778000
	Total (1)	**750000**	**13000**	**15000**	**778000**
	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	**None**			
	Total (2)	**NIL**	**NIL**	**NIL**	**NIL**
	Total (B)=(1+2)	**750000**	**13000**	**15000**	**778000**

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	737389	541299	1278688
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify…	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
6.	**Total**	**737389**	**541299**	**1278688**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made. If any(give details)
A. Company					
Penalty Punishment Compounding	**None**				
B. Directors					
Penalty Punishment Compounding	**None**				
C. Other Officers In Default					
Penalty Punishment Compounding	**None**				

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions'	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details	Details	Details
	Name (s) of the related party & nature of relationship	M.M. Metals Private Limited (Subsidiary Company)	Remswegs Marketing Private Limited- (A Company controlled by relatives of Directors	Indore Tools Private Limited (A Company controlled by relatives of Directors	Dimart Engineering Private Limited (A Company Controled by Directors)
1.	Nature of contracts/arrangements/transaction	As per Point No. 3 below	As per Point No. 3 below	As per Point No. 3 below	As per Point No. 3 below
2.	Duration of the contracts / arrangements / transaction	As per terms of agreement	As per terms of agreement	As per terms of agreement	As per terms of agreement
3.	Salient terms of the contracts or arrangements or transaction including the value, if any -				
	- Purchase and Job Work	-	-	26521033	-
	- Sales	-	3341828	461033	-
	- Investment in Shares	21500	11803489	3601385	400000
	- Outstanding Balance as on 31.03.17	9936324	2698802	2656182	18141357
4.	Date of approval by the Board	19/01/2012	30/05/2016	30/05/2016	30/05/2016
5.	Amount paid as advances, if any.	NIL	NIL	NIL	NIL

Registered Office:
111, Sector-B,Sanwer Road, Industrial Area,
INDORE-452015 (M.P.)
CIN – L28939MP1989PLC005037

By Order of the Board

Rajendra Singh Jain
Managing Director
(DIN-00256515)

Mahendra Singh Jain
Joint Managing Director
(DIN-00256047)

PLACE: INDORE
DATE: 11.08.2017

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ITL Industries Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s ITL Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s ITL Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2017 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s ITL Industries Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder applicable to the Company. The rules and regulations relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during the Audit Period).
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable as the Company has not issued any kind of securities during the Audit Period);
    (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable, as the Company does not have any Employee Stock Option Scheme and Employee Purchase Scheme during the Audit Period);
    (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company does not have any listed debt securities during the Audit Period);
    (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable as the Company has not delisted its equity shares from any stock exchanges during the Audit Period); and
    (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not bought back any of its securities during the Audit Period); and
    (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) In respect of other laws specifically applicable to the Company, there is no specific law in applicable to the company. I have relied on information/records produced by the company during the course of our audit on test-check basis and the reporting in limited to that extent only.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The fresh Listing Agreements entered into by the Company with Stock Exchange on dated 15th February, 2016 as per the Securities Exchange Board of India (Listing and Obligations and Disclosure Requirements) Regulation 2015 read with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13th, 2015.

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

Based on the information's and documents provided during Audit my observations are as under:

1. The Company has filled some of the e-forms (under the provisions of Companies Act, 2013 and Rules) after due date with additional fees.
2. Due to pre occupation, leave of absence granted to Mr. N C. Chakraborty, Chairman of the Audit Committee and on behalf of the Chairman, Dr. Pratima Jain Independent Director of the Company & Member of the Committee attend the Annual General Meeting.
3. Due to illness, leave of absence granted to Dr. S. K. Kapoor, Chairman of the Nomination & Remuneration Committee and on behalf of the Chairman, Dr. Pratima Jain, Independent Director & Member of the Committee attend the Annual General Meeting.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has no changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Raju Chandra Pal & Co.
Company Secretaries

Raju Chandra Pal
(Proprietor)
M. No.: ACS 24927
C.P. No. 14771

Date : 30/05/2017
Place : Indore

To,
The Members,
ITL Industries Limited

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

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Raju Chandra Pal & Co.
Company Secretaries

Raju Chandra Pal
(Proprietor)
M. No.: ACS 24927
C.P. No. 14771

Date : 30/05/2017
Place : Indore

PARTICULARS OF EMPLOYEES:-

The applicable information required pursuant to Section 197 of the Companies Act, 2013 read with Rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 in respect of the employees are as under.

i. & ii

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, during the Financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial year 2016-17 are as under:

S.No.	Name	Remuneration of Director/ KMP for the FY 2016-17	% Increase in remuneration in the FY 2016-17	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Singh Jain Managing Director	3549600	Nil	14.37:1
2.	Shri Mahendra Singh Jain Joint Managing Director	3236920	Nil	13.10:1
3.	Shri Ashok Ajmera, CFO	737389	12.27%	N.A.
4.	Shri Akhilesh Gautam, CS	541299	9.65%	N.A.

iii. The median remuneration of employees of the Company during the financial year was 2.47 Lacs.

iv. In the financial year, there was an increase of average 11%, in the median remuneration of employees.

v. The number of permanent employees on the roll of the company is 204 Employees.

vi. The Price earnings ratio as at 31.03.2017 is 5.48 and 31.03.2016 was 6.66.

vii. There is no employee receiving remuneration in excess of the highest paid director.

viii. All the components of the remuneration are fixed and no components are variable.

ix. The remuneration paid to Executive Directors is as per Schedule V of the Companies Act, 2013 and as per remuneration policy of the Company.

List of the top 10 employee in respect of the remuneration drawn during the year 2016-17 are as under.

S. No.	Name	Designation	Total Remuneration	Nature	Qualification	Exp. In Years	Date of Joining	Date of Birth	Last Employment	More than 2% Shares	Relatives
1.	Shri Rajendra Singh Jain	Managing Director	3549600	Permanent	BE(MECH.) Phd	40 yrs	01.02.1993	20.04.1954	Dewas Tools Pvt. Ltd.	11.02%	
2.	Shri Mahendra Singh Jain	Jt.Managing Director	3236920	Permanent	M.COM	40 yrs	01.02.1993	19.10.1957	State Bank of India	7.36%	
3.	Shri Ravish Jain	CEO (Research & Development)	1560000	Permanent	BE, MBA	11 yrs	01.08.2006	20.11.1981	Fresh Appoint.	2.86%	Son of Managing Director
4.	Shri Prakhar Jain	CEO (Business Development)	1560000	Permanent	BE, MBA, MS (Hydraulics)	12 yrs	02.05.2005	21.09.1983	Fresh Appoint.	2.30%	Son of Jt.Managing Director
5.	Shri Manish Jain	COO (Business Operation)	1560000	Permanent	BE(MECH.)	11 yrs	01.04.2006	20.07.1985	Fresh Appoint.	2.51%	Son of Managing Director
6.	Shri Shekhar Jain	COO (Sales & Marketing(	1560000	Permanent	BE(Elec.)	5 yrs	01.04.2012	30.09.1988	Fresh Appoint.	2.28%	Son of Jt.Managing Director
7.	Smt. Pratibha Kothari	Internal Auditor	918300	Permanent	CA	18 yrs	05.02.2010	29.05.1975	Bhandari Group Jaipur	Nil	
8.	Shri Ashok Ajmera	CFO	737389	Permanent	M.Com CA-Inter	29 yrs	01.02.2004	15.10.1964	Beta Naptol Ltd.	Nil	
9.	Shri Murlidharan B.	Sr.Manager R&D,Project Development	769368	Permanent	ITI (MECH.)	31 yrs	02.11.2009	22.05.1965	Velath Eng. Dubai (UAE)	Nil	
10.	Shri Mukesh Patni	Dy. General Manager	677376	Permanent	M.Com.	29 yrs.	01.09.2004	12.12.1968	Fresh Appoint.	Nil	

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION :

The objective of this discussion is to share the Management's view on the various developments in the business environment, challenges and opportunities, as well as to provide an analysis of the Company's performance. This discussion also summarizes the Company's internal control measures and significant development in Human Resources. This discussion should be read in conjunction with the Letter to Shareholders, Director's Report, Financial Statements and Notes to Financial Statements included in this Annual Report.

i) INDUSTRYSTRUCTURE AND DEVELOPMENTS :

The Industry structure has remained the same in the domestic market. In some new products for Tube & Pipe Manufacturing Company, High Speed Circular Sawing Machines, ITL has captured a reasonable market size. More and more technological advancement and updation of latest technology creates an opportunity to penetrate into new products line & global market in near future. The Company has started a new division in the name of e-Supply World for industrial supply purpose through website orders booking.

ii) OPPORTUNITIES AND THREATS :

There is significant change in the outlook compared to last year. The Company continues to enhance opportunities for growth by focusing on introduction of new products and putting high emphasis on after sales & services of the products alongwith up gradation of technology.

The Company faces the normal threats, risks and concerns which are associated with competition from local and overseas manufacturers.

iii) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE :

a) MANUFACTURING DIVISION :-

Manufacturing Division has achieved Sales / Income of Rs. 5188.29 lacs in the year 2016-17 as against 4380.72 lacs in the year 2015-16, showing a growth of 18.49% and apart from Bandsaw Machines, designing and manufacturing of equipments for production of Pipes and Tubes as well as Special Purpose Equipment based on customers needs is on up-beat. Some new models of metal cutting machines have been developed in-house and the Company is receiving good response from the customers.

b) TRADING DIVISION :-

Trading Division of Hydraulics has achieved Sales / Income of Rs. 2306.64 lacs in the year 2016-17 as against Rs. 1676.20 lacs in the year 2015-16. During the current financial year, the above division is also receiving good orders from the customers.

iv) OUTLOOK:

In current year the Company is confident of growing much faster in comparison to economy & capital goods industry looking to the present level of orders and enquiries for Manufacturing Division i.e. Bandsaw and Tube & Pipe Manufacturing equipment are showing good sign of recovery.

ITL's outlook on over-seas markets and domestic market are positive on account of its strength on cutting edge technology, cost and effective after sales services.

v) RISKS AND CONCERNS:

The Company is falling under the capital goods industry, the growth of which is determined by overall growth of the Industry. An overall concern is pertaining to the pressure on the profitability. However, ITL has taken all measures to reduce the Direct and Indirect cost. During the current year, the Tube and Pipe Manufacturing Division is showing excellent growth in orders and inquiry due the overall growth of Industry. The advancement of technology and strategic positioning of products is expected to give better results.

vi) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has well established internal control systems and to further strengthen the systems of Chartered Accountants to carry out Internal Audit and to review the internal control measures.

vii) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review, the sales & other Income of Company increased from Rs. 6185.45 Lacs to Rs. 7599.18 Lacs showing a growth of 22.85% & profit after Tax of the Company for the year under review has decreased from Rs. 210.33 lacs to Rs. 374.01 Lacs showing growth of 77.82%.

viii) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

ITL Industries continues to consolidate the belief that employees are our key resource. We continue to maintain a relatively young age factor amongst our employees and we are happy to report that they have taken full advantage of the opportunities that have been created for them. It continues to encourage innovative thinking as well as invest in internal training programs and initiatives for employees. We are proud to say that we are well on our way to establishing a work culture and environment in which every employee feels stimulated and motivated to contribute and perform.

We are proud to report that we have continue to maintain cordial industrial relations, and our employees actively participate in any initiative aimed at improving productivity, co-operation and understanding. This is indeed a proud achievement and we intend to continue to maintain this enviable track record.

ix) DISCLAIMER STATEMENT:

Report on Management Discussion and Analysis deals with the Company's objectives, estimates, expectations and forecasting which may be forward looking within the meaning of applicable Security Laws and/ or Regulations. The aforesaid statements are based on certain premises and expectations of future events as such the actual results may however differ materially from those expressed or implied. The Government Regulation, Tax structure, demand-supply conditions, cost of raw material & their availability, finished goods prices and economic development within India and the countries with which the Company has business relationship will have an important bearing on the statements in the above Report.

The foregoing discussions and analysis only set out the management perception of the Company's environments, in the coming months, which, by their very nature are uncertain and may undergo substantial changes in view of the events taking place later. Thus, the Company should and need not be held responsible, if, which is not unlikely, the future turns to be something quite different even materially, subject to this management disclaimer, this discussion and analysis should be perused.

For and on behalf of the Board

Rajendra Singh Jain
Managing Director
(DIN-00256515)

Mahendra Singh Jain
Joint Managing Director
(DIN-00256047)

PLACE: INDORE
DATE: 11.08.2017

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulations 34 of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015 a Report on Corporate Governance is given below:

A. MANDATORY REQUIREMENTS

1. Company's philosophy on Code of Governance

The Company's philosophy of Corporate Governance is aimed to assist the top management of the Company in the efficient conduct of its business and in meeting its obligations to shareholders.

2. Governance Structure

ITL Industries Limited's Governance structure broadly comprises the Board of Directors and the Committee of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

3. Board of Directors

The Company's Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

4. Committee of Directors

With a view to have a more focused attention on various facets of business and for better accountability, the board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee. Each of these Committee has been mandated to operate within a given framework.

5. Management Structure

Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

a. Managing Director

The Managing Director is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensured implementation of the decisions of the Board of Directors and its various committees.

b. Joint Managing Director

Joint Managing Director is looking into the Plant is responsible for operation and maintenance of the plant and all other functions relating to the day-to-day management of the plant, including all local issues and Compliances as applicable at plant level. He is also looking into the marketing, accounts, secretarial and finance department.

6. Board of Directors

The present strength of the Board is Six Directors. The Board Comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Two Executive Directors including Managing Director and Joint Managing Director. There are four non-executive Directors.

As required under section 149(3) of the Companies Act, 2013, Dr. Pratima Jain is Independent Woman Director on the Board.

ITL Industries Limited has certain rights enshrined in the Articles of Association pertaining to appointment of Directors.

Physical attendance of each Director at the Board Meeting during the year 2016-2017 and the last AGM.

Name of the Director	Category of Directorship	No.of Board Meeting held	No. of Board Meeting attended	Attendance at the last A.G.M.
Shri Rajendra Singh Jain (Managing Director)	Executive	4	4	Yes
Shri Mahendra Singh Jain (Joint Managing Director)	Executive	4	4	Yes
Shri Manohar Singh Jain	Non-Executive /Non-Independent	4	4	Yes
Shri N.Chakraborty	Non-Executive /Independent	4	4	No
Dr. S.K. Kapoor	Non-Executive /Independent	4	3	No
Dr. Pratima Jain	Non-Executive / Independent	4	4	Yes

The Notice for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors

Information supplied to the Board

The Board is presented with all the relevant information of the Company in form of Notice and other additional details are tabled in the course of Board Meetings.

The following information is regularly supplied to the Board along with the Notice of Meeting –

1. Quarterly/Half yearly/Annual results of the Company and its units/business segments
2. Operating Plans, Long Term Plans, Business Initiatives and other related matters
3. Minutes of meetings of Committees of the Board
4. Status Report on Investor Requests/grievances
5. Related Party Transactions
6. Expansion projects and its status monitoring
7. Sale of material nature like equity investment, subsidiaries, assets, which is not in normal course of business
8. Compliance status of various laws applicable to the Company.
9. Material non-compliance of any regulatory/ statutory nature or listing requirements, if any
10. Other matters as set out in the Listing Regulations

In compliance of the listing agreement, Members of the ITL Industries Limited Board do not have Directorship in more than 15 Companies or membership of more than ten Board level committees or Chairman of more than five such committees.

Number of other Companies or committees the Director (being a Director as on the date of Directors' Report) is a Director /Chairman.

Name of the Director(s)	No. of other Companies In which Director	No.of Committees (other than ITL Industries Ltd. In which Member)
Shri Rajendra Singh Jain	4	Nil
Shri Mahendra Singh Jain	5	Nil
Shri Manohar Singh Jain	1	Nil
Shri N.Chakraborty	Nil	Nil
Dr. S. K. Kapoor	Nil	Nil
Dr. Pratima Jain	Nil	Nil

Number of the Board Meetings held and the dates of the Board Meetings:

During the financial year ended on 31st March, 2017 four Board Meeting were held on 30th May, 2016, 13th August, 2016, 14th November, 2016 and 13th February 2017.

7. Board Committees :

A. Audit Committee

Terms of Reference of Composition, Name of the Members and Chairman:

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Independent & Non-Executive Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The present strength of the Audit Committee is three Shri N.Chakraborty (Independent & Non-Executive Director), Chairman of the Audit Committee of the Company and Dr. S.K.Kapoor (Independent & Non-Executive Director) & Dr. Pratima Jain (Independent & Non-Executive Director) is Member of the Committee. The Company Secretary acts as secretary to the committee.

Meeting and attendance during the year:

Four meetings of the Audit Committee were held during the year 2016-17. The attendance of each member of the committee are given as under:

Name of the Director	No.of Meeting held	No. of Meeting attended
Shri N. Chakraborty	4	4
Dr. S K Kapoor	4	3
Dr. Pratima Jain	4	4

B. Nomination & Remuneration Committee :

The Nomination & Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

The present strength of the Nomination & Remuneration Committee is three Dr. S. Kapoor (Independent & Non-Executive Director), Chairman of the Nomination & Remuneration Committee of the Company and Shri N.Chakraborty (Independent & Non-Executive Director) & Dr. Pratima Jain (Independent & Non-Executive Director). The Company Secretary acts as secretary to the committee.

The Nomination & Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

Nomination and Remuneration Policy

1. Introduction

The Board of Directors ("Board") of ITL Industries Limited ("Company") has adopted the Policy for Nomination and Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees.

2. Policy Objective

a. To layn down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down.

b. To lay down criteria for determining qualification, positive attributes and Independence of a Director;

c. To lay dow criteria, relating to remuneration of directors, key managerial personnel and other employees.

3. Definitions

"Board of Directors" means the "Board of Directors" of ITL Industries Limited.

"Company" means ITL Industries Limited.

"Independent Director" means a Director who satisfies the criteria of independence as prescribed under the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Key Managerial Personnel" or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-

i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;

ii. Company Secretary; and

iii. Chief Financial Officer

iv. Such other officer as may be prescribed

"Nomination & Remuneration Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Policy" means the Nomination and Remuneration Policy.

"Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

"Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs.

4. Constitution

a. The Board shall determine the membership of the Nomination & Remuneration Committee.

b. The Committee shall comprise of at least three non- executive directors, of which not less than one-half shall be independent directors. Provided that the Chairperson of the Company (whether executive or non executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

c. Chairman of the committee shall be an Independent Director.

5. Policy

This policy is divided into two parts:

5.1 Appointment & Removal

a. Criteria for identifying persons who are qualified to be appointed as a Director / KMP / Senior Management Personnel / Other Employees of the Company:

i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP / Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the timebeing in force.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

iv. The other employees shall be appointed and removed as per the policy and procedure of the Company.

b. Term / Tenure:

The Term/Tenure of the Directors/ KMP's/Senior Management Personnel and other employees shall be as per the Company's prevailing policy subject to the provisions of the Companies Act, 2013 and rules made thereunder and Listing agreement as amended from time to time.

c. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations and Listing Agreement.

d. Retirement:

The director, KMP, senior management & other employees shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and the prevailing policy of the Company. The Board will have the discretion to retain the director, KMP, & senior management personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5.2 Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s),KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

i. Director/ Managing Director

Besides the above Criteria, the Remuneration / Compensation /Commission/ Bonus etc. to be paid to Director/ Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

ii. Non-Executive Directors

The Non-Executive Independent Directors will be paid commission as decided by the Board of Directors subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder. The Non-Executive Independent Director will receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. Independent Directors shall not be entitled to stock option.

iii. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMP's shall be based on the experience, qualification and expertise of the related personnel and shall be decided by the Managing Director & Joint Managing Director of the Company.

iv. Other Employees

The power to decide structure of remuneration for other employees has been delegated to the Managing Director & Joint Managing Director of the Company or any other employee that the Managing Director & Joint Managing Director may deem fit.

6. Disclosures

This Remuneration policy and criteria of making payments to non-executive directors shall be disclosed in the Board's report.

7. Amendment(s)

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations from the Nomination & Remuneration Committee.

Meeting and attendance during the year:

One meeting of the Nomination & Remuneration Committee was held during the year 2016-17. The attendance of each member of the committee are given as under :

Name of the Director	No.of Meeting held	No.of Meeting attended
Shri N. Chakraborty	1	1
Dr. S K Kapoor	1	1
Dr. Pratima Jain	1	1

a. The details of the remuneration paid to Whole time Directors during the year 2016-2017 are given below :

Name & Designation	All elements of remuneration package i.e. Salary, benefits, bonuses, pension, Gratuity etc.	Fixed Component and performance liked incentives alongwith the performance criteria	Service Contract, Notice period and Severance Fees	Stock option with details, if any, and whether issued at discount as well as the period over which exercisable
	(₹)	(₹)	(₹)	(₹)
Shri Rajendra Singh Jain (Managing Director)	35,49,600/-	NIL	NIL	NIL
Shri Mahendra Singh Jain (Joint Managing Director)	32,36,920/-	NIL	NIL	NIL

b. The details of payments to Non-Executive & Independent Director during the year 2016-2017 are given below :

Name of Director	Sitting Fees	Commission
Shri N. Chakraborty	750000	NIL
Dr. S K Kapoor	13000	NIL
Dr. Pratima Jain	15000	NIL

C. Stakeholder Relations Committee :

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has constituted a Stakeholder Relations Committee under the Chairmanship of Shri N. Chakraborty. The other two members of the Committee are Dr. S.K.Kapoor & Dr. Pratima Jain. The Company Secretary acts as secretary to the committee.

The Committee meets at regular intervals to approve inter-alia, transfer/ transmission of shares, issue of duplicate share certificate, non-receipt of declared dividend and to review the status of shareholders grievances and redressal mechanism and recommends measures to improve the level of investor services.

Meeting and attendance during the year:

Five meetings of the Stakeholder Relations Committee were held during the year 2016-17. The attendance of each member of the committee are given as under :

Name of the Director	No. of Meeting held	No. of Meeting attended
Shri N. Chakraborty	5	5
Dr. S K Kapoor	5	5
Dr. Pratima Jain	5	5

D. Risk Management Committee

The Board has constituted Risk Management Committee although it is not applicable to the Company.

E. Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee and Dr. Pratima Jain is the chairperson of the Committee and two other female employee have been nominated in the committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace.

F. Separate Independent Directors' Meeting

The meeting of Independent Directors was held on 13.02.2017, without the attendance of Non-Independent director and members of Management. The following issues were discussed:

- Review of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review of the performance of the Managing Director of the Company.
- Assess the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

8. General Body Meeting :

Details of the location of the past three AGMs and the details of the resolutions passed or to be passed by postal ballot.

(a) The last three Annual General Meetings of the Company were held at the Registered Office of the Company, 111-Sector-B, Sanwer Road, Industrial Area, Indore-452015 (M.P.).

Details of Annual General Meeting (AGMs):

AGMs	Date of AGMs	Location	Time
26th	27.09.2014	Registered Office	11.30 A.M.
27th	24.09.2015	Registered Office	11.30 A.M.
28th	30.09.2016	Registered Office	11.30 A.M.

All the Resolutions, including special resolutions set out in the respective Notices were passed by the Share-holders.

b) No resolution requiring postal ballot as recommended under the SEBI (LODR) Regulatios 2015.

9. Subsidiary Company :

M/s. M.M. Metals Pvt. Ltd. (89.58% share's stake by the Company) is subsidiary of Company. It is non-listed subsidiary.

10. Disclosures :

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

Details are given elsewhere in the Annual Report. Please refer to item No. 30 of the Notes to the Accounts.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - NIL.

The Board of Directors has adopted the code of conduct for Directors and senior Management personnel of the Company.

11. Means of Communication :

(A) The main channel of communication to the Shareholder is through Annual Report which includes inter-allia, the Auditor's Report, the Director's Report on Corporate Governance, Audited Financial statements and other important information.

(B) The website of the Company www.itl.co.in acts as the primary source of information regarding the operations of the Company.

Quarterly / yearly financial results and other media releases or being displayed of the Company's website.

(C) The quarterly and half yearly results are approved by the Board of Directors of the Company and submitted to the Stock Exchanges as per the requirement of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

12. MD Certification :

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate for the financial year 2016-17 signed by Managing Director of the Company was placed before the Board of Directors at their meeting held on 11th August, 2017. The said certificate is annexed and forms part of the Annual Report.

13. Declaration regarding code conduct :

The certificate regarding compliance of conditions of Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the Auditors of the Company Annexed hereto.

General Shareholder information :

- **Annual General Meeting :**

  The Annual General Meeting of the Company will be held on Thursday 28th September, 2017 at 3.30 P.M. at 111, Sector-B, Sanwer Road, Indore-452015 (M.P.)

- **Financial Calendar :**

Quarter	Period	Publication of Results
First	April to June	On or before 14th August, 2016
Second	July to September	On or before 14th November, 2016
Third	October to December	On or before 14th February, 2017
Fourth	January to March	On or before 30th May, 2017

- **Date of Book Closure :**

  Friday, the 22nd September, 2017 to Thursday, the 28th September, 2017 (both days inclusive) for Annual General Meeting / payment of Dividend.

- **Listing on Stock Exchanges:**

  The Shares of the Company listed on Bombay Stock Exchange Limited.

  (BSE Scrip Code - 522183)

  ISIN Number for NSDL & CDSL - INE478D01014

- **Stock Market Data :**

  The monthly high / low quotation of shares traded on Bombay Stock Exchange are as given below:

(Amount in ₹)

Month	Highest	Lowest	Month	Highest	Lowest
April, 2016	47.30	40.30	October, 2016	60.70	46.65
May, 2016	44.50	37.55	Nov., 2016	62.00	45.10
June, 2016	44.50	35.40	Dec., 2016	54.00	46.00
July, 2016	66.70	37.65	January, 2017	57.70	52.00
August, 2016	53.95	41.05	Feb., 2017	65.85	53.35
Sept., 2016	50.75	43.10	March, 2017	66.45	59.40

- The monthly high / low BSE Sensex are as given below :

Month	Highest	Lowest	Month	Highest	Lowest
April, 2016	26100.54	24523.20	October, 2016	28477.65	27488.30
May, 2016	26837.20	25057.93	Nov., 2016	28029.80	25717.93
June, 2016	27105.41	25911.33	Dec., 2016	26803.76	25753.74
July, 2016	28240.20	27034.14	January, 2017	27980.39	26447.06
August, 2016	28532.25	27627.97	Feb., 2017	29065.31	27590.10
Sept., 2016	29077.28	27716.78	March, 2017	29824.62	28716.21

- **Investor Correspondence :**

For any assistance regarding dematerialization of shares, share transfer, transmission, change of address, non-receipt of dividend and any query relating to the shares of the company, please write to :

M/s. Ankit Consultancy Pvt.Ltd. (Registrar and Share Transfer Agent)
Plot No.60, Electronic Complex, Pardeshipura, INDORE (M.P.) - 452010, Phone No. : 0731-2551745 Fax No. 0731-4065798.
Or
Mr. Akhilesh Gautam
Company Secretary & Compliance Officer
ITL Industries Limited
111, Sector"B", Sanwer Road, Industrial Area, Indore - 452 015
Phone No. 0731 3044450

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The Company has adopted the SEBI Complaints Redress System (Scores) for redressing the investor complaints in a centralized web based complaints redress system provided by SEBI.
The Salient features of this system are : centralized data base of all complaints, online upload of Action Taken Reports (ATR) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

- **Distribution of Shareholding pattern as on 31st March, 2017**

No. of Equity share held	No. of Folio	Percentage%	No. of Shares	Percentage %
Upto 500	3945	91.11	503882	15.28
501 to 1000	174	4.01	143438	4.35
1001 to 5000	149	3.44	326510	9.90
5001 to 10000	23	0.53	169312	5.13
10001 and above	39	0.91	2154158	65.34
Grand Total:	**4330**	**100.00**	**3297300**	**100.00**
No.of Shareholders In Physical mode	2469	57.02	431226	13.08
No.of Shareholder In Electronic Mode	1861	42.98	2866074	86.92

Shareholding Pattern as on 31st March, 2017

Category	No.of Share Holders	No. of Shares	Percentage %
Promoters	15	1414884	42.91
Foreign Collaborators	NIL	NIL	NIL
Mutual Funds	NIL	NIL	NIL
FIs. / Banks	NIL	NIL	NIL
FIIs / NRIs	18	66110	2.01
Domestic Companies	62	273980	8.31
Public	4233	1542326	46.78
Total :	**4328**	**3297300**	**100.00**

- **Dematerialisation of Shares and liquidity**
  About 86.92% of Company's paid-up Share capital has been dematerialized upto 31st March, 2017.

MD/ CEO CERTIFICATION

To,
The Board of Directors,
ITL Industries

Dear Sirs

We have reviewed the Financial Statement read with the cash flow statement of for the year and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit.

We have indicated to the Auditors and the Audit Committee that there is

1. No significant change in internal control over financial reporting during the year
2. No significant change in accounting policies during the year under review and
3. No instance of any fraud in the company in which the management has any role.

For ITL Industries Limited

PLACE : INDORE
DATED : 11.08.2017

(Rajendra Singh Jain)
Managing Director
DIN-00256515

DECLARATION REGARDING ON CODE OF CONDUCT

I Rajendra Singh Jain, Managing Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

For ITL Industries Limited

PLACE : INDORE
DATED : 11.08.2017

(Rajendra Singh Jain)
Managing Director
DIN-00256515

INDEPENDENT AUDITORS' CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
ITL Industries Limited
111, Sector 'B', Sanwer Road,
Industrial Area,
Indore - 452015

We have examined the compliance of conditions of Corporate Governance by ITL INDUSTRIES LIMITED, for the year ended 31st March 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For MAHAVEER M. JAIN & CO.
Chartered Accountants

MAHAVEER K. JAIN
(PROPRIETOR)
Membership No.: 070966
FRN : 001749C

Place : INDORE
Date : 11/08/2017

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF ITL INDUSTRIES LTD

Report on the Financial Statements
We have audited the accompanying financial statements of ITL INDUSTRIES LTD ("the Company"), which comprise the Balance Sheet as at 31/03/2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position , financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the 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 presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

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

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2017, and it's profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order,2016("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31/03/2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31/03/2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to Note No. 37 to the Standalone Statements.

For MAHAVEER M. JAIN & CO.
Chartered Accountants

MAHAVEER K. JAIN
(PROPRIETOR)
Membership No.: 070966
FRN : 001749C

Place : INDORE
Date : 30/05/2017

ANNEXURE - A
Report under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2017

To,
The Members of ITL INDUSTRIES LTD

(1) In Respect of Fixed Assets

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) All the title deeds of immovable properties are held in the name of the company

(2) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(3) Compliance under section 189 of The Companies Act, 2013

Yes, the company has granted unsecured loans to Dimart Engineering Private Limited (Related party) and M M Metals Private Limited (Subsidiary Company)

(a) The company has granted advances to two parties covered in register maintained under section 189 of the Companies Act, 2013 (Total Advance amount outstanding on 31/03/2016 Rs. 28067681/- and as on 31/03/2017 Rs. 28067681/-). According to the information & explanations given to us and based on the audit procedures conducted by us there was no stipulation about interest and repayment terms. The company has not charged any interest as it was related to commencement of ancillary business in the aforesaid units.

(b) The advances granted are repayable on demand and to commence ancillary business. As informed, the company has not demanded repayment of any such advances during the year, thus, there has been no default on the part of the parties to whom advance was made.

(c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

(4) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

No deposits within the meaning of Sections 73 to 76 or by any other relevant provisions of the Act and Rules framed there under have been accepted by the Company.

(6) Maintenance of cost records

We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(7) Deposit of Statutory Dues

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(b) Details of disputed amount payable to statutory authorities are as given below.

Related To	Authority where Pending	Financial Year	Disputed Amount
Central Sales Tax, 1956	Appellate Authority	2012-13	19,78,500
M. P. Commercial Tax(VAT)	Appellate Authority	2013-14	18,212
Central Sales Tax, 1956	Appellate Authority	2014-15	23,53,204
M.P.Commercial Tax (VAT)	Appellate Authority	2014-15	27,622

(8) Repayment of Loans and Borrowings

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or Bank.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The company has not raised any money by way of initial public offer or further public offer {including debt instruments) and term loans. Hence this clause is not applicable.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

No, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(15) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is not required to be registered under section 45-IA of the Reserve Bank of lndia Act.

For MAHAVEER M. JAIN & CO.
Chartered Accountants

MAHAVEER K. JAIN
(PROPRIETOR)
Membership No.: 070966
FRN : 001749C

Place : INDORE
Date : 30/05/2017

Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of ITL INDUSTRIES LTD.

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

We have audited the internal financial controls over financial reporting of ITL INDUSTRIES LTD. ("The Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 was established and maintained and if such controls operated effectively in allmaterial respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 MAHAVEER M. JAIN & CO.
Chartered Accountants

MAHAVEER K. JAIN
(PROPRIETOR)
Membership No.: 070966
FRN : 001749C

Place : INDORE
Date : 30/05/2017

BALANCE SHEET AS AT 31 MARCH, 2017

(Amount in ₹)

	Particulars	Note No.	Amount As At 31.03.2017	Amount As At 31.03.2016
A	**EQUITY AND LIABILITIES**			
	Share Holder's Fund			
	(a) Share Capital	3	32543993	32543993
	(b) Reserve & Surplus	4	244703787	209181373
	Non Current Liabilities			
	(a) Long-term borrowings	5	13245577	25311427
	(b) Deferred tax liabilities		15401578	14031578
	Current Liabilities			
	(a) Short-term borrowings	6	100281482	136167635
	(b) Trade Payables	7	128932517	124704078
	(c) Other current liabilities	8	96246699	61067230
	TOTAL		**631355633**	**603007314**
B	**ASSETS**			
	Non Current Assets			
	(a) Fixed assets			
	(i) Tangible assets	9	84643692	88773030
	(ii) Intangible assets	9	6668822	5161860
	(b) Non current investment	10	9346616	9501316
	(c) Long-term loans and advances	11	8599809	6596826
	(d) Other non- current assets			
	Current Assets			
	(a) Current investments	12	2276787	3523927
	(b) Inventories	13	253322613	250126109
	(c) Trade receivables	14	214214260	191108673
	(d) Cash and cash equivalents	15	11252708	8870194
	(e) Short-term loans and advances	16	41030326	39345379
	TOTAL		**631355633**	**603007314**
	Corporate Information & Significant accounting policies	**1 to 2**		
	Notes on financial statements	**3 to 37**		

In terms of our report attached.

For and on behalf of the Board of Directors

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

Rajendra Singh Jain
Managing Director
DIN : 00256515

Mahendra Singh Jain
Joint Managing Director
DIN : 00256047

(Mahaveer K. Jain)
Proprietor
No. :070966

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS : 8592

DATED : 30/05/2017
PLACE : INDORE

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹)

	Particulars	Note No.	For the Year 2016-17	For the Year 2015-16
A	**CONTINUING OPERATIONS**			
	Revenue from Operations			
1	Sales	17	697883535	562742272
2	Other income	18	6328174	6344575
3	**Total Revenue**		**704211709**	**569086847**
4	**Expenses**			
	(a) Cost of Material consumed	19	477420834	363850212
	(b) Changes in inventories of finished goods and work-in-progress	20	-16779201	-3008025
	(c) Employee benefits expenses	21	77693589	74748976
	(d) Other expenses	22	86147345	74050007
	(e) Interest and financial overheads	23	22752154	21879036
	(f) Depreciation and amortisation expenses		8755575	10019522
	Total Expenses		**655990295**	**541539727**
5	**Profit before exceptional and extraordinary items and tax**		48221414	27547120
6	Exceptional items		0	0
7	**Profit before extraordinary items and tax**		48221414	27547120
8	Extraordinary items		0	0
9	**Profit before tax**		48221414	27547120
10	**Tax Expenses:**			
	(a) Current tax expenses		10000000	5800000
	(b) Tax Expenses of Previous Years		-549741	859322
	(c) Deferred tax		1370000	-145000
			10820259	**6514322**
11	**Profit for the year**		**37401155**	**21032798**
	Corporate Information & Significant accounting policies	1 to 2		
	Notes on financial statements	3 to 37		

In terms of our report attached.

For and on behalf of the Board of Directors

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

Rajendra Singh Jain
Managing Director
DIN : 00256515

Mahendra Singh Jain
Joint Managing Director
DIN : 00256047

(Mahaveer K. Jain)
Proprietor
No. :070966

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS : 8592

DATED : 30/05/2017
PLACE : INDORE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

Note No.	Particulars
1	**CORPORATE INFORMATION**
1.1	ITL Industries Limited is engaged in Manufacturing of Band Saw Machines, CNC Tube Mills, Machine tools & Sale/purchase of Hydraulic Items. etc.
1.2	Registered Office of the Company is situated at 111, Sector B, Industrial Area Sanwer Road, Indore 452015 (M.P.)
2	**SIGNIFICATE ACCOUNTING POLICIES**
2.1	**Basis of accounting and preparation of financial statements** The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of The Companies Act 2013 red with Rule 7 of The Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under the historical cost convention . The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
2.2	**Use of estimates** The preparation of the financial statements in confirmity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
2.3	**Inventories** Inventories are valued at cost. Cost includes all charges in bringing the goods to the point of sale.
2.4	**Depreciation and amortisation** Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013. Pursuant to the enactment of the act , the company has applied the estimated useful lives of fixed assets . Accordingly the unamortised carrying values is being depreciated/ amortised over the revised/ remaining useful lives of assets.
2.5	**Revenue recognition** Sale of goods/services: Sales comprise sale of goods net of trade discount and sales tax. Excise duty collected has been included in sales value.
2.6	**Other income** Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.
2.7	**Tangible fixed assets** "Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance."
2 . 8	**Employee benefits** Employee benefits include provident fund, superannuation fund, gratuity fund,. Liability of Gratuity has been provided as actually determined as at the year end and contribution is being made to LIC of India under group gratuity fund. However, leave encashment on separation has been accounted for on payment basis.
2. 9	**Earnings per share** Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.
2.10	**Taxes on income** "Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. "
2.11	**Treatment of Prior Period and Extra Ordinary Items** Any material (other than those arising out of over/ under estimation in earlier years) arising as a result of error or omission in preparation of earlier years financial statements are separately disclosed.
2.12	**Provisions and Contingent liabilities** A provision is made based on reliable estimate when it is probable that an outflow or resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts.
2.13	**Excise Duty** Excise duty payable on finished goods held in plant is neither included in expenditure nor valued in stocks, but it is accounted for on clearance of goods from plant. This accounting treatment has no impact on profits.
2.14	**Research and Development** Capital Expenditure is included in Fixed Assets & and depreciation is provided at the respective applicable rates Revenue expenditure is charged off in the year in which they are incurred and are included with the respective nature of account heads in the profit and loss account statement.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

(Amount in ₹)

Particulars	Amount As At 31.03.2017	Amount As At 31.03.2016
NOTE NO. 3		
Share Capital		
(a) Authorised		
40,00,000 Equity Shares of Rs.10/- each	**40000000**	**40000000**
(b) Issued, Subscribed & Paid-up		
32,97,300 Equity Shares of Rs.10/- each with voting rights	32973000	32973000
Less : Amount due on a/c.of Allotment money	429007	429007
TOTAL	**32543993**	**32543993**
List of share holders holding more than 5% of the share capital		
Shareholder's Name	**No.of Shares**	**No.of Shares**
Shri Rajendra Singh Jain	363400 (11.02%)	363400 (11.02%)
Shri Mahendra Singh Jain	242713 (7.36%)	242713 (7.36%)
NOTE NO. 4		
Reserves & Surplus		
(a) Surplus/(Deficit) in Statement of Profit & Loss		
Opening Balance	9181373	9311229
Add: Profit/(Loss) for the year	37401155	21032798
TOTAL	**46582528**	**30344027**
Less: Transferred to General Reserve	40000000	19235000
Less: Proposed Dividend	1601600	1601600
Less: Dividend Distribution Tax	277141	326054
Closing Balance (a)	4703787	9181373
(b) General Reserve		
Balance as per last Balance Sheet	200000000	180765000
Add: Transfer from P & L A/c	40000000	19235000
Closing Balance (b)	240000000	200000000
TOTAL (a) + (b)	**244703787**	**209181373**
NOTE NO. 5		
Long-Term Borrowings		
Secured		
(a) Term Loan		
Madhya Pradesh Financial Corporation, Indore	13245577	24701943
(Secured by first legal mortage in respect of Company's fixed assets both present and future and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans last instalment due in Jan. 2019)		
(b) From Others	0	609484
(Against hypothecation of Vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)		
TOTAL	**13245577**	**25311427**

(Amount in ₹)

Particulars	Amount As At 31.03.2017	Amount As At 31.03.2016
NOTE NO. 6		
Short -Term Borrowings		
Secured		
Loans repayable on demand		
From State Bank of India	45201213	75853578
From Bank Of Baroda	48746769	49565829
(Secured by Hyp.by way of charge on inventories both in hand and in transit, book debts, bills & other receivables both present & future and personal guarantee of Directors and first pari passue charge on various plots of the company)		
Unsecured		
From Axis Bank	3352505	1983215
(Simens Ltd. channel financing loan from Axis Bank)		
Inter Corporate Deposit	0	5066921
Loans and advances from related parties		
From Directors	2980995	3698092
TOTAL	**100281482**	**136167635**
NOTE NO. 7		
Trade Payables		
Creditors for goods and services received	128932517	124704078
TOTAL	**128932517**	**124704078**
NOTE NO. 8		
Other Current Liabilities		
(a) Current maturities of long-term debt		
Term Loan		
Madhya Pradesh Financial Corporation, Indore	10533780	10475000
S.B.of India	0	303517
From Others	224719	224719
(b) Interest accured but not due on borrowings		
Interest payable to MPFC	0	722274
(c) Other payables		
(i) Statutory remittances	8459077	6672780
(ii) Contractually reimbursable expenses	15399091	14548761
(iii) Customers credit Balances	58750038	25164170
(iv) Proposed dividend	1601600	1601600
(v) Unclaimed dividend	1278394	1354409
TOTAL	**96246699**	**61067230**

NOTE NO. 9
FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCKS				ACCUMULATED DEPRECIATION & IMPAIRMENT				NET BLOCK	
	Balance as at 01.04.2016	Additions during the year	Disposals during the year	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation/ Amortisation expenses for the year	Written back during the year	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
(A) TANGIBLE ASSETS (FOR OWN USE)										
Land	3507627	0	0	3507627	0	0	0	0	3507627	3507627
Site Development	150004	0	0	150004	49927	4875	0	54802	95202	100077
Factory Building	50463409	0	0	50463409	11852990	1400723	0	13253713	37209695	38610419
Plant & Machinery	44986417	447418	0	45433835	21732032	1846176	0	23578208	21855627	23254385
Other Equipments	14246070	35747	10695	14271122	9379811	719129	10695	10088245	4182877	4866259
Electrical Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	9616440	254659	1190495	8680605	5955737	680316	1161469	5474584	3206021	3660703
Furniture & Fixture	19079126	46495	14412	19111209	9094331	1570171	14412	10650090	8461119	9984795
Computer	10466022	1569437	1020637	11014822	10075384	247520	1020637	9302267	1712555	390638
Motor Car	11630238	1003081	547738	12085581	7270761	970429	534045	7707146	4378435	4359477
Cycle & Handcart	70983	0	0	70983	44013	4116	0	48129	22854	26970
TOTAL	**164683530**	**3356837**	**2783977**	**165256390**	**75910500**	**7443456**	**2741258**	**80612698**	**84643692**	**88773030**
(B) INTANGIBLE ASSETS (FOR OWN USE)										
Software	18520313	2819081	15763	21323631	13503003	1167570	15763	14654809	6668822	5017311
Technical Know-How	3141619	0	0	3141619	2997069	144550	0	3141619	0	144550
TOTAL - (B)	**21661932**	**2819081**	**15763**	**24465250**	**16500072**	**1312119**	**15763**	**17796428**	**6668822**	**5161860**
TOTAL - (A) + (B)	**186345462**	**6175918**	**2799740**	**189721640**	**92410572**	**8755575**	**2757021**	**98409126**	**91312514**	**93934890**
Previous year	174432573	12151088	238200	186345462	82492435	10019522	101384	92410572	93934890	

Particulars	Amount as at 31.03.2017	Amount as at 31.03.2016
NOTE NO. 10		
Investments (At Cost)		
Trade Investments		
Unquoted, Non-Trade-Long Term :-		
- **Investment in equity instruments of subsidiaries**		
M/s.M.M.Metals Pvt. Ltd.	21500	21500
21500 Equity Shares of Rs. 100 each (Fully Paid)		
(Previous year 21500 Shares)		
- **Investment in equity instruments of associates**		
M/s.Dimart Engineering P.Ltd.	400000	400000
40000 Equity Shares of Rs. 10 each (Fully Paid)		
(Previous year 40000 Shares)		
M/s.Luhadia Sons P. Ltd.	5304420	5304420
294690 Equity Shares of Rs. 10 each (Fully Paid)		
(Previous Year 294690 Shares)		
M/s.Indore Tools Pvt. Ltd.	3601385	3761885
340366 Equity Shares of Rs. 10 each (Fully Paid) (Previous Year 356416 Shares)		
- **Investment in Other company**	19311	13511
TOTAL	**9346616**	**9501316**

(Amount in ₹)

Particulars		Amount As At 31.03.2017	Amount As At 31.03.2016
NOTE NO. 11			
Long-term loans and advances			
Deposits (secured, considered good)		8599809	6596826
	TOTAL	**8599809**	**6596826**
NOTE NO. 12			
Investments (At Cost)			
Trade Investments			
(a) Quoted but not listed-current Investments		2049900	2049900
(b) Quoted and Listed (Equity shares)		226887	1474027
	TOTAL	**2276787**	**3523927**
- Aggregate market value of quoted but not listed investments in Mutual Fund		188954	1896307
- Aggregate market value of quoted and listed investments in Equity Shares		156580	1206018
NOTE NO. 13			
Inventories			
(Valued at Cost)			
(a) Raw Materials & Bought Out Components		90046403	102540411
(b) Work in Process & Semi finished Goods		71884628	58079767
(c) Finished Products		3011732	37392
(d) Stock of Trading Goods		88054073	88806359
(e) Stores, Spare Parts & Standard Items		325777	662180
	TOTAL	**253322613**	**250126109**
NOTE NO. 14			
Trade Receivables			
(Unsecured, considered goods)			
(a) Outstanding for a period exceeding six months		85032747	97380391
(b) Others		129181513	93728282
	TOTAL	**214214260**	**191108673**
NOTE NO. 15			
Cash & Cash Equivalents			
(a) Cash in hand		404905	481726
(b) Balances with banks			
(i) In current accounts		383140	1396009
(ii) Unclaimed dividend		1278394	1354409
(c) Others			
Fixed Deposit Account		12969550	16094555
Accured interest on fixed deposits		265081	334400
Less: OD Limit from IDBI Bank Ltd.(against pledge of FDR)		-4048362	-10790905
	TOTAL	**11252708**	**8870194**

(Amount in ₹)

Particulars		Amount As at 31.03.2017	Amount As at 31.03.2016
NOTE NO. 16			
Short Term Loans & Advances :			
Unsecured, considered good			
(a) Loans and advances to related parties		28067681	28067681
(b) Deposits		1130799	1036075
(c) Loans and advances to employees		519001	1332535
(d) Prepaid expenses		367589	556038
(e) Advance payment of Income Tax		5220404	4855190
Less: Provision for Income Tax		-10000000	-5800000
(f) Balance with government authorities			
(i) Cenvat credit receivable		1308893	3196673
(ii) Service Tax credit receivable		3022046	1522954
(g) Others			
(i) Unsecured considered good		11393914	4578234
	TOTAL	**41030326**	**39345379**
Particulars		**For the year 2016-2017**	**For the year 2015-2016**
NOTE NO. 17			
Revenue from Operations			
(a) Sales (Net of Sales Tax)		743511206	605061467
(b) Job Work & Commissioning Charges		10078731	7138509
	TOTAL	**753589937**	**612199976**
Less: Excise Duty Amount		55706402	49457704
	NET TOTAL	**697883535**	**562742272**
NOTE NO. 18			
Other Income			
Dividend Received		1830067	406997
Refund of Sales Tax		1331914	1761045
Profit on Sales of Fixed Assets		70711	16518
Profit on Sales of Investments		288900	387507
Excess Provision of Sales Tax Written Off		39912	0
Excess Provision of Bonus Written Off		35218	0
Miscellaneous Income		2731452	3772508
	TOTAL	**6328174**	**6344575**
NOTE NO. 19			
Cost of Material Consumed/Sold			
Opening Stock		191346770	164736984
Add : Purchases		464174540	390459998
		655521310	555196982
Less: Closing Stock		178100476	191346770
	TOTAL	**477420834**	**363850212**
NOTE NO. 20			
Change in Inventory of Finished Goods and Work In Process			
Opening Stock		58117159	55109134
Less- Closing Stock		74896360	58117159
	TOTAL	**-16779201**	**-3008025**
NOTE NO. 21			
Employee Benefits Expenses			
Salary, Wages & Allowances (Including Bonus)		66920077	64216306
Welfare Expenses		840405	813138
Security Expenses		712685	629102
Contribution to E.S.I.C.		388086	367676
Contribution to P.F.		1267816	1156754
Directors' Remuneration		6628520	6630000
Contribution to P.P.F		468000	468000
Bonus / Ex-gratia to Directors		468000	468000
	TOTAL	**77693589**	**74748976**

(Amount in ₹)

Particulars	For the year 2016-2017	For the year 2015-2016
NOTE NO. 22		
Manufacturing, Administration and Selling Overheads		
A. Manufacturing Overheads :		
Stores, Spares parts & Standard item consumed :		
Opening Stock	662180	409017
Add: Purchases	963640	745650
	1625820	1154667
Less : Closing Stock	325777	662180
Consumed during the year	1300043	492487
Component Processing Charges	25061364	20154651
Power Expenses	2514416	2302868
Repair & Maintenance to : 1. Plant & Machinery	1083065	280146
2. Building	1298524	605774
Entry Tax	1985706	1848024
Excise Duty Reversal	218211	285734
Freight & Cartage inward	4275124	4149779
Material Shifting & Handling Charges	3538782	3028426
Manufacturing Expenses	176352	123388
Other Expenses	1463553	1962107
TOTAL (A)	**42915140**	**35233383**
B. General & Administrative Overheads :		
Rent, Rates & Taxes	3226414	3009674
Charity & Donation	1130000	181076
Computer Charges	246708	641934
Stationery & Printing	295762	673794
Telephones & Internet	1835891	1940939
Postage & Courier	271232	206482
Travelling & Conveyance	15943277	14396779
Legal & Professional Charges	4297169	4667655
Auditor's Remuneration	65000	65000
Insurance	353497	290298
Loss on Sale of Assets	0	16953
Loss on Sale of Investment	154180	0
Other Expenses	2470860	2424219
TOTAL (B)	**30289990**	**28514803**
C. Selling & Distribution Expenses :		
Sales Promotion & Entertainment	1005726	1276215
Freight & Cartage outward	3500304	3516989
Sales Commission & Discount	1960691	1820369
Advertisement & Exhibition	3114125	1687400
Bad Debts	2404670	1085188
Late Delivery Charges	201642	345983
After Sales & Service	627283	323440
Other Expenses	127774	246238
TOTAL (C)	**12942215**	**10301820**
GRAND TOTAL (A+B+C)	**86147345**	**74050007**
NOTE NO. 23		
Interest & Finance charges		
On Fixed Period Loans	4104838	5208344
Other Loans (Bank)	15003316	16462894
Interest to Others	1045592	232912
Other Financial charges	3542538	2254083
TOTAL (A)	**23696285**	**24158232**
Less : Interest Received	944131	2279196
TOTAL (B)	**944131**	**2279196**
NET TOTAL (A-B)	**22752154**	**21879036**

(Amount in ₹)

Particulars	For the year 2016-2017	For the year 2015-2016
Note No. 24		
CONTINGENT LIABILITIES :		
(i) Guarantees issued by Banks	1,14,51,210	3,65,50,070
(ii) Tax demand for CST, VAT & Entry Tax for the years 2012-13, to 2014-15 appealed against but not provided for in account	43,77,538	1,08,63,180
Note No. 25		
Auditor's Remuneration includes the following		
a) For Statutory Audit	50,000	50,000
b) For Tax Audit	7,500	7,500
c) For Reimbursement of expenses	7,500	7,500
d) For Certification work	0	30,000
TOTAL	**65,000**	**95,000**
Note No. 26		
Managerial Remuneration :		
Particulars of remuneration to the Directors (Including remuneration & perquisites of Managing Director of Rs.35,49,600/-		
(a) Salary, Allowances & Bonus	63,18,520	63,18,000
(b) PPF Contribution	4,68,000	4,68,000
(c) Sitting fee	7,78,000	7,80,000
TOTAL	**75,64,520**	**75,66,000**
The Company has passed Special Resolution in Annual General Meeting of the company. Therefore Managerial Remuneration paid is within limits prescribed in Section 2 of Schedule V read with Section 197 of the Companies Act, 2013.		
Note No. 27		
Expenditure / Remittances in Foreign Currency on Account of		
-- Raw Materials	4,44,25,097	5,05,29,874
-- Others	0	4,66,834
TOTAL	**4,44,25,097**	**5,09,96,708**
Note No. 28		
Earnings in Foreign Exchange :-		
-- Export of Goods on CIF / FOB Basis and Advance from customers	2,65,33,002	1,61,95,698
TOTAL	**2,65,33,002**	**1,61,95,698**

Note No. 29

Particulars of consumption of Imported and Indigenous Raw Materials:

	2016-2017		2015-2016	
	Value	**% of Total**	**Value**	**% of Total**
Imported	4,44,25,097	9.31%	5,05,29,8741	3.89%
Indigenous	43,29,95,737	90.69%	31,33,20,338	86.11%
Total :	**47,74,20,834**	**100.00%**	**36,38,50,212**	**100.00%**

(Amount in ₹)

Note No. 30 **Related party disclosures in terms of accounting standard 18:**			
(a) Remswegs Marketing Pvt.Ltd. & Steel Engg. Centre			
(A Company controlled by relatives of Directors)			
Sales		Rs.	33,41,828/-
Purchases & Job work		Rs.	1,18,03,489/-
Outstanding Balance as on 31/03/2017	Cr.	Rs.	26,98,802/-
(b) Indore Tools Pvt.Ltd. :			
(A Company controlled by relatives of Directors)			
Investment in shares		Rs.	36,01,385/-
Sales		Rs.	4,61,033/-
Purchases & Job Work		Rs.	2,65,21,033/-
Outstanding Balance as on 31/03/2017	Cr.	Rs.	26,56,182/-
(c) M.M. Metals Pvt. Ltd. (Subsidiary Company)			
Extent of Holding 89.58%			
Investment in Shares		Rs.	21,500/-
Outstanding Balance as on 31/03/2017	Dr.	Rs.	99,36,324/-
(d) Dimart Engineering Pvt. Ltd. (Related Party)			
Investment in Shares		Rs.	4,00,000/-
Outstanding Balance as on 31/03/2017	Dr.	Rs.	1,81,41,357/-
(e) Remuneration paid to relatives of key management personnel :			
Shri Ravish Jain		Rs.	13,80,480/-
Shri Prakhar Jain		Rs.	13,80,480/-
Shri Manish Jain		Rs.	13,80,480/-
Smt. Bharti Chakraborty		Rs.	3,60,000/-
Smt. Madhu Jain		Rs.	1,50,000/-
Shri Shekhar Jain		Rs.	13,80,480/-

Note No. 31

The Earning Per Share (EPS) is worked out as under (AS 20) :

		2016-2017	**2015-2016**
A.	Profit after tax	3,74,01,155/-	2,10,32,798/-
B.	Weighted Average Number of shares (Paid-Up) outstanding during the year	32,54,399	32,54,399
C.	Earning per share (A/B)	11.49	6.46
D.	Face Value per share	10/-	10/-

Note No. 32

Disclosure as per Clause 32 of the Listing Agreement

Loans and advances in the nature of loans given to subsidiaries :

Name of the Company	**Relationship**	**Amt. Outstanding as on 31.3.2017**	**Maximum balance outstanding during the year**
M.M. Metals Pvt. Ltd. (89.58% stake by ITL Industries Ltd.)	Subsidiary	Dr,. 99,36,324/-	Dr. 99,36,324

Note No. 33

The amount due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 could not be determined due to non-availability of information from the enterprises. However, no interest was paid / payable in terms of Section 16 of the said Act.

Note No. 34

Income Tax Assessments of the Company have been completed upto assessment Year 2014-15.

Note No. 35

In terms of Accounting Standard 17, the Company has identified following segments and the details is furnished As under :

SEGMENT WISE REPORT FOR YEAR ENDED 31st MARCH, 2017

(Amount in ₹)

PARTICULARS	Year ended 31/03/2017	Year ended 31/03/2016
1. Segment Revenue :		
Machine Manufacturing	5188.29	4380.72
Trading Activities	2306.64	1676.20
Total	7494.93	6056.92
Less : Inter Segment Revenue	516.09	432.35
Net Sales / Income from Operation	6978.84	5624.57
2. Segment Profit / (Loss) before Tax and interest :		
Machine Manufacturing	488.70	314.09
Trading Activities	221.03	180.17
Total	709.73	494.26
Less : Interest	227.52	218.79
Net Profit before Tax	482.21	275.47
3. Capital Employed :		
(Segment Assets – Segment Liabilities)		
Machine Manufacturing	1421.76	1285.91
Trading Activities	1350.72	1131.34
Total	**2772.48**	**2417.25**

Note No. 36

RESEARCH AND DEVELOPMENT EXPENDITURE

	2016-17	2015-16
Capital Expenditure	3,41,836	27,27,667
Revenue Expenditure	2,52,91,262	2,02,46,608
TOTAL	**2,56,33,098**	**2,29,74,276**

Note No. 37

PARTICULARS OF SPECIFIED BANK NOTES [SBNs]:

During the year, the Company had specified bank notes [SBNs] and other denomination notes as defined in the MCA notification G.S.R 308[E] dated 31st March, 2017, on the details of Specified Bank Notes [SBNs] held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	290000	230313	520313
[+] Permitted receipts	--	2162802	2162802
[-] Permitted payments	188500	1917261	2106121
[-] Amount deposited in Banks	101500	--	101500
Closing cash in hand as on 30th December, 2016	--	475494	475494

* For the purpose of the clause Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance Department of Economic Affairs number S.O. 3407[E] dated 8th November, 2016.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

(Amount in ₹)

Particulars		For the year ended 31.03.2017	For the year ended 31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit before Tax and Extra Ordinary Adjustments:		48221414	27547120
Depreciation for the year		8755575	10019522
Interest Paid		22752154	21879036
Operating Profit before working capital changes		79729143	59445678
ADJUSTMENT :			
Trade and other receivables		-23105588	-30252235
Inventories		-3196504	-29870974
Current Liabilities & Provision		39407909	12492457
Other Current Assets		-3687930	12754180
Cash Generated from operation		89147030	24569104
Interest paid		-22752154	-21879036
Direct Tax paid (Net)		-9450259	-6659322
Cash Flow before extra ordinary adjustments		56944617	-3969254
Extra Ordinary Items :			
Loss / Profit on Sale of Investment		-288900	-387507
Loss / Profit on Sale of Fixed Assets		-70711	-16518
NET CASH FLOW FROM OPERATING ACTIVITIES	**Total (A) :**	**56585006**	**-4373279**
(B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets (Net)		-6062488	-11997755
Investment made during the year		1690741	1451487
NET CASH USED IN INVESTING ACTIVITIES	**Total (B) :**	**-4371747**	**-10546268**
(C) CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from long Term Borrowings (Net)		-12065850	-9957840
Proceeds from Short Term Borrowings		-35886153	13965547
Dividend / Corporate Dividend Tax paid		-1878741	-1927654
NET CASH FLOW FROM FINANCING ACTIVITIES	**Total (C) :**	**-49830744**	**2080052**
NET INCREASE (DECREASE) IN CASH AND EQUIVALENT	**Total (A+B+C)**	**2382514**	**-12839495**
CASH AND CASH EQUIVALENT AS AT 01.04.2016 (Opening Balance)		**8870194**	**21709689**
CASH AND CASH EQUIVALENT AS AT 31.03.2017 (Closing Balance)		**11252708**	**8870194**

For Mahaveer M.Jain & Co.

(Mahaveer K.Jain)
Proprietor

For and On behalf of the Board

(Rajendra Singh Jain)
Managing Director
DIN : 00256515

PLACE : INDORE
DATED : 30.05.2017

DIRECTORS REPORT

To,
The Members of,
M.M. Metals Pvt. Ltd.
INDORE (M.P.)

Dear Members,

Your Directors are Pleased to present the 5thAnnual Report and the Company's Audited financial statements for the Financial Year ended March 31, 2017.

1. FINANCIAL RESULTS

The company could not commence its operation during the year, therefore No Statement of Profit and Loss Account has been prepared.

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The company could not start any activity in the year.

3. DIVIDEND

The Company has not declared any dividend during the year.

4. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company has no Associate and Joint Ventures. The company is a Subsidiary of ITL Industries Ltd with 89.58% Share Holding.

5. DIRECTORS RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013:

(a) In the preparation of the annual accounts, the applicable accounting had been followed along with proper explanation relating to material departure;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. AUDITOR AND AUDITORS REPORT

M/s. Mahendra Badjatya & Co (ICAI FRN 001457C) , Chartered Accountants, Statutory Auditors of the Company, continue to hold their office till the Financial Year 2018-2019 and the Board ratifies their appointment as such.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments under section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Provisions of Section 135 of the Companies Act, 2013 read with rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the company.

8. RISK MANAGEMENT

The company does not have any risk other than normal business risk therefore there is no any written risk management policy so far adopted by the company.

9. DIRECTORS

During the year, there is no change in the constitution of board of directors of the company.

10. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operations were observed.

11. DISCLOSURE U/S 134 (3)

Pursuant to the provisions of sec 134 (3) read with Companies (Accounts) Rules, 2014. The required information's & disclosures, to the extent applicable to the company are as under:

a) The Extracts of Annual Return as per Form no. MGT-9 is annexed herewith as Annexure – A.

b) The company has not accepted any deposit from public within the meaning of section 73 of the Companies Act, 2013.

c) During the year four Board meetings were held, as against the minimum requirement of four meetings.

d) The particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 in the Form AOC-2 is enclosed herewith as per Annexure - B.

e) Statement of Conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the company.

12. MATERIAL CHANGES

There are no material changes affecting the financial position of the company which occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

13. ACKNOWLEDGMENT

The Board of Directors places its sincere gratitude for the assistance and co-operation received from its directors.

Registered Office:
PLOT NO.103-B, SANWER ROAD
CIN- U02710MP1983PTC002163
INDORE – 452003 (M.P.)

By Order of the Board

Meena Jain (DIN-00256341)

Manish Jain (DIN-00444115)

PLACE: INDORE
DATE: 30/05/2017

ANNEXURE –A TO THE DIRECTORS REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	U02710MP1983PTC002163
(ii)	Registration Date	11/04/1983
(iii)	Name of the Company	M.M. METALS PRIVATE LIMITED
(iv)	Category/Sub-category of the Company	Company Limited By Shares/ Indian Non-Government Company
(v)	Address of the Registered office & contact details	PLOT NO.103-B, SANWER ROAD Telephone No: 09300055681 - E-mail ID: cs@itl.co.in
(vi)	Whether listed company	No
(vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	NA	NA	0

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	ITL Industries Ltd 111-Sector-B, Sanwar Road, Industrial Area, Indore (M.P)	L28939MP1989PLC005037	HOLDING	89.58	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year as on 01/04/2016				No. of Shares held at the end of the year as on 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters Shareholding	0	2500	2500	10.42	0	2500	2500	10.42	0
B) Bodies Corporate	0	21500	21500	89.58	0	21500	21500	89.58	0
C) Any Other	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**0**	**24000**	**24000**	**100%**	**0**	**24000**	**24000**	**100%**	**0**

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01/04/2016			Share holding at the end of the year as on 31/03/2017			% change in Shareholding during the year Increase/ (Decrease)
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered total shares	
1.	ITL Industries Ltd. (Holding Company)	21500	89.58	0	21500	89.58	0	0
2.	Smt. Meena Jain	1250	5.21	0	1250	5.21	0	0
3.	Shri Manish Jain	1250	5.21	0	1250	5.21	0	0
	Total	**24000**	**100%**	**0**	**24000**	**100%**	**0**	**0**

iii) Change in Promoters' Shareholding (Please specify, if there is no change) – No Change

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

v) Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year (01/04/2016)		Changes during the year				Shareholding at the end of the year (31/03/2017)	
	For Each of the Director (At the beginning of the year)	No of Shares	% of total Shares of the Company	Date	Increase (No of Shares)	Decrease (No of Shares)	Reason	No of Shares	% of total Shares of the Company
1	Meena Jain	1250	5.21	0	0	0	NA	1250	5.21
2	Manish Jain	1250	5.21	0	0	0	NA	1250	5.21

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amount in (₹)

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	9926324	0	9926324
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**0**	**9926324**	**0**	**9926324**
Change in Indebtedness during the financial year				
• Addition	0	10000	0	10000
• Reduction	0	0	0	0
Net Change	**0**	**10000**	**0**	**10000**
Indebtedness at the end of the financial year				
i) Principal Amount	0	9936324	0	9936324
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**0**	**9936324**	**0**	**9936324**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year there were no Penalties/Punishments/Compounding of offences levied/ordered against the Company or any of its Directors/Officers.

Registered Office:

PLOT NO.103-B, SANWER ROAD, INDORE
CIN- U02710MP1983PTC002163
INDORE – 452003 (M.P.)

By Order of the Board

Meena Jain
(DIN-00256341)

Manish Jain
(DIN-00444115)

PLACE: INDORE
DATE: 30/05/2017

Annexure - B

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of ther Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

S.No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions'	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

S.No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	ITL Industries Ltd – Holding Company
2	Nature of contracts/arrangements/transaction	Loan Taken
3	Duration of the contracts/arrangements/transaction	As per terms of agreement
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 9936324/-
5	Date of approval by the Board	19/01/2012
6	Amount paid as advances, if any	NIL

Registered Office:
PLOT NO.103-B, SANWER ROAD,
INDUSTRIAL AREA, INDORE
CIN- U02710MP1983PTC002163
INDORE – 452003 (M.P.)

By Order of the Board

Meena Jain
Director
(DIN00256341)

Manish Jain
Director
(DIN00444115)

PLACE: INDORE
DATE: 30/05/2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
M.M. Metals Pvt Ltd

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M.M. METALS PRIVATE LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read with Additional Note number 16(B) gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 cash flow statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The criteria relating to reporting of the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the company.

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

      a. The Company has disclosed the impact, if any, of pending litigations as at March 31,2017 on its financial position in its financial statements

      b. The Company has not entered into any such contract therefore the requirement is not applicable to the company as at March 31, 2017.

      c. There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

      d. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of account maintained by the Company. Refer to Note 7 (B)(8) to the standalone financial statements.

Statutory Auditors
FOR MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATED: 30/05/2017

Annexure - A to the Independent Auditors' Report

The Annexure required under CARO, 2016 referred to in our Report to the members of the M.M. Metals Private Limited ("the Company") for the year ended 31 March 2017,and according to information and explanations given to us, we report as under:

(i) (a) The company has maintained adequate records on computer showing generalparticulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year in accordance with a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. The discrepancies noticed on such verification which were not material have been properly dealt with in the books of account.

(c) According to the information & explanations given to us all the immovable properties of the company are held in the name of company.

(ii) On the basis of our examination of the records of the company, the company has no inventories at the end of the year, therefore the reporting requirement of this clause is not applicable to the company.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013.

(iv) The company has not granted any loans, guarantees or securities and made any investments therefore the reporting requirement of this clause is not applicable to the company.

(v) The company has neither invited nor accepted any deposits from the public during the period therefore the reporting requirement of the clause is not applicable to the company.

(vi) In our opinion and as per the nature of business of the company no Cost records have been prescribed by the central government under sub section (1) of section 148 of the Companies Act 2013.

(vii) (a) According to the records of the Company and according to the information and explanations given to us by the management, it is generally regular in depositing undisputed statutory dues including Provident Fund, Employees state insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, whichever is applicable to the company with the appropriate authorities during the year and no undisputed amounts were outstanding as at 31st March, 2016 for a period of more than six months, from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues which have not been deposited on account of any dispute.

(viii) The company has not taken any loans or borrowings from a financial institution, Bank, Government and also does not have any debenture holder therefore the reporting requirement of the clause is not applicable to the company.

(ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion the company has not obtained any term loan during the year.

(x) Based upon the audit procedures performed,during the year no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit;

(xi) The company has not paid/provided any managerial remuneration during the year therefore the reporting requirement of the clause is not applicable to the company.

(xii) In our opinion the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statement as required by the applicable standards.

(xiv) To the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.

(xv) In our opinion the company has not entered into any non cash transaction with directors or persons connected with him. Accordingly, the reporting requirement of this clause is not applicable to the company.

(xvi) As per the transactions of the company, the company is not required to be registered u/s 45IA of the Reserve Bank of India Act,1934 therefore the reporting requirement of the clause is not applicable to the company.

Statutory Auditors
FOR MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATED: 30/05/2017

Annexure - B to the Independent Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M.M. Metals Private Limited as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, and 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 31 March 2017, 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.

Statutory Auditors
For Mahendra Badjatya & Company
Chartered Accountants
ICAI FRN- 001457C

CA Nirdesh Badjatya
Partner
ICAI MNO 420388

Place : Indore
Date : 30.05.2017

M.M. METALS PRIVATE LIMITED
Balance Sheet as at 31st March, 2017

(Amount in ₹)

	Particulars	Note No.	Amount as at 31.03.2017	Amount as at 31.03.2016
I.	**EQUITY AND LIABILITIES**			
	(1) Shareholder's Funds			
	Share Capital	"1"	2400000	2400000
	(2) Non Current Liabilities			
	(a) Long Term Borrowings	"2"	9936324	9926324
	(3) Current Liabilities	"3"	29662	15312
	TOTAL		**12365986**	**12341636**
II.	**ASSETS**			
	(1) Non-Current Assets			
	(a) Fixed Assets	"4"	12180000	12180000
	(b)Cash & Cash Equivalents	"5"	23359	21967
	(c) Pre-Operative Expenditures	"6"	162627	139669
	TOTAL		**12365986**	**12341636**

SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS **"7"**

FORMING AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

As Per our report of even date attached
Statutory Auditors
For MAHENDRA BADJATYA & COMPANY
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

For and on behalf of Board of Directors

(Meena Jain)	**(Manish Jain)**	**CA NIRDESH BADJATYA**
Director	**Director**	**(Partner)**
DIN : 00256341	**DIN : 00444115**	**ICAI MNO 420388**

PLACE : INDORE
DATE : 30/05/2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

NOTE - 1
SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 100 each	25000	2500000	25000	2500000
Issued, Subscribed & Paid up				
Equity Shares of ₹ 100 each fully paid up	24000	2400000	24000	2400000
TOTAL	**24000**	**2400000**	**24000**	**2400000**

Note:

(i) The Company has only one class of Equity Shares, each equity share is entiled for one vote.

(ii) Out of the above, 21500 equity shares of ₹100 each are held by ITL Industries Limited, being holding company.

Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	31.03.2017		31.03.2016	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	24000	2400000	24000	2400000
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	24000	2400000	24000	2400000

Details of shareholders holding more than 5% shares of the company (Amount in ₹)

Particulars	At at 2016-17		At at 2015-16	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
ITL Industries Limited (Holding Company)	21500	89.58	21500	89.58
Smt. Meena Jain	1250	5.21	1250	5.21
Shri Manish Jain	1250	5.21	1250	5.21
TOTAL	**21500**	**100.00**	**21500**	**100.00**

(Amount in ₹)

NOTE-2	As at	As at
NON CURRENT LIABILITIES	**31.03.2017**	**31.03.2016**
Inter Corporate Loan		
Loan from ITL Industries Limited (Holding Company)	9936324	9926324
TOTAL	**9936324**	**9926324**
NOTE-3		
CURRENT LIABILITIES		
Legal & Professional Fees Payable	18162	9562
Audit Fees Payable	11500	5750
TOTAL	**29662**	**15312**

NOTE-4
FIXED ASSETS

Fixed Assets	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	Balance as at 1st April 2016	Additions	Deductions	Balance as at 31st March 2017	Balance upto 1st April 2016	Depreciation Charge for the year	Adjustment due to disposal	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
TANGIBLE ASSETS										
Land Leasehold Industrial Land & Site Development	3900000	0	0	3900000	0	0	0	0	3900000	3900000
Building Factory Building & Shed	50000	0	0	50000	0	0	0	0	50000	50000
Plant & Machinery Plant, Machinery & Electrical Installation	130000	0	0	130000	0	0	0	0	130000	130000
INTANGIBLE ASSETS										
Goodwill	8100000	0	0	8100000	0	0	0	0	8100000	8100000
TOTAL (CURR. YR.)	**12180000**	**0**	**0**	**12180000**	**0**	**0**	**0**	**0**	**12180000**	**12180000**
TOTAL (PREV. YR.)	**12450000**	**0**	**270000**	**12180000**	**0**	**0**	**0**	**0**	**12180000**	**12450000**

NOTE-5
CASH & CASH EQUIVALENTS

	As at 31.03.2017	As at 31.03.2016
Cash on Hand	18000	18000
Bank (ICICI Bank Ltd.)	5359	3967
TOTAL	**23359**	**21967**

NOTE-6
PRE-OPERATIVE EXPENSES

	As At 31.03.2017	As At 31.03.2016
Office Expenses	1995	1995
Bank Charges	393	393
Legal & Professional Expenses	121814	106106
Audit Fees	27736	21986
Security Expenses	8189	8189
ROC Challan Expenses	2500	1000
TOTAL	**162627**	**139669**

NOTE-7
SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS FORMING AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

(A) SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Accounting :**
   These Financial Statements have been prepared in accordance with generally accepted accounting principles and specified standards in India under the historical cost convention generally on accrual basis and in accordance with applicable accounting standards as prescribed U/s 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014.
2. **Fixed Assets:**
   Fixed Assets are stated at acquisition cost less depreciation.
3. **Depreciation:**
   No depreciation has been provided on Fixed Assets in the current year as there is no operation during the year however in future it will be provided on the basis of Straight Line Method as per the rates prescribed in Schedule II to the Companies Act, 2013, according to period of use.

B. Additional Notes on Accounts :

(1) Notes 1 to 7 forms an integral part of these Financial Statements.
(2) In the absence of any stipulation towards the payment of interest, no provision of interest on the dues of ITL Industries Ltd. has been made.
(3) As per the requirement of AS-18, related party disclosures are given as under :-

Name of Party	Relationship	Nature of Transaction	Amount (₹)
ITL Industries Ltd.	Holding Company	Loan Taken	10,000
ITL Industries Ltd.	Holding Company	Loan Repaid	0

(4) Since the company could not commence any business, therefore no Profit & Loss statement has been prepared.
(5) Additional information pursuant to clause (viii) of part II of Schedule III - Nil
(6) Figures are rounded off to the nearest multiple of a rupee.
(7) Previous Year Figures have been regrouped or rearranged Where ever necessary.
(8)' During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of transactions during the period from November 8, 2016 to December, 30 2016, the denomination-wise SBNs and other notes as per the notification are given below:

Particulars	Specified Bank Notes	Other Denomination Notes (Rs.)	Total (₹)
Closing Cash in Hand as on 08.11.2016	0	18000	18000
(+) Permitted Receipts	0	0	0
(-) Permitted Payments	0	0	0
Amount Deposited in Bank	0	0	0
Closing Cash in Hand as on 30.12.2016	0	18000	18000

As Per our report of even date attached
Statutory Auditors
For MAHENDRA BADJATYA & COMPANY
CHARTERED ACCOUNTANTS
ICAI F.R.N. 001457C

For and on behalf of Board of Directors

(Meena Jain)
Director
DIN : 00256341

(Manish Jain)
Director
DIN : 00444115

CA NIRDESH BADJATYA
(Partner)
ICAI MNO 420388

PLACE : INDORE
DATE : 30/05/2017

M.M. METALS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2017

Amount in ₹

PARTICULARS		2016-17		2015-16
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinery Items		0		0
Adjustment for :				
Depreciation	0		0	
Dividend Received	0		0	
Interest Received	0	0	0	0
Operating profit before working capital changes		0		0
Adjustment for Current Assets :				
Increase in Current Liabilities	14350		3750	
Increase in Current Assets	0	14350	0	3750
Preoperative Expenses		(22958)		(61045)
Cash generated from Operations before Extraordinary Items		(8608)		(57295)
Adjustment for :				
Excess Provision of Income Tax written off		0		0
Net Cash in flow from operating activities (A)		**(8608)**		**(57295)**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed assets		0		0
Sale of Fixed Assets		0		270000
Net Cash flow from Investing activities (B)		**0**		**270000**
C) CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Share Capital		0		0
Loan taken from Holding Company		10000		30000
Repayment of loan		0		(250000)
(C)		**(10000)**		**(220000)**
Net increase / decrease in cash & cash equivalents (A+B+C)		**1392**		**(7295)**
Opening Balance - Cash & cash equivalents		21967		29262
Closing Balance - Cash & cash equivalents		23359		21967

As Per our report of even date attached
Statutory Auditors
For MAHENDRA BADJATYA & COMPANY
CHARTERED ACCOUNTANTS
ICAI F.R.N. 001457C

For and on behalf of Board of Directors

(Meena Jain)
Director
DIN : 00256341

(Manish Jain)
Director
DIN : 00444115

CA NIRDESH BADJATYA
(Partner)
ICAI MNO 420388

DATED : 30/05/2017
PLACE : INDORE

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF
ITL INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ITL INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company"), it's subsidiary and associates (the Holding Company, it's subsidiary and associates, together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"). Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter
None.
Other Matters
We did not audit the financial statements / financial information of M/s M.M. Metals Pvt. Ltd.,the subsidiary, whose

financial statements / financial information reflect total assets of Rs.12365986/- as at 31st March, 2017, total revenues of Rs.NIL and net cash flows amounting to (Rs.1392/-) for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

We did not audit the financial statements / financial information of M/s Indore Tools Pvt. Ltd., one of the associates. These financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other Auditor.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, based on the comments in the auditors' reports of the Holding company, subsidiary company we do not give a separate report on the matters specified in paragraphs 3 and 4 of the Order, as the subsidiary company has not yet commenced its operations.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. There were no pending litigations which would impact the consolidated financial position of the Group.
      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

In terms of our report attached.

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

(Mahaveer K. Jain)
Proprietor
No. :070966

DATED : 30/05/2017
PLACE : INDORE

Consolidated Balance Sheet as at 31 March, 2017

(Amount in ₹)

	Particulars	Note No.	Amount As At 31.03.2017	Amount As At 31.03.2016
A	**EQUITY AND LIABILITIES**			
	Share Holder's Fund			
	(a) Share Capital	1	34672493	34672493
	(b) Reserve & Surplus	2	252856152	216969028
	(c) Minority Interest	3	250000	250000
	Non Current Liabilities			
	(a) Long-term borrowings	4	13245577	25311428
	(b) Deferred tax liabilities		15401578	14031578
	Current Liabilities			
	(a) Short-term borrowings	5	100281482	136167635
	(b) Trade Payables	6	128932517	124713640
	(c) Other current liabilities	7	96276361	61072980
	TOTAL		**641916160**	**613188781**
B	**ASSETS**			
	Non Current Assets			
	(a) Fixed assets			
	(i) Tangible assets	8	88723692	92853029
	(ii) Intangible assets	8	14768822	13261860
	(b) Non current investment	9	17477482	17267471
	(c) Long-term loans and advances	10	8599809	6596826
	(d) Other non- current assets	11	162627	139669
	Current Assets			
	(a) Current investments	12	2276787	3523927
	(b) Inventories	13	253322613	250126109
	(c) Trade receivables	14	214214260	191108672
	(d) Cash and cash equivalents	15	11276067	8892161
	(e) Short-term loans and advances	16	31094003	29419055
	TOTAL		**641916160**	**613188781**
	Corporate Information & Significant accounting policies			
	Notes on financial statements	**1 to 24**		

In terms of our report attached.

For and on behalf of the Board of Directors

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

Rajendra Singh Jain
Managing Director
DIN : 00256515

Mahendra Singh Jain
Joint Managing Director
DIN : 00256047

(Mahaveer K. Jain)
Proprietor
No. :070966

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS : 8592

DATED : 30/05/2017
PLACE : INDORE

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹)

	Particulars	Note No.	For the year 31.03.2017	For the year 31.03.2016
A	**CONTINUING OPERATIONS**			
	Revenue From Operations			
	Sales	17	697883535	562742272
	Other income	18	6328174	6344575
	Total Revenue		**704211709**	**569086847**
B	**Expenses**			
	(a) Cost of Material consumed	19	477420834	363850212
	(b) Changes in inventories of finished goods and work-in-progress	20	-16779201	-3008025
	(c) Employee benefits expenses	21	77693589	74748976
	(d) Other expenses	22	86147345	74050007
	(e) Interest and financial overheads	23	22752154	21879036
	(f) Depreciation and amortisation expenses		8755575	10019522
	Total Expenses		**655990295**	**541539727**
	Profit before exceptional and extraordinary items and tax		48221414	27547120
	Exceptional items		0	0
	Profit before extraordinary items and tax		48221414	27547120
	Extraordinary items		0	0
	Profit before tax		48221414	27547120
	Tax Expenses:			
	(a) Current tax expense		10000000	5800000
	(b) Tax Expenses of Previous Years		-549741	859322
	(c) Deferred tax		1370000	-145000
			10820259	**6514322**
11	**Profit for the year**		**37401155**	**21032798**
12	**Share in Profit of Associates**		**689962**	**967312**
13	**Consolidated Profit for the year**		**38091117**	**22000110**
	Corporate Information & Significant accounting policies			
	Notes on financial statements	**1 to 24**		

In terms of our report attached.

For and on behalf of the Board of Directors

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

Rajendra Singh Jain
Managing Director
DIN : 00256515

Mahendra Singh Jain
Joint Managing Director
DIN : 00256047

(Mahaveer K. Jain)
Proprietor
No. :070966

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS : 8592

DATED : 30/05/2017
PLACE : INDORE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

(Amount in ₹)

Particulars	Amount as at 31.03.2017	Amount as at 31.03.2016
NOTE NO. 1		
Share Capital		
(a) Authorised		
Equity Shares - 40,00,000 of Rs.10/- each and 25000 of Rs. 100/- each	42500000	42500000
(b) Issued, Subscribed & Paid-up		
Equity Shares - 32,97,300 of Rs.10/- each and 24000 of Rs.100/- each with voting rights	32973000	32973000
Less : Amount due on a/c.of Allotment money	429007	429007
(c) Difference in Face value and Investment value by holding co.	2128500	2128500
TOTAL	**34672493**	**34672493**
NOTE NO. 2		
Reserves & Surplus		
(a) Surplus/(Deficit) in Statement of Profit & Loss		
Opening Balance	9181373	9311229
Add: Profit/(Loss) for the year	38091117	22000110
	47272490	**31311339**
Less: Transferred to General Reserve	40000000	19235000
Less: Proposed Dividend	1601600	1601600
Less: Dividend Distribution Tax	277141	326054
TOTAL	**5393749**	**10148685**
Add: Share in Revenue Profit (Associates)	5503503	4846552
Closing Balance (a)	**10897252**	**14995237**
(b) General Reserve		
Balance as per last Balance Sheet	200000000	180765000
Add: Transfer from P & L A/c	40000000	19235000
Closing Balance (b)	**240000000**	**200000000**
(c) Security premium Account		
Balance as per last Balance Sheet		
Add: Share in Security Premium (Associates)	1958900	1973791
Closing Balance (c)	**1958900**	**1973791**
TOTAL (a) + (b) + (c)	**252856152**	**216969028**
NOTE NO. 3		
Minority Interest		
Share Capital	250000	250000
TOTAL	**250000**	**250000**
NOTE NO. 4		
Long-Term Borrowings		
Secured		
(a) Term Loan		
Madhya Pradesh Financial Corporation, Indore (Secured by first legal mortage in respect of Company's fixed assets both present and future and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans last instalment due in Jan. 2019)	13245577	24701944
(b) From Others (Against hypothecation of Vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)	0	609484
TOTAL	**13245577**	**25311428**

(Amount in ₹)

Particulars	Amount as at 31.03.2017	Amount as at 31.03.2016
NOTE NO. 5		
Short -Term Borrowings		
Secured		
Loans repayable on demand		
From State Bank of India	45201213	75853578
From Bank Of Baroda	48746769	49565829
(Secured by Hyp.by way of charge on inventories both in hand and in transit, book debts, bills & other receivables both present & future and personal guarantee of Directors and first pari passue charge on various plots of the company)		
Unsecured		
From Axis Bank	3352505	1983215
(Simens Ltd. channel financing loan from Axis Bank)		
Inter Corporate Deposit	0	5066921
Loans and advances from related parties		
From Directors	2980995	3698092
TOTAL	**100281482**	**136167635**
NOTE NO. 6		
Trade Payables		
Creditors for goods and services received	128932517	124713640
TOTAL	**128932517**	**124713640**
NOTE NO. 7		
Other Current Liabilities		
(a) Current maturities of long-term debt		
Term Loan		
Madhya Pradesh Financial Corporation, Indore	10533780	10475000
S.B.of India	0	303517
From Others	224719	224719
(b) Interest accured but not due on borrowings		
Interest payable to MPFC	0	722274
(c) Other payables		
(i) Statutory remittances	8459077	6672780
(ii) Contractually reimbursable expenses	15428753	14554511
(iii) Customers credit Balances	58750038	25164170
(iv) Proposed dividend	1601600	1601600
(v) Unclaimed dividend	1278394	1354409
TOTAL	**96276361**	**61072979**

NOTE NO. 8
FIXED ASSETS

PARTICULARS	GROSS BLOCKS				ACCUMULATED DEPRECIATION & IMPAIRMENT				NET BLOCK	
	Balance as at 01.04.2016	Additions during the year	Disposals during the year/ Subsidy Recd.	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation/ Amortisation expenses for the year	Written back during the year	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
(A) TANGIBLE ASSETS (FOR OWN USE)										
Land	7407627	0	0	7407627	0	0	0	0	7407627	7407627
Site Development	150004	0	0	150004	49927	4875	0	54802	95202	100077
Building	50513409	0	0	50513409	11852990	1400723	0	13253713	37259695	38660419
Plant & Machinery	45116417	447418	0	45563835	21732032	1846176	0	23578208	21985627	23384385
Other Equipments	14246070	35747	10695	14271122	9379811	719129	10695	10088245	4182877	4866259
Electrical Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	9616440	254659	1190495	8680605	5955737	680316	1161469	5474584	3206021	3660703
Furniture & Fixture	19079126	46495	14412	19111209	9094331	1570171	14412	10650090	8461119	9984795
Computer & Software	10466022	1569437	1020637	11014822	10075384	247520	1020637	9302267	1712555	390638
Motor Car	11630238	1003081	547738	12085581	7270761	970429	534045	7707146	4378435	4359477
Cycle & Handcart	70983	0	0	70983	44013	4116	0	48129	22854	26970
TOTAL	**168763530**	**3356837**	**2783977**	**169336390**	**75910500**	**7443456**	**2741258**	**80612698**	**88723692**	**92853029**
(B) INTANGIBLE ASSETS (FOR OWN USE)										
Software	18520313	2819081	15763	21323631	13503003	1167570	15763	14654809	6668822	5017311
Technical Know-How	3141619	0	0	3141619	2997069	144550	0	3141619	0	144550
Goodwill	8100000	0		8100000				0	8100000	8100000
TOTAL - (B)	**29761932**	**2819081**	**15763**	**32565250**	**16500072**	**1312119**	**15763**	**17796428**	**14768822**	**13261860**
TOTAL - (A) + (B)	**198525462**	**6175918**	**2799740**	**201901640**	**92410572**	**8755575**	**2757021**	**98409126**	**103492514**	**106114890**
Previous year	186882573	12151088	508200	198525462	82492435	10019522	101384	92410572	106114890	

Particulars	Amount as at 31.03.2017	Amount as at 31.03.2016
NOTE NO. 9		
Investments (At Cost)		
Trade Investments		
- Investment in equity instruments of Associates		
M/s.Luhadiya Sons Shahpura P. Ltd.		
Share in Net assets	2968339	2968339
Add : Goodwill / (Capital Reserve) on consolidation	2336081	2336081
Equity Investment in Associate at cost	5304420	5304420
Add : Share in Profit / Reserves of Associates	1989364	1920825
TOTAL (A)	**7293784**	**7225245**
M/s.Indore Tools Pvt. Ltd.		
Share in Net assets	4160493	4336326
Add : Goodwill / (Capital Reserve) on consolidation	-559108	-574441
Equity Investment in Associate at cost	3601385	3761885
Add : Share in Profit / Reserves of Associates	6163001	5866830
TOTAL (B)	**9764386**	**9628715**
- Investment in other companies		
M/s.Dimart Engineering P.Ltd. (Related Party)		
40000 Equity Shares of Rs. 10 each (Fully Paid)	400000	400000
- Investment in other company	19311	13511
TOTAL (C)	**419311**	**413511**
TOTAL (A) to (C)	**17477482**	**17267471**

(Amount in ₹)

Particulars		Amount As At 31.03.2017	Amount As At 31.03.2016
NOTE NO. 10			
Long-term loans and advances			
Deposits (secured, considered good)		8599809	6596826
	TOTAL	**8599809**	**6596826**
NOTE NO. 11			
Other Non Current Assets			
Preoperative Expenses		162627	139669
	TOTAL	**162627**	**139669**
NOTE NO. 12			
Current Investments (At Cost)			
Trade Investments			
(a) Quoted but not listed-current Investments		2049900	2049900
(b) Quoted and Listed (Equity shares)		226887	1474027
	TOTAL	**2276787**	**3523927**
NOTE NO. 13			
Inventories			
(Valued at Cost)			
(a) Raw Materials & Bought Out Components		90046403	102540411
(b) Work in Process & Semi finished Goods		71884628	58079767
(c) Finished Products		3011732	37392
(d) Stock of Trading Goods		88054073	88806359
(e) Stores, Spare Parts & Standard Items		325777	662180
	TOTAL	**253322613**	**250126109**
NOTE NO. 14			
Trade Receivables			
(Unsecured, considered goods)			
(a) Outstanding for a period exceeding six months		85032747	97380390
(b) Others		129181513	93728282
	TOTAL	**214214260**	**191108672**
NOTE NO. 15			
Cash & Cash Equivalents			
(a) Cash in hand		422905	499726
(b) Balances with banks			
(i) In current accounts		388499	1399976
(ii) Unclaimed dividend		1278394	1354409
(c) Others			
Fixed Deposit Account		12969550	16094555
Accured interest on fixed deposits		265081	334400
Less: OD Limit from IDBI Bank Ltd.(against pledge of FDR)		-4048362	-10790905
	TOTAL	**11276067**	**8892161**
NOTE NO. 16			
Short Term Loans & Advances :			
Unsecured, considered good			
(a) Loans and advances to related parties		18131357	18141357
(b) Deposits		1130799	1036075
(c) Loans and advances to employees		519001	1332535
(d) Prepaid expenses		367589	556038
(e) Advance payment of Income Tax		5220404	4855190
Less: Provision for Income Tax		-10000000	-5800000
(f) Balance with government authorities			
(i) Cenvat credit receivable		1308893	3196673
(ii) Service Tax credit receivable		3022046	1522954
(g) Others			
(i) Unsecured considered good		11393914	4578234
	TOTAL	**31094003**	**29419055**

(Amount in ₹)

Particulars	For the year 31.03.2017	For the year 31.03.2016
NOTE NO. 17		
Revenue from Operations		
(a) Sales (Net of Sales Tax)	743511206	605061467
(b) Job Work & Commissioning Charges	10078731	7138509
TOTAL	**753589937**	**612199976**
Less: Excise Duty Amount	55706402	49457704
NET TOTAL	**697883535**	**562742272**
NOTE NO. 18		
Other Income		
Dividend Received	1830067	406997
Refund of Sales Tax	1331914	1761045
Profit on Sales of Fixed Assets	70711	16518
Profit on Sales of Investments	288900	387507
Excess Provision of Sales Tax Written Off	39912	0
Excess Provision of Bonus Written Off	35218	0
Miscellaneous Income	2731452	3772508
TOTAL	**6328174**	**6344575**
NOTE NO. 19		
Cost of Material Consumed/Sold		
Opening Stock	191346770	164736984
Add : Purchases	464174540	390459998
	655521310	555196982
Less: Closing Stock	178100476	191346770
TOTAL	**477420834**	**363850212**
NOTE NO. 20		
Change in Inventory of Finished Goods and Work In Process		
Opening Stock	58117159	55109134
Less- Closing Stock	74896360	58117159
TOTAL	**-16779201**	**-3008025**
NOTE NO. 21		
Employee Benefits Expenses		
Salary, Wages & Allowances (Including Bonus)	66920077	64216306
Welfare Expenses	840405	813138
Security Expenses	712685	629102
Contribution to E.S.I.C.	388086	367676
Contribution to P.F.	1267816	1156754
Directors' Remuneration	6628520	6630000
Contribution to P.P.F	468000	468000
Bonus / Ex-gratia to Directors	468000	468000
TOTAL	**77693589**	**74748976**
NOTE NO. 22		
Manufacturing, Administration and Selling Overheads		
A. Manufacturing Overheads :		
Stores, Spares parts & Standard item consumed :		
Opening Stock	662180	409017
Add: Purchases	963640	745650
	1625820	1154667
Less : Closing Stock	325777	662180
Consumed during the year	1300043	492487
Component Processing Charges	25061364	20154651
Power Expenses	2514416	2302868
Repair & Maintenance to : 1. Plant & Machinery	1083065	280146
2. Building	1298524	605774
Entry Tax	1985706	1848024
Excise Duty Reversal	218211	285734
Freight & Cartage inward	4275124	4149779

(Amount in ₹)

Particulars	For the year 31.03.2017	For the year 31.03.2016
Material Shifting & Handling Charges	3538782	3028426
Manufacturing Expenses (Bettiaha Project)	176352	123388
Other Manufacturing Expenses	1463553	1962107
TOTAL (A)	**42915140**	**35233383**
B. General & Administrative Overheads :		
Rent, Rates & Taxes	3226414	3009674
Charity & Donation	1130000	181076
Computer Charges	246708	641934
Stationery & Printing	295762	673794
Telephones & Internet	1835891	1940939
Postage & Courier	271232	206482
Travelling & Conveyance	15943277	14396779
Legal & Professional Charges	4297169	4667655
Auditor's Remuneration	65000	65000
Insurance	353497	290298
Loss on Sale of Assets	0	16953
Loss on Sale of Investment	154180	0
Other Expenses	2470860	2424219
TOTAL (B)	**30289990**	**28514803**
C. Selling & Distribution Overheads :		
Sales Promotion Expenses	1005726	1276215
Freight & Cartage outward	3500304	3516989
Sales Commission & Discount	1960691	1820369
Advertisement & Ehibition expenses	3114125	1687400
Bad Debts	2404670	1085188
Late Delivery Charges	201642	345983
After Sales & Service Exps.	627283	323440
Other Expenses	127774	246238
TOTAL (C)	**12942215**	**10301820**
GRAND TOTAL (A+B+C)	**86147345**	**74050007**
NOTE NO. 23		
Interest & Finance charges		
On Fixed Period Loans	4104838	5208344
Other Loans (Bank)	15003316	16462894
Interest to Others	1045592	232912
Other Financial charges	3542538	2254083
TOTAL (A)	**23696285**	**24158232**
Less : Interest Received		
(ii) Interest received	944131	2279196
TOTAL (B)	**944131**	**2279196**
NET TOTAL (A-B)	**22752154**	**21879036**

NOTE NO. 24

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

A. Accounting policies:

Significant accounting policies are summarized below:

1. Accounting Convention:

The accounts have been prepared in accordance with the historical convention under accrual basis of accounting as per Indian GAAP. Accounts and disclosures thereon comply with the accounting standards specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 , other pronouncements of ICAI and Guidelines issued by SEBI as applicable.

2. Principles of Consolidation:

The Consolidated Financial Statement relates to ITL Industries Ltd (the Holding Company), and Subsidiary Company M.M. Metals Private Limited (89.58% stake wherein is held by ITL Industries Ltd.) and investment of the company in 2 Associates. The consolidated financial statements have been prepared on the basis of AS-21 and AS-23, read with the following basic assumptions;

a. The financial Statements of the Holding Company and its subsidiary Company have been combined on a line-by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions.

b. Investments of the Holding Company in the subsidiary is eliminated against respective proportionate stake of the Holding company therein on 31.03.2017.

c. Investment in Associate Companies has been accounted for under the Equity method as per AS-23 "Accounting for Investment in Associates in Consolidated Financial Statements" whereby the investment is initially recorded at cost, identifying any Goodwill/ Capital Reserve arising at the time of acquisition. The carrying amount of investment is adjusted thereafter for the post-acquisition change in the Company's share in net assets of the Associate Companies.

d. The Consolidated financial statement is comprised of the Audited financial statements of the company, its subsidiaries and associates for the year ended 31.03.2017 which are as under :

Name of Company	Country of Incorporation	Subsidiary / Associate	Direct Holding %
M.M. Metals Pvt. Ltd.	India	Subsidiary	89.58%
Indore Tools Pvt..Ltd.	India	Associate	39.65%
Luhadiya Sons Shahpura Pvt. Ltd.	India	Associate	30.79%

e. The Consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible , in the same manner as Holding company's separate financial statements unless stated otherwise.

f. Minority interest, consisting equity attributable to them on 31.03.2017 has been disclosed in the consolidated financial statement separately from liability and equity of shareholders of the Holding Company.

3. Notes on accounts:

i. Contingent Liabilities/Capital Contract;

a. Commitment on Capital Account by Subsidiary Company: NONE

b. The other contingent liabilities pertains to the Holding company and are enumerated along with the accounts of the Holding company.

ii. Related party transactions of the subsidiary companies (AS-18) as enumerated are as under:

Name of Party	Relationship	Nature of Transaction	Amount
ITL Industries Ltd	Holding Co.	Loan given to M.M. Metals Pvt. Ltd.	99,26,324

iii. Information for segment wise details (AS- 17) and all other notes on accounts mentioned on the Holding company's accounts have been followed in entirely

iv. Earning per share :

Net Profit After Tax	-	Rs.3,80,91,117/-
Less : Miscellaneous Expenditure	-	Rs. 1,62,627/-
Net Profit	-	Rs.3,79,28,490/-
No.of shares	-	3254399
Earning per shares	-	Rs. 11.65

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars		For the year ended 31.03.2017	For the year ended 31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit before Tax and Extra Ordinary Adjustments:		**48221414**	**27547120**
Depreciation for the year		8755575	10019522
Interest Paid		22752154	21879036
Operating Profit before working capital changes		**79729143**	**59445678**
ADJUSTMENT :			
Trade and other receivables		-23105588	-30252236
Inventories		-3196504	-29870974
Current Liabilities & Provision		39422259	12496207
Other Non-Current Assets (Unamortised Expenses)		-22958	-61045
Other Current Assets		-3677930	12534180
Cash Generated from operation		**89148422**	**24291809**
Interest paid		-22752154	-21879036
Direct Tax paid (Net)		-9450259	-6659322
Cash Flow before extra ordinary adjustments		**56946009**	**-4246549**
Extra Ordinary Items :			
Loss / Profit on Sale of Investment		-134720	0
Loss / Profit on Sale of Fixed Assets		-70711	16953
NET CASH FLOW FROM OPERATING ACTIVITIES	**Total (A) :**	**56740578**	**-4229596**
(B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets (Net)		-6062488	-11761225
Investment made during the year		1536560	1063980
NET CASH USED IN INVESTING ACTIVITIES	**Total (B) :**	**-4525928**	**-10697245**
(C) CASH FLOW FROM FINANCING ACTIVITIES :			
Share Capital		0	0
Proceeds from long Term Borrowings (Net)		-12065850	-9957840
Proceeds from Short Term Borrowings		-35886153	13965547
Dividend / Corporate Dividend Tax paid		-1878741	-1927654
NET CASH FLOW FROM FINANCING ACTIVITIES	**Total (C) :**	**-49830744**	**2080052**
NET INCREASE (DECREASE) IN CASH AND EQUIVALENT	**Total (A+B+C)**	**2383906**	**-12846789**
CASH AND CASH EQUIVALENT AS AT 01.04.2016 (Opening Balance)		**8892162**	**21738951**
CASH AND CASH EQUIVALENT AS AT 31.03.2017 (Closing Balance)		**11276068**	**8892162**

For Mahaveer M.Jain & Co.

For and On behalf of the Board

PLACE : INDORE
DATED : 30.05.2017

(Mahaveer K.Jain)
Proprietor
M.No. 070966

(Rajendra Singh Jain)
Managing Director
DIN : 00256515

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

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

Part "A": Subsidiaries

1.	S.No.	:	1
2.	Name of the subsidiary	:	M/s M.M. Metals Pvt. Ltd.
3.	Reporting period for te subsidiary concerned, if different from the holding company's reporting period	:	01.04.2016 to 31.03.2017
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	:	Indian Rupees
5.	Share Capital	:	Paid up Share Capital - Rs. 24,00,000/-
6.	Reserves & surplus	:	Nil
7.	Total assets	:	Rs. 12365986/-
8.	Total Liabilities	:	Rs. 12365986/-
9.	Investments	:	Nil
10.	Turnover	:	Nil
11.	Profit before taxation	:	Nil
12.	Provision for taxation	:	Nil
13.	Profit after taxation	:	Nil
14.	Proposed Dividend	:	NA
15.	% of shareholding	:	89.58%

Notes : The following information shall be furnished at the end of the statement :

1. Names of subsidiaries which are yet to commence operation - M/s M.M. Metals Pvt. Ltd.
2. Name of subsidiaries which have been liquidated or sold during the year - NA

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	**Indore Tools Pvt. Ltd.**	**Luhadiya Sons Shahpura Pvt. Ltd.**
1. Latest audited Balance Sheet Date	31.03.2017	31.03.2017
2. Shares of Associate/Joint Ventures held by the company on the year end		
No.	340366	294690
Amount of Investment in Associates/Joint Ventures	3601385	5304420
Extend of Holding %	39.65%	30.80%
3. Description of how there is significant influence	Holding more than 20%	Holding more than 20%
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 4160493/-	Rs. 2968339/-
6. Profit / Loss for the year		
i. Considered in Consolidation (PAT)	Rs. 1567089/-	Rs. 222579/-
ii. Not Considered in Consolidation	NA	NA

1. Names of associates or joint ventures which are yet to commence operations. NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. NA

In terms of our report attached

FOR MAHAVEER M. JAIN & CO.
CHARTERED ACCOUNTANTS
Reg. No. : 001749C

For and on behalf of the Board of Directors

Rajendra Singh Jain
Managing Director
DIN : 00256515

Mahendra Singh Jain
Joint Managing Director
DIN : 00256047

(Mahaveer K. Jain)
Proprietor
No. :070966

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS : 8592

DATED : 30/05/2017
PLACE : INDORE

ITL INDUSTRIES LIMITED
111, Sector-B, Sanwer Road, Industrial Area, Indore (M.P.) - 452015
ATTENDANCE SLIP
(To be presented at the entrance of the Meeting Hall)
29th Annual General Meeting on September 28, 2017 at 3.30 P.M.

Folio No. / DP ID No. / Client Id No. _____
Name of the Member_____Signature_____
Name of the Proxy_____Signature_____
1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

ITL INDUSTRIES LIMITED
111, Sector-B, Sanwer Road, Industrial Area, Indore (M.P.) - 452015
PROXY FORM
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule 2014)

Name of the Member (s)_____
Registered Address _____
Email ID_____
Folio No./DPID No. Client ID No._____
I/We_____being a Member / Members of ITL INDUSTRIES LIMITED hereby appoint
1. Name_____
   Address_____
   Email ID._____Signature_____
   (or failing him / her) _____
2. Name_____
   Address_____
   Email ID._____Signature_____
   (or failing him / her) _____
3. Name_____
   Address_____
   Email ID._____Signature_____
   (or failing him / her) _____

as my / our Proxy in my/our absence to attend and vote for me/us and on my / our behalf at the 29th Annual General Meeting of the Company to be held on 28th September, 2017 at 3.30 p.m. at the Registered Office of the Company, 111, Sector-B, Sanwer Road, Industrial Area, Indore (M.P.) – 452015. And at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

Resolution No.	Resolutions
1	To receive, consider and adopt the Directors' Report, Statement of Profit for the year ended 31st March, 2017 and the Balance Sheet as on that date and the Auditor's Report thereon.
2	To declare dividend on Equity Shares for the year ended on 31st, March 2017.
3	To elect a Director in place of Mr. Manohor Singh Jain (DIN : 00256131), who retire by rotation and being eligible, offers himself for re-appointment.
4	To Appointment of New Statuary Auditor in place of Retiring Statutory Auditor.

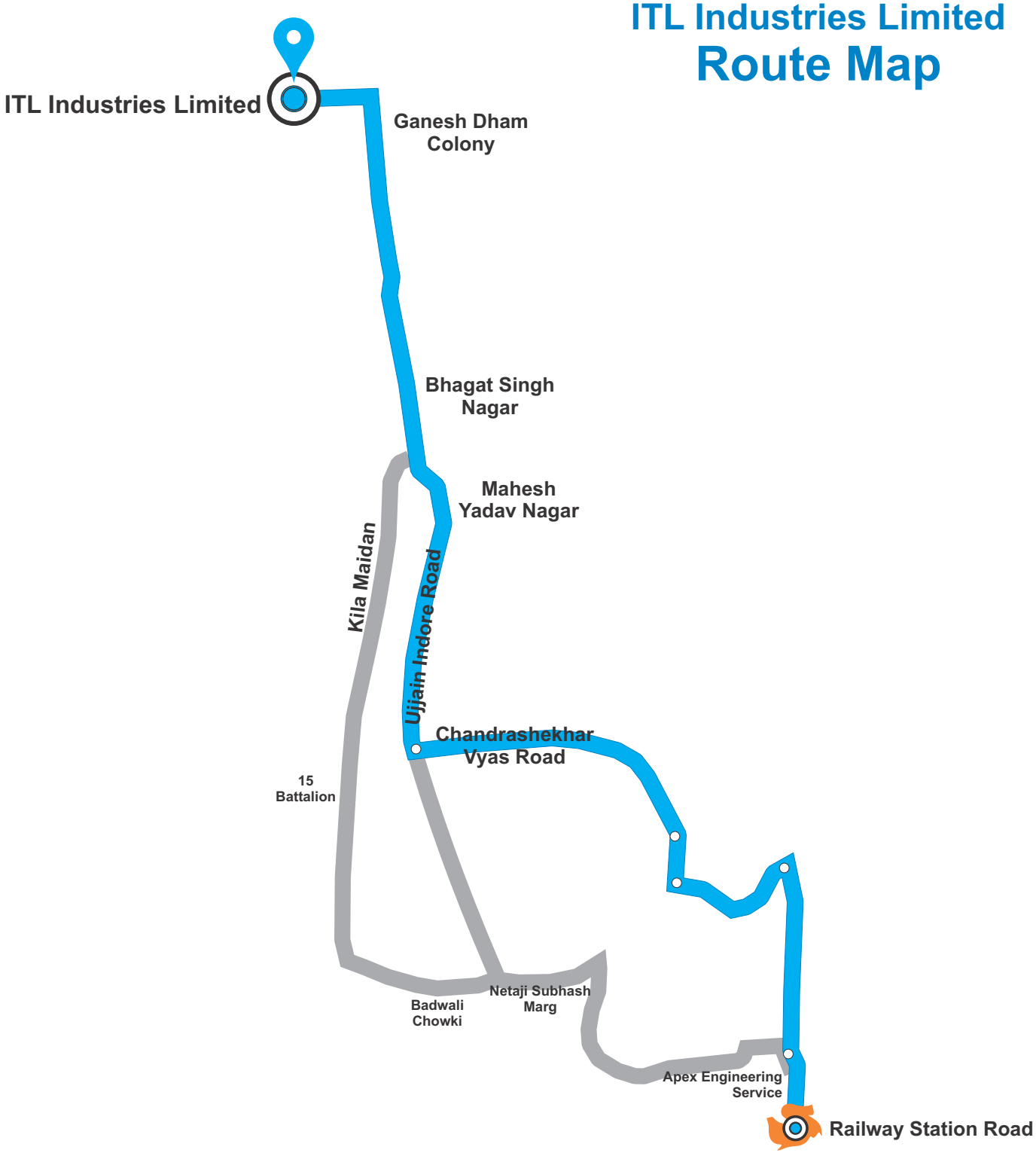
Affix Revenue Stamp

Signed this_____day of _____2017.

Signature of Shareholder_____Signature of Proxy Holder(s)_____

Notes :
(1) This form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
(2) Those Members who have multiple folios with different joint-holders may use copies of this attendance slip/proxy

ITL Industries Limited
Route Map



ITL INDUSTRIES LIMTED

Award for Top 100 SMEs in India

Award given by FMPCCI for excellency in Customer Friendly Fair Trade Practices.

Award given by Madhya Pradesh Financial Corporation for Outstanding Entrepreneur 2017

Balaji Ent.#94251 72227

If Undelivered, Please Return to:

ITL Industries Ltd.

ITL Industries Ltd. (a BSE Listed Company)
111, Sector "B" Sanwer Road, Industrial Area, Indore-452015 (M.P.) INDIA
Phone No : +91 731 3044400-409, Fax : +91 731 2721110, Sales : +91 731 3044419
E-mail : info@itl.co.in, Website : www.itl.co.in