

ITL Industries Ltd.

ITL/BSE/2018-19/33

September, 29 2018

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 2017-18 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 2017-18, duly approved and adopted by the members of the Company at the 30th Annual General Meeting (AGM) held on Thursday, September 27th, 2018 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 Limited**

Akhilesh Gautam
Company Secretary
Encl:-a/a



ITL Industries Ltd.



Technology with Time...



30th ANNUAL REPORT
2017-2018

Message to the Members

Dear Shareholders,

Global Economy

The global economy is on a rebound. The International Monetary Fund (IMF) estimates indicate that global real GDP grew 3.8% in 2017. This is the highest growth pace over the last six years. This impetus from the supportive monetary policy was further buoyed by the revival of investment spending in advanced economies. The expansionary fiscal and monetary policies in the US led to improved growth prospects. The US economy grew at 2.3% in 2017 as against 1.5% in 2016. Growth accelerated in Europe and Asia too. For the current and the next year, strong growth at 3.9% is projected. This positive outlook is somewhat clouded. Increased trade protectionism, rising international crude oil prices, geo-political risks and the uncertainty about normalization of monetary policies in advanced economies from highly accommodative conditions in the past, are some of the factors that dim the outlook.

Indian Economy

India's economy is emerging strongly from the transitory effects of demonetization and implementation of Goods and Services Tax (GST). Although India's GDP growth slowed from 7.1% in FY17 to 6.7% in FY18, the economy recorded a seven-quarter high GDP growth of 7.7% in the exit quarter of FY18. This reflects momentum. India's macroeconomic indicators remain healthy. The fiscal deficit has been cut to 3.5% of GDP. India's foreign exchange reserves at March end stood at a comfortable level of \$424 Billion.

Investors seem to be positive on India's economic prospects. The Foreign Direct Investment (FDI) flows continue to be encouraging. India's global ranking on the ease of doing business notched up to 100 from 142 in barely four years, while that on global competitiveness index has climbed from 71st in FY 15 to 39th in FY 17. The prevailing sense of optimism accentuates India's continuing economic growth in future as well. It is attributable to the country's solid fundamentals, such as deleveraging by corporates, resulting in much stronger balance sheets, better capacity utilization with consumption demand becoming stronger, and insolvency and bankruptcy process weeding out non-performing assets, among others.

The Government's unwavering push for infrastructure projects, metros, affordable housing, urbanization, smart cities and digitalization are excellent stimulators for the economy's growth in the medium term. At the same time, we cannot ignore near-term challenges. The bucket of concerns consist of rising oil prices, hardening inflation, firming bond yields and widening current account deficit. The ongoing global trade frictions, particularly between the US and China, are worrisome and can have a spillover negative effect on countries like India. So the terrain ahead could be a tad bumpy depending on the economic and geopolitical environment.

Performance of your Company

The year ended March 2018 was a good year for your company. The Company during the year recorded a turnover of Rs.83.82 crores in 2017-18 as against Rs.70.42 crores in 2016-17 with a net profit after tax at Rs.513.01 laks as against Rs.374.01 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 have been made to suit Chinese and Russian market where ITL Machines were exhibited in prestigious International machine Tool Shows. Similarly, new low cost automation have been added to the machines with Robotics for Indian and Overseas Customers. Development in Pipe and Tube Manufacturing machine division will result entry in the Exports market too. New "Industry 4.0" standard will be necessary in future Machine Tools hence necessary developmental activities have been started.

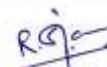
The domestic demand for Company's products is expected to remain better. Apart from Designing and Manufacturing activities, Company's Trading divisions are also expected to perform well.

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

**ITL INDUSTRIES LIMITED****DIRECTORS**

Manohar Singh Jain	- Non-Executive Director
Rajendra Singh Jain	- Managing Director
Mahendra Singh Jain	- Joint Managing Director
N.Chakraborty	- Non-Executive & Independent Director
Dr.S.K.Kapoor	- Non-Executive & Independent Director (Up to 13.08.2018)
Dr.Pratima Jain	- Non-Executive & Independent Director

CHIEF FINANCIAL OFFICER

- Ashok Ajmera

COMPANY SECRETARY

- Akhilesh Gautam

AUDITORS

Mahendra Badjatya & Co.
Chartered Accountants
208, Mourya Centre
Race Course Road, INDORE (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
Website : itl.co.in

BSE Scrip Code : 522183**CIN No. : L28939MP1989PLC005037****CONTENTS**

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the Members of ITL Industries Limited will be held on Thursday, the 27th day of September, 2018 at 11.30 A.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, 2018 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 2018.
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 Ratify the appointment of Auditors 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 and the Board of Directors, appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) as the Statutory Auditor of the Company, is hereby ratified to hold office from conclusion of this meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company, in addition to the GST and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company to be reimbursed for the financial year ending March 31, 2019."

Special Business

Special Resolution

5. RE-APPOINTMENT OF SHRI RAJENDRASINGH JAIN, MANAGING DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, approval be and is hereby granted to the re-appointment of Shri Rajendra Singh Jain, Managing Director (DIN : 00256515) of the Company with effect from 01/02/2019 for a period of 3 (three) years on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

"FURTHER RESOLVED THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Shri Rajendra Singh Jain but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it."

Special Business

Special Resolution

6. RE-APPOINTMENT OF SHRI MAHENDRASINGH JAIN, JOINT MANAGING DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as a Special Resolution :-

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, approval be and is hereby granted to the re-appointment of Shri Mahendra Singh Jain, Joint Managing Director (DIN:00256047) of the Company with effect from 01/02/2019 for a period of 3 (three) years on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

" FURTHER RESOLVED THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Shri Mahendra Singh Jain but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it."

For and on behalf of the Board

Rajendra Singh Jain
Managing Director
DIN: 00256515

Place : Indore
Dated : 13/08/2018

**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 21st September, 2018 to Thursday, the 27th September, 2018 (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 2nd October, 2018 to those members or their mandates whose names stand registered on the Company's Register of Members as on book clouser 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, 2011, 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, 2018. Members who have not yet encashed their dividend warrants for the financial year ended March 31st 2011 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 and explanatory statement 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 2017-18 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 Obligation and Disclosure Requirement) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 30th 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 24th September, 2018 (9:00 am) and ends on 26th September, 2018 (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 20th September, 2018, 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:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.



- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
2. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vishnuguptaassociates@yahoo.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in



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.

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).

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 20th September, 2018.

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. 20th September, 2018, 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.

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.

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.

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.

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.

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.

The remote e-voting period commences on 24th September, 2018 (9:00 am) and ends on 26th September, 2018 (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 20th September, 2018, 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.

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 : 13/08/2018

Rajendra Singh Jain
(Managing Director)
DIN: 00256515



Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act.

Item No. 5

The term of office of Shri Rajendra Singh Jain, Managing Director of the Company has expired on 31.01.2019. The Board of Director of the Company has reappointed the aforesaid Director for a further period of 3 years w.e.f. 01/02/2019. The revised remuneration package of the above Director as approved by the Nomination and Remuneration committee. The terms of remuneration payable to Shri Rajendra Singh Jain, Managing Director are set out below:

- (1) Salary band of Rs. 2,50,000/- to Rs. 4,00,000/- per month.
- (2) Perquisites :
 - a) Perquisites shall be restricted to an amount equal to the annual salary.

Category-A

- I) Housing
 - a) The expenses incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of the Salary.
 - b) In case of accommodation owned by the Company 10% of the salary shall be deducted by the Company.
 - c) In case of no accommodation is owned by the Company, the said Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing(a).

Explanation:

The expenditure incurred on gas, electricity, water and furnishings shall be valued as per Income - Tax Rules 1962, subject to ceiling of 10% of the salary.

- ii) Medical Reimbursement:
Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year of three months salary over a period of three years.
- iii) Leave Travel Concession:
Leave Travel Concession for self and family once in a year incurred, in accordance with the Rules of the Company.

Explanation :

Family means the spouse, the dependent children and dependent parents.

- iv) Club Fees:
Fee of clubs subject to a maximum of two clubs. No life membership fees will be paid.
- v) Personal Accident Insurance :
Personal Accident Insurance of an amount, the annual premium not exceeding ₹3000/- per month.

Category - B

- a) **Company's contribution towards Provident Fund / Public Provident Fund :**
Company's contribution towards Provident Fund / Public Provident Fund @ 12% or as per the Rules of the Company.
- b) **Gratuity:**
Gratuity as per the rules of the Company, but shall not exceed half-a-month's salary for each completed year of service.
- c) **Company's contribution towards Superannuation fund:**
Company's contribution towards Superannuation Fund as per the rules of at the Company but it shall not together with Company's contribution to Provident Fund / Public Provident Fund, exceed 25% of the salary.
The aforesaid perquisites stated in Category-B (a),(b) and (c) will not be included in the computation of the aforesaid ceiling on perquisites to the extent these either singly or per together are not taxable under the Income-Tax Act, 1961.
- d) **Earned Leave:**
On full pay allowance and perquisites as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and or salary.

Category - C

Company Car and Telephone at Residence

Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

This notice along with the explanatory statement should also be treated as an abstract of the terms of contracts /agreement between the Company and Shri Rajendra Singh Jain, Managing Director the Company.

The re-appointment of the above Director shall be in the interest of the Company. Your Board of Director therefore recommend the resolution set out at item No.5 of the notice for your approval.

Besides the individual interest of the above Director to the extent of remuneration payable to him, Shri Manohar Singh Jain the Director of the Company is also interested in the concerned resolution of Shri Rajendra Singh Jain being relative of each other.

Save and except as above, none of the Directors of the Company is in any way, concerned or interested in the said resolution.

**ITEM NO.6**

The term of office of Shri Mahendra Singh Jain, Joint Managing Director of the Company has expired on 31.01.2019. The Board of Director of the Company has reappointed the aforesaid Director for a further period of 3 years w.e.f. 01/02/2019. The revised remuneration package of the above Director as approved by the Nomination and Remuneration committee. The terms of remuneration payable to Shri Mahendra Singh Jain, are set out below:

- (1) Salary band of Rs. 2,30,000/- to Rs. 4,00,000/- per month.
- (2) Perquisites :
 - a) Perquisites shall be restricted to an amount equal to the annual salary.

Category-A

- I) Housing
 - a) The expenses incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of the Salary.
 - b) In case of accommodation owned by the Company 10% of the salary shall be deducted by the Company.
 - c) In case of no accommodation is owned by the Company, the said Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing(a).

Explanation:

The expenditure incurred on gas, electricity, water and furnishings shall be valued as per Income - Tax Rules 1962, subject to ceiling of 10% of the salary.

- ii) Medical Reimbursement:

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year of three months salary over a period of three years.

- iii) Leave Travel Concession:

Leave Travel Concession for self and family once in a year incurred, in accordance with the Rules of the Company.

Explanation :

Family means the spouse, the dependent children and dependent parents.

- iv) Club Fees:

Fee of clubs subject to a maximum of two clubs. No life membership fees will be paid.

- v) Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium not exceeding ₹3000/- per month.

Category - B

- a) Company's contribution towards Provident Fund / Public Provident Fund :
Company's contribution towards Provident Fund / Public Provident Fund @ 12% or as per the Rules of the Company.
- b) Gratuity:
Gratuity as per the rules of the Company, but shall not exceed half-a-month's salary for each completed year of service.
- c) Company's contribution towards Superannuation fund:
Company's contribution towards Superannuation Fund as per the rules of at the Company but it shall not together with Company's contribution to Provident Fund / Public Provident Fund, exceed 25% of the salary.
The aforesaid perquisites stated in Category-B (a),(b) and (c) will not be included in the computation of the aforesaid ceiling on perquisites to the extent these either singly or per together are not taxable under the Income-Tax Act, 1961.
- d) Earned Leave:
On full pay allowance and perquisites as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and or salary.

Category - C

Company Car and Telephone at Residence

Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

This notice along with the explanatory statement should also be treated as an abstract of the terms of contracts /agreement between the Company and Shri Mahendra Singh Jain, Joint Managing Director the Company.

The re-appointment of the above Director shall be in the interest of the Company. Your Board of Director therefore recommend the resolution set out at item No.6 of the notice for your approval.

Besides the individual interest of the above Director to the extent of remuneration payable to him none of the Directors of the Company is in any way, concerned or interested in the said resolution.



Additional information on director recommended for appointment / reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Shri Manohar Singh Jain	Shri Rajendra Singh Jain	Shri Mahendra Singh Jain
Category	Non-Executive Director	Executive Director	Executive Director
Inter relationship	Father of Shri Rajendra Jain, Managing Director of the Company	Son of Shri Manohar Singh Jain	Not related
Date of Birth	23rd November, 1929	20th April, 1954	19th October, 1957
Date of Appointment	25th January, 1989	1st February, 1993	1st February, 1993
Qualification	Visharad	B.E. (Mech.), Hon. Ph.D.	M.Com, PGDBM
Expertise in specific Functional areas	Wide experience in Business and promoter Director	Mr. Rajendra Singh Jain is B.E. (Mech.) Hon. Ph.D., and is having 41 years of rich experience in the Engineering Industry. He has thorough practical knowledge in this Industry and his contribution in the development of this sector especially in the segment of indigenous manufacture of Metal Cutting Machines viz. Bandsaw, Circular Saw Machines is significant. ITL Industries is growing at a good pace under his rich experience and able leadership. Mr. Jain is very innovative and is always keen to adopt latest technologies and has contributed a lot in the growth of the Company.	Mr. Mahendra Singh Jain is a post graduate in Commerce and has done PGDBM. He is ex-banker also and has rich experience of about 41 years in this Industry. He has thorough knowledge in the field of Finance and administration
List of other Public Companies in which Directorships held	NIL	NIL	NIL
Chairman / Member of the Committee of the Board of Directors of the Company (includes only Audit Committee and Shareholders' / Investors' Grievance Committee)	NIL	NIL	NIL
Chairman / Member of Committees of other Public Companies (includes only Audit Committee and Share holders' / Investors' Grievance Committee)	NIL	NIL	NIL

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 30th Annual Report of the Company and the Audited statement of accounts for the year ended 31st March, 2018.

01. FINANCIAL RESULTS :

(Amount in ₹)

	Particulars	Financial year ended 31.03.2018	Financial year ended 31.03.2017
a)	Sales & Other Income	838292694	704211709
b)	Profit before interest, Depreciation & Tax	88804440	79729143
c)	Less : - Interest and Finance Charges - Depreciation	24478603 11415647	22752154 8755575
d)	Profit before Tax	64325836	48221414
e)	Less : Provision for Tax Current year	14000000	10000000
f)	Less : Deferred Tax Liabilities	-2042376	1370000
g)	Less : Income Tax earlier year	1067156	-549741
h)	Profit after Tax	51301056	37401155
i)	Profit brought forward from previous year	4703785	9181193
j)	Profit available for appropriations	56004841	46582348
k)	Transferred to General Reserve	50000000	40000000
l)	Proposed Dividend	1602150	1601600
m)	Provision for Dividend Distribution Tax	326161	277141
n)	Balance carried to Balance Sheet	4076531	4703607

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, 2018 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. 7042.12 Lacs to Rs. 8382.93 Lacs showing a growth of 19.04% & profit after Tax of the Company for the year under review has increased from Rs. 374.01 lacs to Rs. 513.01 Lacs showing a growth of 37.17%.

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.

The Board of Director's at their meeting held on August 13, 2018 had approved the re-appointment of Shri Rajendra Singh Jain (DIN 00256515) as a Managing Director for a period of three years w.e.f. February 01, 2019, subject to shareholder approval.

The Board of Director's at their meeting held on August 13, 2018 had approved the re-appointment of Shri Mahendra Singh Jain (DIN 00256047) as a Joint Managing Director for a period of three years w.e.f. February 01, 2019, subject to shareholder approval.

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:

- that in the preparation of the annual financial statements for the year ended March 31, 2018, 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, 2018 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

08. AUDITORS :

08.1 - STATUTORY AUDITORS

The Auditors M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) have been appointed as statutory auditors of the company at the last Annual General Meeting held on 28.09.2017 for a period of five years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

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 Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

09. TRANSFER OF SHARES AND DIVIDEND AMOUNT TO IEPF:

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs, the unclaimed and unpaid dividends amount for the year 2010-11 is required to be transferred to IEPF in the due date as specified in the Notice of the AGM and shares of the respective shares on which no dividend is claimed for a consecutive 7 years will also be transferred to IEPF Authority as per the requirement of the IEPF rules on due date. During the financial year 2017-18, The Company has Transfer 83265 (Eighty Three Thousands Two Hundred Sixty Five) Equity Shares to Investors Education and Protection Fund (IEPF) related to the concerned shareholders have not claimed dividend for a period of 7 consecutive years.

10. SHARE CAPITAL:

The paid up Equity Share Capital as on 31st March, 2018 was Rs. 3,20,43,000 divided into 3204300 equity shares of Rs. 10/- each. During the year the Company has forfeited 93000 (Ninety Three Thousand) partly paid up Equity Share of face value of Rs. 10 each on which total Rs. 423507 remains unpaid on account of Share Capital account due to failure to pay the balance amount of allotment money due, in the Board Meeting held on 11.09.2017 and the same has been approved by the BSE letter dated 10.01.2018. Your company do not hold any instruments convertible into the equity shares of the Company.

11. 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.



12. INDUSTRIAL RELATIONS :

Industrial relations of the Company remained cordial during the year.

13. 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.

14. 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.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

During the year under review, your Company having profit before tax of Rs. 6.43 Crores and as per provisions of Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred Crore or more or turnover of rupees one thousand crore or more or a net Profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors out of which at least one director shall be an independent director;

Accordingly Board has constituted Corporate Social Responsibility Committee in its meeting held on 13 August, 2018 comprising following members:-

1. Shri Rajendra Singh Jain - Chairman
2. Shri Mahendra Singh Jain - Member
3. Dr. Pratima Jain - Member

The role of the committee is to formulate and recommend a CSR policy to the Board, to recommend expenditure to be incurred on CSR activities, to monitor The CSR Policy of the Company From time to time and to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company. Further expenses towards CSR activities will be done in current financial year and will be review time to time.

The Company's CSR Policy lays out the vision, objectives and implementation mechanisms. The Company's CSR policy is available on the Company's website at www.itl.co.in The Company's CSR activities have traditionally focused on education, skill development, health, environment and promoting sustainable practice

16. 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 in 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) & 5 (2) of the Companies (appointment and remuneration) Rule 2014 are not applicable.

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

Pursuant to Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, a spate 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 Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, also forms parts of this Annual Report.

18. 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.



19. 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.

20. 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.

21. 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 disclosed on the Company's website i.e. www.itl.co.in.

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

The Company has in place and 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.

23. 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's 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.

24. 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.

25. 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's of associates on equity method as prepared in compliance with the accounting standards and listing agreement.

26. ACKNOWLEDGEMENT:

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

Rajendra Singh Jain

Managing Director

DIN: 00256515

Mahendra Singh Jain

Joint Managing Director

DIN: 00256047

Place: Indore

Dated: 13/08/2018



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 and technological upgradation of existing products 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 and technological upgradation of existing products |
| 4. Expenditure on R & D: | |

Particulars	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Capital	Rs.18.21 Lacs	Rs.3.42 Lacs	Rs. 2.04 Lacs
Recurring	Rs.251.12 Lacs	Rs. 252.91 Lacs	Rs. 202.46 Lacs
Total	Rs.269.33 Lacs	Rs. 256.33 Lacs	Rs. 229.74 Lacs
Total R & D expenditures as a Percentage of total turnover	3.24%	3.64%	3.71%

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 efforts, e.g. product improvement areas ,special purpose machinery | Import substitution in the the Cost reduction product development, resulting in cost reduction import substitution etc. and conservation of Foreign Exchange. |
| 3. A. Technology imported | NIL |
| B. Year of Import | Not Applicable |
| C. Has technology been fully absorbed | N.A. |
| 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 item No. 11 in Notes to Accounts.

For and On behalf of the Board

Place : Indore
Date : 13/08/2018

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, 2018

**[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	70.14%
2	Trading of Cutting Tools, Hydraulics etc.	2822	29.86%

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	52.00%	2(87)
2.	Luhadiya Sons Private Limited 144 Shanti Niketan Colony Near Bombay Hospital Indore-452001	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 (01/04/2017)				No. of Shares held at the end of the year (31/03/2018)				% 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	1277217	NIL	1277217	39.86	0.93*
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	131100	NIL	1311000	3.98	131100	NIL	131100	4.09	0.11#
e) Banks / FI									
f) Any Other									
Sub total (A)(1) :-	1414884	NIL	1414884	42.91	1408317	NIL	1408317	43.95	1.04



2) Foreign									
g) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	1750	NIL	1750	0.05	0.05
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1)	NIL	NIL	NIL	NIL	1750	NIL	1750	0.05	0.05
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	272880	1100	273980	8.31	176504	900	177404	5.54	-2.77
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	692862 477677	370126 NIL	1062988 477677	32.24 14.49	930907 369546	180226 NIL	1111133 369546	34.68 11.53	2.44 -2.96
c) Others(Specify) NRI & OCB CLEARING MEMBER	6110 1661	60000 NIL	66110 1661	2.00 0.05	73073 3077	60000 NIL	133073 3077	4.15 0.10	2.15 0.05
Sub-total (B)(2)	1451190	431226	1882416	57.09	1553107	241126	1794233	55.99	-1.10
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1451190	431226	1882416	57.09	1554857	241126	1795983	56.05	-1.04
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2866074	431226	3297300	100.00	2963174	241126	3204300	100.00	0.00

Company has forfeited 93000 equity shares during the financial year 2017-18 due to this percentage is changed, although there is no change in the shareholding during the Financial year 2017-18.

*During the financial year 2017-18, Mrs. Namrata Jain & Mrs. Nidhi Jain Sold Shares of the Company.



ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% in change share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Rajendra Jain	363400	11.02	NIL	363400	11.34	NIL	0.32*
2.	Mr. Mahendra Jain	242713	7.36	NIL	242713	7.57	NIL	0.21*
3.	M/s Remswags Marketing Private Limited	131100	3.98	NIL	131100	4.09	NIL	0.11*
4.	Mrs. Rekha Jain	131013	3.97	NIL	131013	4.09	NIL	0.12*
5.	Mr. Ravish Jain	94150	2.86	NIL	94150	2.94	NIL	0.08*
6.	Mr. Shekhar Jain	92885	2.82	NIL	92885	2.90	NIL	0.08*
7.	Mrs. Meena Jain	87251	2.65	NIL	87251	2.72	NIL	0.07*
8.	Mr. Prakhar Jain	82601	2.51	NIL	82601	2.58	NIL	0.07*
9.	Mr. Manish Jain	75850	2.30	NIL	75850	2.37	NIL	0.07*
10.	Mr. Manohar Singh Jain	75100	2.28	NIL	75100	2.34	NIL	0.06*
11.	Mrs. Namrata Jain	11000	.33	NIL	5933	.19	NIL	0.14*
12.	Mrs. Renu Bai Doshi	10000	.30	NIL	10000	.31	NIL	0.01#
13.	Mrs. Rekha Jain	10000	.30	NIL	10000	.31	NIL	0.01*
14.	Mrs. Nidhi Jain	6821	.21	NIL	5321	.17	NIL	0.01#
15.	Mr. Harsh Jain	1000	.03	NIL	1000	.03	NIL	00*
	Total	1414884	42.91		1408317	43.95		

*Company has forfeited 93000 equity shares during the financial year 2017-18 due to this percentage is changed, although there is no change in the shareholding during the Financial year 2017-18.

During the Financial Year 2017-18 Mrs. Namrata Jain & Mrs. Nidhi Jain sold shares of the Company.

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): During the Financial Year 2017-18 Mrs. Namrata Jain & Mrs. Nidhi Jain sold shares during the Financial Year 2017-18. 30/06/2017 17/10/2017	-3000 -3567	0.11	1411317	0.00
	At the End of the year	1408317	43.95	1408317	43.95



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.	80638	2.45	0	0.00
2.	PUSHPA SHARMA	60000	1.82	60000	1.87
3.	DINESH KUMAR JAIN	58000	1.76	58000	1.81
4.	ACIRA CONSULTANCY PRIVATE LIMITED	56623	1.72	20797	0.65
5.	DHEERAJ KUMAR LOHIA	55913	1.70	0	0.00
6.	SANGEETHA S	52100	1.58	28870	0.90
7.	ANSHUL SAIGAL	33152	1.01	87386	2.73
8.	RUCHIT BHARAT PATEL	30623	0.93	0	0.00
9.	INVESTMART STOCK BROKERS PRIVATE LIMITED	30219	0.92	1215	0.04
10.	MANOJ DUA	28279	0.86	0	0.00
11.	RAJEEV JAWAHAR	27943	0.85	0	0.00
12.	FINQUEST FINANCIAL SOLUTIONS PRIVATE LIMITED	22073	0.67	22073	0.69
13.	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	0	0.00	83265	2.60
14.	UTSAV PRAMOD KUMAR SHRIVASTAV			40000	1.25
15.	UTTAM SINGH	0	0.00	32000	1.00
16.	MANGLA SHANTILAL GADA	0	0.00	25074	0.78
17.	ANIN NANDANAN	0	0.00	22495	0.70
18.	RAMBABU VE;DI	0	0.00	17401	0.54



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	11.34
2.	Mr. Mahendra Jain	242713	7.36	242713	7.52
3.	Mr. Manohar Singh Jain	75100	2.28	75100	2.34
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 01/04/2017)				
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
Change in Indebtedness during the financial year				
- Addition	34961700	567711	--	35529411
- Reduction	-34317721	-1940337	--	-36258058
Net Change	643979	1372626	--	-728647
Indebtedness at the end of the financial year (31/03/2018)				
I) Principal Amount	118596037	4960874	--	123556911
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	118596037	4960874		123556911

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	4059000	3690900	7749900
	(b) Value of bonus & perquisites u/s 17(2) Income-tax Act, 1961	649440	590544	1239984
	(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 - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
6.	Total (A)	4708440	4281444	8989884
	Ceiling as per the Act	Remuneration paid within the Ceiling Limit as prescribed in the Companies Act 2013		

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	
	<u>Independent Directors</u> • Fee for attending Board & Committee meetings • Commission • Others, please specify	900000	18000	20000	938000
	Total (1)	900000	18000	20000	938000
	<u>Other Non-Executive Directors</u> • Fee for attending board committee meetings • Commission • Others, please specify	None			
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	900000	18000	20000	938000
	Overall Ceiling as per the Act	Remuneration paid within the Ceiling Limit as prescribed in the Companies Act 2013			



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	812524	584387	1396911
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	812524	584387	1396911

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	
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	Date of approval by the Board	
6	Amount paid as advances, if any	

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

Name(s) of the related party and nature of relationship (a)	Nature of contracts/ arrangements/ transactions (b)	Duration of the contracts / arrangements/ transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f)
Bharti Chakarborty (Directors Wife)	• Rent Paid	As per the Agreement	360000	30 May 2017	-----
Remswags Marketing Private Limited (Group Company)	• Purchase (Net) • Sales (Net)	As per the Agreement	18489490 3399192	30 May 2017	-----
Indore Tools Private Limited (Group Company)	• Purchase (Net) • Sales (Net)	As per the Agreement	36173103 1547075	30 May 2017	-----
Shekhar Jain (Joint Managing Director's Son)	• Salary and Bonus	As per the Agreement	1380480	30 May 2017	-----
Manish Jain (Managing Director's Son)	• Salary and Bonus	As per the Agreement	1380480	30 May 2017	-----
Prakhar Jain (Joint Managing Director's Son)	• Salary and Bonus	As per the Agreement	1380480	30 May 2017	-----
Ravish Jain (Managing Director's Son)	• Salary and Bonus	As per the Agreement	1380480	30 May 2017	-----
Mr. N Chakarborty	• Sitting Fees	As per the Agreement	900000	30 May 2017	-----
Mr. Dr. S.K. Kapoor	• Sitting Fees	As per the Agreement	18000	30 May 2017	-----
Mrs. Pratima Jain	• Sitting Fees	As per the Agreement	20000	30 May 2017	-----
Shri Rajendra Singh Jain - Managing Director of Company	• Salary • Bonus • PPF	As per the Agreement	4059000 324720 324720	30 May 2017	-----
Shri Mahendra Singh Jain Joint Managing Director of Company	• Salary • Bonus • PPF	As per the Agreement	3690900 295272 295272	30 May 2017	-----
M.M. Metals Private Limited (Subsidiary Company)	Security Deposit for rent (Paid) Loan given	As per the Agreement	1800000 18082030	30 May 2017	-----

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: 13.08.2018



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
Indore

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 compliance's 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 2018 ('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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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;
 - (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) I 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.

I report further that, during the Audit period the company has:

- i. Conversion of 1100 (Eleven Hundred) partly paid up Equity Share into fully paid up Equity Shares of face value of Rs.10 each of the Company.
- ii. Forfeiture of 93000 (Ninety Three Thousand) partly paid up Equity Share of face value of Rs. 10 each on which total Rs. 423507 remains unpaid on account of Share Capital account due to failure to pay the balance amount of allotment money due, in the Board Meeting held on 11.09.2017 and the same has been approved by the BSE letter dated 10.01.2018.
- iii. Transfer of 83265 (Eighty Three Thousands Two Hundred Sixty Five) Equity Shares to Investors Education and Protection Fund (IEPF) related to the concerned shareholders have not claimed dividend for a period of 7 consecutive years.

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 : 30.05.2018
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 : 30.05.2018
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 2017-18, ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial year 2017-18 are as under:

S.No.	Name	Remuneration of Director/ KMP for the FY 2017-18	% Increase in remuneration in the FY 2017-18	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Singh Jain Managing Director	4708440	32.65%	16.01:1
2.	Shri Mahendra Singh Jain Joint Managing Director	4281444	32.27%	14.56:1
3.	Shri Ashok Ajmera, CFO	812524	10.19%	N.A.
4.	Shri Akhilesh Gautam, CS	584387	7.96%	N.A.

iii. The median remuneration of employees of the Company during the financial year was 2.94 Lacs.

iv. In the financial year, there was an increase of average 14%, in the median remuneration of employees.

v. The number of permanent employees on the roll of the company is 198 Employees.

vi. The Price earnings ratio as at 31.03.2018 is 15.35 and 31.03.2017 was 5.48

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 2017-18 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	4708440	Permanent	BE(MECH.) Phd	41 yrs	01.02.1993	20.04.1954	Dewas Tools Pvt. Ltd.	11.34%	
2.	Shri Mahendra Singh Jain	Jt. Managing Director	4281444	Permanent	M.COM	41 yrs	01.02.1993	19.10.1957	State Bank of India	7.57%	
3.	Shri Ravish Jain	CEO (Research & Development)	1380480	Permanent	BE, MBA	12 yrs	01.08.2006	20.11.1981	Fresh Appoint.	2.94%	Son of Managing Director
4.	Shri Prakhar Jain	CEO (Business Development)	1380480	Permanent	BE, MBA, MS (Hydraulics)	13 yrs	02.05.2005	21.09.1983	Fresh Appoint.	2.58%	Son of Jt. Managing Director
5.	Shri Manish Jain	COO (Business Operation)	1380480	Permanent	BE(MECH.)	12 yrs	01.04.2006	20.07.1985	Fresh Appoint.	2.37%	Son of Managing Director
6.	Shri Shekhar Jain	COO (Sales & Marketing)	1380480	Permanent	BE(Elec.)	6 yrs	01.04.2012	30.09.1988	Fresh Appoint.	2.90%	Son of Jt. Managing Director
7.	Shri Vikas Choudhary	Vice President	1035678	Permanent	BE(MECH.)	24 yrs	05.05.2017	20.02.1967	Tata International	Nil	
8.	Smt. Pratibha Kothari	Internal Auditor	964871	Permanent	CA	19 yrs	05.02.2010	29.05.1975	Bhandari Group Jaipur	Nil	
9.	Shri Balakrishna Murlidharan	Sr. Manager R&D, Project Development	859031	Permanent	ITI (MECH.)	32 yrs	02.11.2009	22.05.1965	Velath Eng. Dubai (UAE)	Nil	
10.	Shri Ashok Ajmera	CFO	812524	Permanent	M.Com CA-Inter	30 yrs	01.02.2004	15.10.1964	Beta Naptol Ltd.	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) INDUSTRY STRUCTURE 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 along with 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. 6453.01 lacs in the year 2017-18 as against 5188.29 lacs in the year 2016-17, showing a growth of 24.38% and apart from Bandsaw Machines, designing and manufacturing of equipment's 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. 2476.87 lacs in the year 2017-18 as against Rs. 2306.64 lacs in the year 2016-17, showing a growth of 19.08%. 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, it has appointed an external firm 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. 7042.12 Lacs to Rs. 8382.93 Lacs showing a growth of 19.04% & profit after Tax of the Company for the year under review has increased from Rs. 374.01 lacs to Rs. 513.01 Lacs showing a growth of 37.17%.

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

PLACE: INDORE
DATE: 13/08/2018

Rajendra Singh Jain
Managing Director
DIN-00256515

Mahendra Singh Jain
Joint Managing Director
DIN-00256047



REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 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, Corporate Social Responsibility 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 Compliance's as applicable at plant level. He is also looking into the marketing, accounts, secretarial and finance department.

6. Board of Directors

The 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 Associations pertaining to appointment of Directors.

Physical attendance of each Director at the Board Meeting during the year 2017-2018 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	6	6	Yes
Shri Mahendra Singh Jain (Joint Managing Director)	Executive	6	6	Yes
Shri Manohar Singh Jain	Non-Executive /Non-Independent	6	6	Yes
Shri N.Chakraborty	Non-Executive /Independent	6	6	No
Dr. S.K. Kapoor	Non-Executive /Independent	6	6	No
Dr. Pratima Jain	Non-Executive / Independent	6	6	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 –

- Quarterly/Half yearly/Annual results of the Company and its units/business segments
- Operating Plans, Long Term Plans, Business Initiatives and other related matters
- Minutes of meetings of Committees of the Board
- Status Report on Investor Requests/grievances
- Related Party Transactions
- Expansion projects and its status monitoring
- Sale of material nature like equity investment, subsidiaries, assets, which is not in normal course of business
- Compliance status of various laws applicable to the Company.
- Material non-compliance of any regulatory/ statutory nature or listing requirements, if any
- 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, 2018 six Board Meeting were held on 27th April, 2017, 30th May, 2017, 11th August, 2017, 11th September, 2017 13th November, 2017 and 12th February 2018.

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 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) are Members 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 2017-18. 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	4
Dr. Pratima Jain	4	4

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

During the financial year ended on 31st March, 2018 four Audit Meeting were held on 30th May, 2017, 11th August, 2017, 13th November, 2017 and 12th February 2018.

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 strength of the Nomination & Remuneration Committee is three Dr. S.K. Kapoor (Independent & Non-Executive Director) is Chairman of the Committee and Shri N. Chakraborty (Independent & Non-Executive Director) & Dr. Pratima Jain (Independent & Non-Executive Director) are Members of the committee. 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

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

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
- Company Secretary; and
- Chief Financial Officer
- 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

- The Board shall determine the membership of the Nomination & Remuneration Committee.
- 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.
- Chairman of the committee shall be an Independent Director.

5. Policy

This policy is divided into two parts:

5.1 Appointment & Removal

- Criteria for identifying persons who are qualified to be appointed as a Director / KMP / Senior Management Personnel / Other Employees of the Company:
- 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 time being 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 2017-18. 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 2017-2018 are given below :

Name & Designation	All elements of remuneration package i.e. Salary, benefits, bonuses, pension, Gratuity etc.	Fixed Component and performance linked 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)	4708440/-	NIL	NIL	NIL
Shri Mahendra Singh Jain (Joint Managing Director)	4281444/-	NIL	NIL	NIL

(B) The details of payments to Non-Executive & Independent Director during the year 2017- -2018 are given below :

Name of Director	Sitting Fees	Commission
Shri N. Chakraborty	900000	NIL
Dr. S K Kapoor	18000	NIL
Dr. Pratima Jain	20000	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 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:

Nine meetings of the Stakeholder Relations Committee were held during the year 2017-18. 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	9	6
Dr. S K Kapoor	9	6
Dr. Pratima Jain	9	8

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 held on 12.02.2018, 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.

G. Corporate Social Responsibility Committee

The committee was formed at the Board meeting held on August 13, 2018 in compliance with the provisions of Companies Act, 2013. The terms of reference of the committee includes formulation and recommendation to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in Schedule VII of Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor CSR Policy and its implementation from time to time.

Shri Rajendra Singh Jain, Managing Director of the Company is Chairman of the Committee while Shri Mahendra Singh Jain, Joint Managing Director and Dr. Pratima Jain Independent Director are members.

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
27th	24.09.2015	Registered Office	11.30 A.M.
28th	30.09.2016	Registered Office	11.30 A.M.
29th	28.09.2017	Registered Office	3.30 P.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) Regulations 2015.



9. Subsidiary Company :

M/s. M.M. Metals Pvt. Ltd. (52% 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-alia, 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 2017-18 signed by Managing Director of the Company was placed before the Board of Directors at their meeting held on 13th August, 2018. The said certificate is annexed and forms part of the Annual Report.

13. Declaration regarding code conduct :

The certificate regarding compliance of conditions of Regulation 34 of the SEBI (Listing Obligation 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 27th September, 2018 at 11.30 A.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, 2017
Second	July to September	On or before 15th November, 2017
Third	October to December	On or before 15th February, 2018
Fourth	January to March	On or before 30th May, 2018

- Date of Book Closure :

Friday, the 21st September, 2018 to Thursday, the 27th September, 2018 (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, 2017	81.00	60.7	October, 2017	197.00	141.00
May, 2017	79.50	64.55	November, 2017	254.00	165.10
June, 2017	135.80	80.00	December, 2017	284.70	215.00
July, 2017	150.70	114.00	January, 2018	338.35	262.00
August, 2017	164.85	109.00	February, 2018	352.15	272.60
September, 2017	174.10	140.05	March, 2018	313.00	225.00

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

Month	Highest	Lowest	Month	Highest	Lowest
April, 2017	30184.22	29241.48	October, 2017	33340.17	31440.48
May, 2017	31255.28	29804.12	November, 2017	33865.95	32683.59
June, 2017	31522.87	30680.66	December, 2017	34137.97	32565.16
July, 2017	32672.66	31017.11	January, 2018	36443.98	33703.37
August, 2017	32686.48	31128.02	February, 2018	36256.83	33482.81
September, 2017	32524.11	31081.83	March, 2018	34278.63	32483.84

- **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, 2018**

No. of Equity share held	No. of Folio	Percentage%	No. of Shares	Percentage %
Upto 500	3420	88.24	440463	13.74
501 to 1000	220	5.68	173555	5.42
1001 to 5000	171	4.41	378663	11.82
5001 to 10000	33	0.85	229959	7.18
10001 and above	32	0.82	1981660	61.84
Grand Total:	3876	100.00	3204300	100.00
No. of Shareholders In Physical mode	1030	26.57	241126	7.53
No. of Shareholder In Electronic Mode	2846	73.43	2963174	92.47



Shareholding Pattern as on 31st March, 2018

Category	No. of Share Holders	No. of Shares	Percentage %
Promoters	15	1408317	43.95
Foreign Collaborators	NIL	NIL	NIL
Mutual Funds	NIL	NIL	NIL
FIs. / Banks	NIL	NIL	NIL
FIIs / NRIs	57	133073	4.15
Domestic Companies	71	177404	5.54
Public	3731	1485506	46.36
Total :	3874	3204300	100.00

- **Dematerialisation of Shares and liquidity**

About 92.47% of Company's paid-up Share capital has been dematerialized upto 31st March, 2018.

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

- i. No significant change in internal control over financial reporting during the year
- ii. No significant change in accounting policies during the year under review and
- iii. No instance of any fraud in the company in which the management has any role.

For ITL Industries Limited

PLACE : INDORE

DATED : 13.08.2018

Rajendra Singh Jain
Managing Director
DIN-00256515

DECLARATION 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 : 13.08.2018

Rajendra Singh Jain
Managing Director
DIN-00256515



AUDITORS' CERTIFICATE

**To the Members of
ITL Industries Ltd.**

We have examined the compliance of condition of Corporate Governance by the ITL Industries Ltd for the year ended on 31st March, 2018 as stipulated in Regulation 34 (3) read with Point No. E of Schedule V of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

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 above-mentioned listing agreement.

We state that generally no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

We further 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: Mahendra Badjatya & Co.
Chartered Accountants
ICAI FRN001457C

CA Nirdesh Badjatya
Partner
ICAI MNO 420388

Date: 13th August 2018
Place: Indore



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ITL INDUSTRIES LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

OPINION

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31st, 2018, taken on record by the Board of Directors, none of the director is disqualified as on March 31st, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting; and
 - (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 of pending litigations as at March 31st, 2018 on its financial position vide Additional Notes on Accounts no. 25(B)(2)(A) in its standalone financial statements.
 - b. Subject to the additional notes on accounts, the Company has made adequate provision as at March 31st 2018, as required under the applicable law or Indian accounting standards, for material foreseeable losses acknowledged by the company, if any, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE

DATE: 30th May, 2018

Annexure – “A” to the Independent Auditor’s Report

The Annexure required under CARO, 2016 referred to in our Report to the members of the **ITL INDUSTRIES LIMITED** (“the Company”) for the year ended March 31st, 2018, and according to the information and explanations given to us, we report as under:

- (i) (a) The company has maintained adequate records showing general particulars, 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) On the basis of our examination of records of the Company, we report that, The Title Deeds, comprising all the immovable properties of land & buildings, which are free hold, are held in the name of company as at the balance sheet date. In respect of lease hold immovable properties of land and building that have been taken on and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the company.
- (ii) In our opinion, on the basis of our examination of the records of the company, the inventories have been physically verified by the management at the reasonable intervals and the material discrepancies noticed, if any, has properly been dealt with in the books of account
- (iii) The company has granted loans, secured or unsecured to MM Metals Private Limited (Subsidiary Company)
 - a) The Company has granted advances to party covered in register maintained under section 189 of the Companies Act, 2013 (Total Advance amount Outstanding on 31st march, 2018 Rs. 47709710/-). According to the information and explanation given to us and based on the audit procedures conducted by us there was no stipulation about interest and repayment terms.
 - b) The advances granted are repayable on demand and to commence ancillary business. As informed, the company has not demanded repayment of such advances during the year, thus, there has been no default on the part of the parties to whom advances was made.
 - c) There is no overdue amount of loans granted to companies, firm or other parties listed in the register maintained under section 189 of the companies Act, 2013.
- (iv) During the year while doing transaction for Loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has neither invited nor accepted any deposits from the public during the year therefore the reporting requirement of the clause is not applicable to the company.
- (vi) The Company is mainly carrying on the business of Manufacturing of Band saw Machines, CNC Tube Mills, Machine tools & Sale/purchase of Hydraulic Items, etc. and according to the size of operations, the requirements of maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company.
- (vii)(a) According to the records of the Company, it is generally regular in depositing undisputed statutory dues including Provident Fund, Employees state insurance, Income Tax, Central Sales Tax, Goods and Service 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 March 31st, 2018 for a period of more than six months, from the date they become payable.
- (b) There are no dues of Income Tax, Central Sales tax, Goods and Service 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, Except as under : -

(Amount in ₹)

Related To:	Authority where Pending	Financial Year	Disputed Amount
Central Sales Tax, 1956	Appellate Authority	2014-15	2353204/-
M.P. Commercial Tax (VAT)	Appellate Authority	2014-15	27622/-
Central Sales Tax, 1956	Appellate Authority	2015-16	3129661/-
Income Tax Act, 1961	CPC, Bengaluru	2010-11	40520/-
Income Tax Act, 1961 – TDS demand	CPC, TRACES	2010-11	139660/-



- (viii) The Company has not defaulted in repayment of dues to banks and financial institution. There are no debenture holders and loan from government.
- (ix) During the year the term loan taken by the company has been applied for purpose for which they were raised. The company has not raised money by way of initial public offer (Including debt instrument).
- (x) Based upon the audit procedures performed, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our Audit.
- (xi) To the best of our knowledge and belief, managerial remuneration has been paid/provided in accordance with the requisite approvals, if any, mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) 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 wherever applicable and the details have been disclosed in the standalone financial statements as required by the applicable standards.
- (xiv) Based on our examination of the record of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) In our opinion, the company has not entered into any non cash transaction with directors or persons connected with him, therefore the reporting requirement of the clause is not applicable to the company.
- (xvi) In our opinion and 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

DATE: 30th May, 2018



Annexure - “B” to the Independent Auditor’s 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 ITL INDUSTRIES LIMITED (“the Company”) as on March 31st, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 internal financial controls over financial reporting with reference to these standalone financial statements.

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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, a reasonable internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Finance Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

Statutory Auditors

FOR: MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE

DATE: 30th May, 2018



ITL INDUSTRIES LIMITED
STANDALONE BALANCE SHEET AS AT 31st MARCH 2018

(Amount in ₹)

PARTICULARS	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>ASSETS</u>				
A. Non-Current Assets				
Property Plant and Equipment	1	85518670	84643692	88773031
Capital Work in Progress		28311651	0	0
Other Intangible Assets	1	7828186	6668821	5161860
Financial Assets:				
Investments	2	7487785	9346616	9501316
Other Non-Current Assets	3	2680585	2593040	2489240
Total Non-Current Assets (A)		131826877	103252169	105925447
B. Current Assets				
Inventories	4	245648377	253322613	250126109
Financial Assets:				
Trade Receivables	5	212549666	214214259	191108672
Cash and Cash Equivalents	6	16296689	11252708	8870194
Short Term Loan and Advances	7	59712731	29018193	29400216
Short Term Investments	8	459145	2276787	3523927
Other Current Assets	9	34682865	23230010	14997560
Total Current Assets (B)		569349473	533314570	498026678
TOTAL ASSETS (A+B)		701176350	636566739	603952125
<u>EQUITY AND LIABILITIES</u>				
A. Equity				
Equity Share Capital	10	32043000	32543993	32543993
Other Equity	11	294076533	244703787	209181373
Total Equity (A)		326119533	277247780	241725366
B. Non-Current Liabilities				
Financial Liabilities				
Long Term Borrowings	12	20979517	13245578	25311428
Deferred Tax Liabilities(Net)		13359202	15401578	14031578
Total Non-Current Liabilities (B)		34338719	28647156	39343006
C. Current Liabilities				
Financial Liabilities				
Short Term Borrowings	13	91290490	100281482	136167635
Trade Payables	14	172768085	128932516	124704078
Other Financial Liabilities	15	11286903	10758499	11725510
Other Current Liabilities	16	60082899	85919711	49341720
Current Tax Liability	17	5289722	4779596	944810
Total Current Liabilities (C)		340718099	330671804	322883753
TOTAL EQUITY & LIABILITIES (A+B+C)		701176350	636566739	603952125

Significant Accounting Policies and Additional Notes on
Accounts Forms an integral part of these Standalone
Financial Statements

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

As Per our report of even date attached
STATUTORY AUDITORS

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

For **MAHENDRA BADJATYA & CO**
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



ITL INDUSTRIES LIMITED
STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31st, 2018

(Amount in ₹)

Particulars	Note	For the year Ended March 31, 2018	For the year Ended March 31, 2017
<u>Income</u>			
Revenue from operations	18	831091254	697883535
Other Income	19	7201440	6328174
Total Income		838292694	704211709
<u>Expenses</u>			
Cost of Material Consumed	20	524060968	476054830
Changes in Inventories of Stock in Trade	21	25475044	(15413197)
Employee Benefit Expenses	22	96416254	77693589
Finance Costs	23	13062957	22752153
Depreciation & Amortisation	1	11415647	8755575
Other Expenses	24	103535988	86147345
Total Expenses		773966858	655990296
Profit before Exceptional Items & Tax		64325836	48221413
Tax Expenses :			
(i) Current Tax		14000000	10000000
(ii) Tax Expenses of Previous Years		1067156	(549741)
(iii) Deferred Tax Liability written back		(2042376)	1370000
Profit for the Period for Continued Operations		51301056	37401154
Other comprehensive Income		0	0
Total Comprehensive Income for the period		51301056	37401154
Earnings per equity share :			
(i) Basic (₹)		16.01	11.49
(ii) Diluted (₹)		16.01	11.49

Significant Accounting Policies & Additional Notes 25
on Accounts forming an Integral part of these
Standalone Financial Statements

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

Ashok Ajmera
Cheif Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

As Per our report of even date attached
STATUTORY AUDITORS

For MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



ITL INDUSTRIES LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR 2017-18

(Amount in ₹)

Particulars	2017-18	2016-17
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit and Loss Account	64325836	48221413
Adjustment to reconcile netprofit to cash provided by operating activities:		
Depreciation	11415647	8755575
Finance Cost	13062957	22752153
Changes in assets and liabilities		
Inventories	7674236	(3196504)
Trade receivables and unbilled revenues	1664593	(23105587)
Other Current Assets	(42147394)	(7850426)
Other Financial Assets	(87545)	(103800)
Current Liabilities & Provisions	19037285	43674205
Cash Generated from operations	74945615	89147029
Interest paid	(13062957)	(22752154)
Direct Tax paid (Net)	(15067156)	(9450259)
Cash Flow before extra ordinary adjustments	46815502	56944616
Extra Ordinary Items :		
Loss / Profit on Sale of Investment	(4471290)	(288900)
Loss / Profit on Sale of Fixed Assets	36133	(70711)
Equity Shares Forfeited	(500993)	0
Net Cash Generated by Operating Activities (A)	41879352	56585005
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(41797772)	(6062488)
Investment made during the year	8147764	1690741
Net Cash Used in Investing Activities (B)	(33650008)	(4371747)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long Term Borrowings (Net)	7733940	(12065851)
Proceeds from Short Term Borrowings	(8990991)	(35886153)
Dividend / Corporate Dividend Tax paid	(1928311)	(1878741)
Net Cash Used in Financing Activities (C)	(3185362)	(49830745)
Net increase in cash and cash equivalents (A+B+C)	5043982	2382513
Opening Balance of Cash and cash equivalents	11252707	8870194
Closing Balance of Cash and cash equivalents	16296689	11252707

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

As Per our report of even date attached
STATUTORY AUDITORS

For MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



ITL INDUSTRIES LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 2017-18

(Amount in ₹)

A. EQUITY SHARE CAPITAL

2017-18

Balance as at March 31,2017	Changes in equity share capital during the year	Balance as at March 31,2018
32543993	-500993	32043000

2016-17

Balance as at March 31,2016	Changes in equity share capital during the year	Balance as at March 31,2017
32543993	0	32543993

B. OTHER EQUITY

2017-18

Particulars	Reserve and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at March 31,2017	240000000	4703785	244703785
Changes in accounting policy/prior period errors	-	-	-
Restated balances at the beginning of the reporting period	240000000	4703785	244703785
Profit/(Loss) for the Year	50000000	51301057	101301057
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	56004842	56004842
Transactions with owners in capacity as owners			
Proposed Dividends	-	(1602150)	(1602150)
Bonus Shares	-	-	-
Dividend Distribution Tax	-	(326161)	(326161)
Movement during the year	-	(50000000)	(50000000)
Balance as at March 31,2018	290000000	4076531	294076531

2016-17

Particulars	Reserve and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at March 31,2016	200000000	9181373	209181373
Changes in accounting policy/prior period errors	-	-	-
Restated balances at the beginning of the reporting period	200000000	9181373	209181373
Profit/(Loss) for the Year	40000000	37401153	77401153
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	46582526	46582526
Transactions with owners in capacity as owners			
Dividends	-	(1601600)	(1601600)
Dividend Distribution Tax	-	(277141)	(277141)
Bonus Shares	-	-	-
Movement during the year	-	(40000000)	(40000000)
Balance as at March 31,2017	240000000	4703785	244703785

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

As Per our report of even date attached
STATUTORY AUDITORS

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

For **MAHENDRA BADJATYA & CO**
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



NOTE:1

PROPERTY PLANT & EQUIPMENT 2017-18

PARTICULARS	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
	BALANCE AS AT 01.04.2017	Additions	Deduction	Balance as at 31.03.2018	Balance as at 01.04.2017	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.3.2018	AS AT 31.3.2017
(A) TANGIBLE ASSETS										
Land (Leasehold)	3507627	0	0	3507627	0	0	0	0	3507627	3507627
Site Development	150004	0	0	150004	54802	4875	0	59677	90327	95202
Factory Building	50463409	0	0	50463409	13253713	1400723	0	14654436	35808973	37209696
Plant & Machinery	45433835	1037582	0	46471417	23578208	3427626	0	27005834	19465583	21855627
Other Equipment	14271122	2969838	296456	16944504	10088245	728667	296456	10520456	6424048	4182877
Electric Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	8680605	849725	612010	8918320	5474584	639049	612010	5501623	3416697	3206021
Furniture & Fixtures	19111209	298898	824608	18585499	10650090	1566639	824608	11392121	7193378	8461119
Computer	11014822	1844073	4633929	8224966	9302267	859275	4633929	5527613	2697353	1712555
Motor Car	12085581	3784601	1183825	14686357	7707146	1112764	1013692	7806218	6880139	4378435
Cycle and Handcart	70983	4500	0	75483	48129	4489	0	52618	22865	22854
Total	165256391	10789217	7550828	168494780	80612698	9744107	7380695	82976110	85518670	846436921
(B) INTANGIBLE ASSETS										
Software	21323631	2830904	901130	23253405	14654809	1671540	901130	15425219	7828186	6668821
Technical Know-How	3141619	0	3141619	0	3141619	0	3141619	0	0	0
Total	24465250	2830904	4042749	23253405	17796428	1671540	4042749	15425219	7828186	6668821
TOTAL (A+B)	189721641	13620121	11593577	191748185	98409126	11415647	11423444	98401329	93346856	91312513

PROPERTY PLANT & EQUIPMENT 2016-17

PARTICULARS	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
	BALANCE AS AT 01.04.2016	Additions	Deduction	Balance as at 31.03.2017	Balance as at 01.04.2016	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.3.2017	AS AT 31.3.2016
(A) TANGIBLE ASSETS										
Land										
Land (Leasehold)	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	37209696	38610419
Plant & Machinery	44986417	447418	0	45433835	21732032	1846176	0	23578208	21855627	23254385
Other Equipment	14246070	35747	10695	14271122	9379811	719129	10695	10088245	4182877	4866259
Electric Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	9616440	254659	1190495	8680604	5955737	680316	1161469	5474584	3206020	3660703
Furniture & Fixtures	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	7707145	4378436	4359477
Cycle and Handcart	70983	0	0	70983	44013	4116	0	48129	22854	26970
Total	164683530	3356837	2783977	165256390	75910500	7443455	2741258	80612697	84643692	88773031
(B) INTANGIBLE ASSETS										
Software	18520313	2819081	15763	21323631	13503003	1167570	15763	14654810	6668821	5017310
Technical Know-How	3141619	0	0	3141619	2997069	144550	0	3141619	0	144550
Total	21661932	2819081	15763	24465250	16500072	1312120	15763	17796429	6668821	5161860
TOTAL (A+B)	186345462	6175918	2799740	189721640	92410572	8755575	2757021	98409126	91312513	93934891

**NOTE - 2****INVESTMENTS**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
SHARES & SECURITIES (Unquoted, fully paid up, at cost)			
In a Subsidiary Company - M/s. M.M Metal Pvt. Ltd. (52%) (12480 Equity Shares of ₹ 100 each)	12480	21500	21500
In a Associates Company M/s Luhadiya Sons Pvt. Ltd. (294690 Equity Shares of ₹ 10 each)	5304420	5304420	5304420
In Other Company M/s Indore Tools Pvt. Ltd. (502098 Equity Shares of ₹ 10 each)	1770885	3601385	3761885
M/s Dimart Engineering Pvt. Ltd. (40000 Equity shares of ₹ 10 each)	400000	400000	400000
Other Company	0	19311	13511
Total	7487785	9346616	9501316
Aggregate amount of Unquoted Investments	7487785	9346616	9501316

NOTE - 3**OTHER NON CURRENT ASSETS**

Unsecured, Considered good Security Deposits	2680585	2593040	2489240
Total	2680585	2593040	2489240

NOTE - 4**INVENTORIES**

(As taken, valued and certified by management)

i) Raw materials and Bought out components	103095649	85085319	102540411
ii) Stock of Trading Goods	81287162	93015157	88806359
iii) Finished good	10322517	3011732	37392
iv) Work-in-progress (Includes semi finished goods)	50826793	71884628	58079767
v) Stores, Spares Parts & Standard Items	116256	325777	662180
Total	245648377	253322613	250126109

**NOTE - 5****TRADE RECEIVABLES**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
(Unsecured, Considered good unless otherwise stated)			
<u>Overdue for more than six months</u>			
Considered Good	78437234	85032747	97380390
<u>Others</u>			
Considered Good	134112432	129181512	93728282
Total	212549666	214214259	191108672

NOTE - 6**CASH AND CASH EQUIVALENTS**

Balances with Schedule Banks			
(i) In Current Accounts	2684173	383140	1396009
(ii) Unclaimed dividend	1161770	1278394	1354409
Cash on Hand	358190	404905	481726
Deposit with Banks			
Fixed Deposit Account	13807853	12969550	16094555
Accured interest on fixed deposits	374478	265081	334400
Less: OD Limit from IDBI Bank Ltd.(against pledge of FDR)	(2089775)	(4048362)	(10790905)
Total	16296689	11252708	8870194

NOTE - 7**SHORT TERM LOAN AND ADVANCES**

(Unsecured, Considered good unless otherwise stated)			
Loans and advances to related parties	45909711	28067681	28067681
Loans and advances to employees	3874839	950512	1332535
Inter Corporate Deposits	9928181	0	0
Total	59712731	29018193	29400216

NOTE - 8**SHORT TERM INVESTMENT**

A. Quoted but not listed-current Investments :-			
Various Mutual Funds	99900	2049900	2049900
B. Quoted and Listed (Equity shares) :-			
Shares of Various Companies	359245	226887	1474027
TOTAL	459145	2276787	3523927

NOTE - 9**OTHER CURRENT ASSETS**

Prepaid expenses	397986	367589	556038
Balance with government authorities	9418249	4330939	4719627
Other Deposits	7439960	7137568	5143661
Others			
Unsecured considered good	17426670	11393914	4578234
Total	34682865	23230010	14997560

**NOTE - 10****EQUITY SHARE CAPITAL**

(Amount in ₹)

PARTICULARS	2017-18		2016-17	
	Number	Amount	Number	Amount
<u>AUTHORISED</u>				
Equity Shares of ₹ 10/- each	4000000	40000000	4000000	40000000
Total	4000000	40000000	4000000	40000000
<u>ISSUED, SUBSCRIBED & PAID UP</u>				
Equity Shares of ₹ 10/- each	3204300	32043000	3297300	32973000
Less: Amount Due on a/c of Allotment money		0		429007
Total	3204300	32043000	3297300	32543993
a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.				
Outstanding at the beginning of the year	3297300	32973000	3297300	32973000
Issued during the year	0	0	0	0
Bought back / Forfeited during the year	(93000)	(930000)	0	0
Outstanding at the end of the year	3204300	32043000	3297300	32973000
b) Terms / Rights attached to Equity Shares				
i) The company has only one class of equity share of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				

c) Details of shareholders holding more than 5% shares of the company

Name of Shareholders	2017-18		2016-17	
	Number	% of Holding	Number	% of Holding
1. Shri Rajendra Singh Jain	363400	11.34%	363400	11.02%
2. Shri Mahendra Singh Jain	242713	7.57%	242713	7.36%
Total	606113	18.91%	606113	18.38%

**NOTE - 11****OTHER EQUITY**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
General Reserve			
Balance as per last year	240000000	200000000	180765000
Add: Transfer from P & L A/c	50000000	40000000	19235000
Closing Balance	290000000	240000000	200000000
Profit & Loss Account			
Opening Balance	4703785	9181373	9311229
Add: Surplus/ (Deficit) in statement of Profit & Loss	51301057	37401153	21032798
Less: Transfer to General Reserve	50000000	40000000	19235000
Less: Proposed Dividend	1602150	1601600	1601600
Less: Dividend Distribution Tax	326161	277141	326054
Closing Balance	4076531	4703785	9181373
Total	294076531	244703785	209181373

NOTE - 12**LONG TERM BORROWINGS**

i) From Madhya Pradesh Financial Corporation, Indore (Secured by first legal mortgage 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)	5590892	13245578	24701944
ii) From State Bank of India (Secured by first legal mortgage in respect of Company's fixed assets acquired out of this loan and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans last instalment due in March 2025)	13511812	0	609484
iii) From Others (Against hypothecation of Vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)	1876813	0	0
Total	20979517	13245578	25311428

NOTE - 13**SHORT TERM BORROWINGS**

Loans Repayable on Demand			
Secured			
i) From State Bank of India	86329617	45201213	75853578
ii) From Bank of Baroda	0	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 passu charge on various plots of the company)			
Unsecured			
From Axis Bank	3920216	3352505	1983215
(Simens Ltd. channel financing loan from Axis Bank)			
Inter Corporate deposits	0	0	5066921
Loans and advances from related parties			
From Director	1040658	2980995	3698092
Total	91290491	100281482	136167635

**NOTE - 14****TRADE PAYABLES**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Micro, Small and Medium Enterprises	0	0	0
Others	172768085	128932516	124704078
Total	172768085	128932516	124704078

NOTE - 15**OTHER FINANCIAL LIABILITIES**

Current maturities of long-term debt			
Term Loan			
Madhya Pradesh Financial Corporation, Indore	6883812	10533780	10475000
State Bank Of India, Indore	4000000	0	303517
From Others	403091	224719	224719
Interest Payable to MPFC	0	0	722274
Total	11286903	10758499	11725510

NOTE - 16**OTHER CURRENT LIABILITIES**

(i) Statutory remittances	8472525	8459077	6672780
(ii) Contractually reimbursable expenses	18669668	15830602	14548761
(iii) Customers credit Balances	30176786	58750038	25164170
(iv) Proposed dividend	1602150	1601600	1601600
(v) Unclaimed dividend	1161770	1278394	1354409
Total	60082899	85919711	49341720

NOTE - 17**CURRENT TAX LIABILITIES**

Provision for Income Tax	14000000	10000000	5800000
Less :Advance payment of Income Tax	8710278	5220404	4855190
Total	5289722	4779596	944810

NOTE - 18**REVENUE FROM OPERATIONS**

Sales (Net of Sales Tax)	828053806	743511206
Job Work & Commissioning Charges	3037448	10078731
Total	831091254	753589937
Less: Excise Duty Amount	0	55706402
Total	831091254	697883535

NOTE - 19**OTHER INCOME**

Dividend Received	(2719)	1830067
Refund of Sales Tax	1239490	1331914
Profit on Sales of Fixed Assets	0	70711
Profit on Sales of Investments	4471290	288900
Excess Provision of Sales Tax Written Off	0	39912
Excess Provision of Bonus Written Off	16732	35218
Shares Forfeited	500993	0
Miscellaneous Income	2925654	2731452
Total	9151440	6328174
Less: Dividend Income Reversed	1950000	0
Total	7201440	6328174

**NOTE - 20****COST OF MATERIAL CONSUMED**

(Amount in ₹)

PARTICULARS	For the year ended March 31 2018	For the year ended March 31 2017
Opening Stock	85085319	96965609
Add : Purchases	549319099	464174540
	634404418	561140149
Less : Cenvat Credit as per Transitional Provision	7247801	0
Less: Closing Stock	103095649	85085319
Total	524060968	476054830

NOTE - 21**CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(Increase) / Decrease in Stock in Trade		
Opening Stock	167911517	152498320
Less : Closing Stock	142436473	167911517
Total	25475044	(15413197)

NOTE - 22**EMPLOYEE BENEFIT EXPENSES**

Salary, Wages & Allowances (Including Bonus)	82352654	66920077
Welfare Expenses	983794	840405
Security Expenses	849438	712685
Contribution to E.S.I.C.	747929	388086
Contribution to P.F.	1555355	1267816
Directors' Remuneration	8687900	6628520
Bonus and Exgratia to Directors'	619192	468000
Contribution to PPF	619992	468000
Total	96416254	77693589

NOTE - 23**FINANCE COSTS**

Interest Expenses		
On Term Loan	2038622	4104838
On Other Loan	9727131	15003316
Interest to Other	305149	1045592
Total (A)	12070902	20153746
Other Borrowing Cost		
Other Financial Charges	1890184	3542538
Total (B)	1890184	3542538
Total (A+B)	13961086	23696284
Less : Interest Received	898129	944131
Total (C)	898129	944131
Net Total (A+B-C)	13062957	22752153



NOTE - 24

OTHER EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended March 31 2018	For the year ended March 31 2017
A) <u>Manufacturing Expenses</u>		
Opening Stock	325777	662180
Add: Purchases	1874140	963640
	2199917	1625820
Less : Closing Stock	116256	325777
Consumed during the year	2083661	1300043
Component Processing Charges	31523666	25061364
Power Expenses	3164874	2514416
Repair & Maintenance to		
Plant & Machineries	135762	1083065
Building	1140547	1298524
Entry Tax	680482	1985706
Excise Duty Reversal	33558	218211
Freight & Cartage inward	4780861	4275534
Material Shifting & Handling Charges	2937503	3538372
Other Expenses	1474829	1639905
Total (A)	47955744	42915140
B) <u>Administrative & General Expenses</u>		
Rent, Rates & Taxes	3488026	3226414
Charity & Donation	322252	1130000
Computer Charges	317773	246708
Stationery & Printing	650460	295762
Telephones & Internet	1552425	1835891
Postage & Courier	272220	271232
Travelling & Conveyance	17691524	15943277
Legal & Professional Charges	6628223	4297169
Auditor's Remuneration {Note 25(B)(5)}	160000	65000
Insurance	466072	353497
Loss on Sale of Assets	36133	0
Loss on Sale of Investment	0	154180
Other Expenses	4338315	2470860
Total (B)	35923423	30289990
C) <u>Selling & Distribution Expenses</u>		
Sales Promotion & Entertainment	1354058	1005726
Freight & Cartage outward	5708029	3500304
Sales Commission	3440835	1853640
Advertisement & Ehibition	1192655	3114125
Bad Debts	24479583	2404670
Late Delivery Charges	159125	201642
After Sales & Service	335438	627283
Other Expenses	244398	234825
Total (C)	36914120	12942215
Total (A+B+C)	120793287	86147345
Less : Insurance Charges Recovered	4860000	0
Less : Late Delivery charges Recovered	12397299	0
Total	103535988	86147345

25. **SIGNIFICANT ACCOUNTING POLICIES & ADDITIONAL NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

COMPANY BACKGROUND

ITL Industries Limited (the 'Company') is a domestic public limited Company having its registered office situated at 111-Sector B, Industrial Area Sanwar Road, Indore 452015 (M.P.) Company is listed at Bombay Stock Exchange Limited (BSE). The company is engaged in the Manufacturing of Band saw Machines, CNC Tube Mills, Machine tools & Sale/purchase of Hydraulic Items, etc.

During the year new statutory auditors of the company hold their office as such and they relied on the old audited financial statements.

(A) SIGNIFICANT ACCOUNTING POLICIES

1) Basis for preparation of Financial Statements

The accounts have been prepared in accordance with IND AS to the extent applicable to the Company, and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable. Up to financial year ended on 31st March 2017, the company has prepared the accounts according to the Previous GAAP. The financial statements for the year ended 31st March 2018 are the first to have been prepared in accordance with IND AS. Opening balance sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016, and for any variation in the amounts represented in the comparative balance sheet vis-à-vis earlier presentation, reconciliation is given as part of notes. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except as stated elsewhere in these financial statements and except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

2) Current/Non-Current Classification

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3) Use of Estimates and Judgments

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

4) Property, Plant and Equipment

Measurement and recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost.

Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if

any.

Transition to Ind AS

On transition to Ind AS the company has elected to continue with the carrying value of all its property, plant and equipments recognized as at 01.04.2016 measured as previous GAAP and used that carrying value as the deemed cost of all its property, plant and equipments.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as per the provisions of Schedule II of the Companies Act 2013.

5) Impairment

Impairment loss if any is provided to the extent the carrying amount of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

6) Revenue Recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns and trade discounts allowed by the Company.

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

Sale of products:

Revenue from sale of products is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

7) Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. The cost in respect of the various items of inventory is arrived at as under:

- Raw material – cost includes direct expenses and is determined on the basis of weighted average method.
- Packing material – cost includes direct expenses and is determined on the basis of weighted average method.
- Work in progress – includes cost of conversion and other costs incurred to bring the inventories in their present condition.
- Finished goods – cost includes raw material cost, other overheads incurred to bring the goods to their present location and condition.

Cost of goods also includes taxes, wherever applicable.

8) Fair Value

The Company measures financial instruments at Fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities For which Fair value is measured or disclosed in the Financial statements are categorized within the Fair value hierarchy that categorizes into three levels, described as Follows, the inputs to valuation techniques used to measure value. The Fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).



- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

9) **Investment in subsidiary and associate Companies**

The Company has elected to recognize its investments in subsidiary company at cost in accordance with the option available in Ind AS 27.

10) **Income Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the reporting period as per the applicable provisions of the Income Tax Act 1961.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

11) **Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

12) **Employee Benefits**

i) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

ii) Long Term Employee Benefits

• Provident Fund & Employees State Insurance Scheme:

As per the Employees' Provident Fund and Miscellaneous Provision Act, 1952 all eligible employees of the company are entitled to receive benefits under the provident fund and family pension fund which is a defined contribution plan. These contributions are made to the fund administrated and managed by the Government of India. Similarly all eligible employees of the company are covered under Employees' State Insurance Act, 1948, which are also defined contribution schemes recognized and administrated by the Government of India.

The Company's contributions to these schemes are recognized as expenses in the statement of profit of loss during the period in which the employees render the related service. The company has no further obligation under these plans beyond its monthly contribution.

• Gratuity:

The Company has provided for Gratuity in accordance with the Ind AS – 19 "Employee Benefits", the company has obtained group Gratuity Insurance Policy from LIC of India and contribution are made to LIC's recognized group gratuity fund scheme based on amount demanded by LIC of India to cover its gratuity liability and making annual payments of the liability as calculated by them.

13) **Borrowing Cost**

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

14) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

15) Research and Development Expenses

Research and Development Expenditure is charged to the statement of Profit and Loss in the year of incurrence and has been included in the respective account heads in the statement of accounts. However, expenditure on fixed assets laid into Research and Development is treated in the same way as other fixed assets.

16) Other Income

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

17) 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 share outstanding during the year.

B) ADDITIONAL NOTES ON STANDALONE FINANCIAL STATEMENTS

1. Notes 1 to 25 referred herein above forms an integral part of these Standalone Ind AS Financial Statements.

2. (A) CONTINGENT LIABILITIES:

Contingent liability [to the extent not provided for]

- Central Sales Tax, 1956, matter under dispute ₹5482865 Lacs (Previous year - ₹4331704)

- MP Commercial Tax, matter under dispute ₹27622 (Previous year - ₹45834)

- Disputed Demand of Income tax for A. Y. 2011-12 `180180 (Previous year - Nil)

(B) COMMITMENTS

The company has an outstanding commitments on capital account amounting to ₹ 381278/-

3. As per Ind AS 32 the long term investments held by the company in its subsidiary are to be carried at cost. All the investments of the Company have been considered by the management to be of long-term nature.

4. DEFERRED TAX LIABILITY AS PER IND AS – 12

(Amount in ₹)

Particulars	2017-18	2016-17
Difference in Block Value of Fixed Assets as per Income Tax Act and Company Law.	40405294	46045676
Less: Deferred Tax Liability effect for unabsorbed losses	-	-
Net deferred tax Liability	13359202	15224082
Less: Deferred tax Liability already provided in previous years	15401578	14031578
Deferred Tax Liability/ written back for the year	(2042376)	1192504

5. AUDITOR'S REMUNERATION: (Excluding GST)

Statutory Audit Fees	135000	50000
Tax Audit	25000	7500
Reimbursement of Expenses	-	7500
Total	160000	65000



6. Related Party Transactions as Per Ind AS – 24

Name of related parties:

Directors

Particulars	Nature of Transaction	Amount
Mr. Rajendra Singh Jain	Salary	4059000
	Bonus	324720
	PPF	324720
Mr. Mahendra Singh Jain	Salary	3690900
	Bonus	295272
	PPF	295272
Mr. N Chakarborty	Sitting Fees	900000
Dr. S.K. Kapoor	Sitting Fees	18000
Dr. Pratima Jain	Sitting Fees	20000

Relative of Managerial Personnel

Name	Nature of Payment	Amount
Bharti Chakarborty (Directors Wife)	Rent	360000
Ravish Jain (Managing Director's Son)	Salary and Bonus	1380480
Prakhar Jain (Joint Managing Director's Son)	Salary and Bonus	1380480
Manish Jain (Managing Director's Son)	Salary and Bonus	1380480
Shekhar Jain (Joint Managing Director's Son)	Salary and Bonus	1380480
Remswags Marketing Private Limited (Group Company)	Purchase (Net)	18489490
	Sales (Net)	3399192
Indore Tools Private Limited (Group Company)	Purchase (Net)	36173103
	Sales (Net)	1547075
M.M. Metals Private Limited (Subsidiary Company)	Security Deposit	1800000
	for rent (Paid)	
	Loan given	18082030

7. BASIC AND DILUTED EPS:

(Amount in ₹)

Particulars	2017-18	2016-17
Net Profit attributable to equity shareholders	51301056	37401153
Number of equity shares issued (basic)	3204300	3254399
Number of equity shares issued (weighted)	3204300	3254399
Basic and Diluted earnings per share	16.01	11.49

8. The inventories amounting to ₹ 245648377 have been shown at cost. As per Ind AS 2 - "Valuation of Inventories", inventories should be valued at cost or net realizable value whichever is lower. Such valuation requires technical judgments and consideration of market related factors. The diminution in the valuation thereof, if any, will be accounted for the year of realization.
9. Balance of Trade Receivables, Trade Payables, Trade Deposit, Loans and Advances and others are subject to respective consent, confirmation, reconciliation and consequent adjustment, if any. However, in the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realization in the ordinary course of business.
10. There were no dues outstanding for more than 45 days to any micro, small and medium enterprises creditors. The aforesaid information has been arrived at to the extent such communication has been received from the respective parties by the company.



11. Additional information as required under part II of schedule III to the companies Act, 2013 is as under:
- Expenditure in foreign currency on account of Raw Material ₹ 65402313/- [Previous Year ₹ 44425097]
 - Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 94428765/- [Previous Year ₹ 26533002]
 - Particulars of consumption of Imported and Indigenous Raw Materials :-

Particulars	2017-18		2016-17	
	Value	% of Total	Value	% of Total
Imported	₹ 65402313	12.48%	₹ 44425097	9.31%
Indigenous	₹ 458658654	87.52%	₹ 432995737	90.69%
Total	₹ 524060967	100.00 %	₹ 477420834	100.00%

12. The Company is the parent Company of M.M. Metals Private Limited holding 52% (12480 shares) of its subsidiary. The relevant consolidated Ind AS financial statements are separately prepared.
13. Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.
14. Research and Development Expenditure Details;

(Amount in ₹)

Particulars	2017-18	2016-17
Capital Expenditure	1820591	341836
Revenue Expenditure	25112514	25291262

15. The Company has not entered into any derivative and forward contracts for the purpose of hedging foreign exchange exposures and there is no speculative transactions. The outstanding position of the Forex Exposure is as under:

A) Hedged Exposure

	2017-18		2016-17	
	Forex	INR (in Lacs)	Forex	INR (in Lacs)
	NIL	NIL	NIL	NIL

B) Un hedged Exposure :-

Particulars	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers Credit	1970.65 (USD)	222.80	12187118 (JPY)	7.56
	36890682 (JPY)			

16. Figures are rounded off to the nearest multiple of ₹ (Rupee).

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

As Per our report of even date attached
STATUTORY AUDITORS

For MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



DIRECTORS REPORT

Dear Members,

Your Directors are Pleased to present the 6th Annual Report and the Company's Audited financial statements for the Financial Year ended March 31, 2018.

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 52% 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 Recommends 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:

- The Extracts of Annual Return as per Form no MGT-9 is annexed herewith as Annexure – A.
- The company has not accepted any deposit from public within the meaning of section 73 of the Companies Act, 2013.
- During the year four Board meetings were held, as against the minimum requirement of two meetings.
- 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.
- 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. ACKNOWLEDGEMENT

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 : 30/05/2018

ANNEXURE –A TO THE DIRECTORS REPORT**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018**

[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 – NA



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 31/03/2017				No. of Shares held at the end of the year as on 31/03/2018				% 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	11520	11520	48.00	0
B) Bodies Corporate	0	21500	21500	89.58	0	12480	12480	52.00	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				Share holding at the end of the year		% 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	Meena Jain	1250	5.21%	0	1250	5.21%	0	0
2	Manish Jain	1250	5.21%	0	2880	12.00%	0	6.79%
3	ITL Industries Ltd	21500	89.58%	0	12480	52.00%	0	(37.57%)
4	Ravish Jain	0	0	0	2880	12.00%	0	12.00%
5	Prakhar Jain	0	0	0	2255	9.39%	0	9.39%
6	Shekhar Jain	0	0	0	2255	9.39%	0	9.39%
	Total	24000	100%	0	24000	100%	0	0

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

S. No	Particulars	Shareholding at the beginning of the year (01/04/2017)		Changes during the year 2017-18				Cumulative Shareholding at the end of the year (31/03/2018)	
		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	ITL Industries Ltd. (Holding Company)	21500	89.58%	--	0	9020	Transfer	12480	52.00%
2	Smt. Meena Jain	1250	5.21%	--	0	0	---	1250	5.21%
3	Shri Manish Jain	1250	5.21%	--	1630	0	Issued	2880	12.00%
4	Shri Ravish Jain	0	0	--	2880	0	Issued	2880	12.00%

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 (01/04/2017)		Changes during the year				Shareholding at the end of the year (31/03/2018)	
		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	-	1250	5.21%
2	Manish Jain	1250	5.21%	0	1630	0	Transferred	2880	12.00%
	Total	2500	10.42%	0	0	0	-	2500	17.21%

V. INDEBTEDNESS

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

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:

By Order of the Board

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

Meena Jain
DIN-00256341

Manish Jain
DIN-00444115

PLACE: INDORE
DATE: 30/05/2018



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 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.

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	Security Deposit towards rent
3	Duration of the contracts/arrangements/transaction	As per terms of agreement	As per terms of agreements
4	Salient terms of the contracts or arrangements or transaction including the value, if any	18082030/-	1800000/-
5	Date of approval by the Board	30/05/2017	30/05/2017
6	Amount paid as advances, if any	NIL	NIL

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: 30/05/2018



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
M.M. Metals Pvt Ltd**

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **MM Metals Pvt Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 (i) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

OPINION

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. **As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31st, 2018, taken on record by the Board of Directors, none of the director is disqualified as on March 31st, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With Respect to the adequacy of the internal 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:
 - a. The Company has disclosed the impact of pending litigations, if any, on its financial position in its Ind AS financial statements.
 - b. 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.
 - c. There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st, 2018.

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May, 2018



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 2018, and according to information and explanations given to us, we report as under:

- (i) (a) The company has maintained adequate records on computer showing general particulars, 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, Goods & 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, 2018 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, Goods & 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
DATE: 30th May, 2018



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 **MM METALS PVT LTD** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as 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 standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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



provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May, 2018



M.M. METALS PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH 2018

(Amount in ₹)

PARTICULARS	Note	As at March 31 2018	As at March 31 2017	As at April 1 2016
ASSETS				
A. Non-Current Assets				
(a) Property Plant and Equipment	1	4080000	4080000	4080000
(b) Capital Work in Progress	1	18297269	0	0
(c) Goodwill	1	8100000	8100000	8100000
(d) Other Non-Current Assets (Pre-Operative expenses)	2	793108	162627	139669
Total Non-Current Assets (A)		31279130	12342627	12319669
B. Current Assets				
(a) Financial Assets				
(i) Cash and Cash Equivalents	3	202484	23359	21967
(b) Other Current Assets	4	1026192	0	0
Total Current Assets (B)		1228676	23359	21967
TOTAL ASSETS (A+B)		32499053	12365986	12341636
EQUITY AND LIABILITIES				
A. Equity				
(a) Equity Share Capital	5	2400000	2400000	2400000
(b) Other Equity		0	0	0
Total Equity (A)		2400000	2400000	2400000
B. Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	6	28018354	9936324	9926324
Total Non-Current Liabilities (B)		28018354	9936324	9926324
C. Current Liabilities				
(a) Other Current Liabilities	7	2080699	29662	15312
Total Current Liabilities (C)		2080699	29662	15312
TOTAL EQUITY AND LIABILITIES (A+B+C)		32499053	12365986	12341636

Significant Accounting Policies and Additional Notes on
Accounts Forms an integral part of these financial
statements

8

Meena Jain
Director
DIN 00256341

Manish Jain
Director
DIN 00444115

As per our report of even date attached
Statutory Auditors
Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
Partner
ICAI MNO 420388

Place : Indore
Date : 30th May, 2018

**NOTE:1****PROPERTY PLANT & EQUIPMENT 2017-18**

	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
PARTICULARS	BALANCE AS AT 01.04.2017	Additions	Disposals	Balance as at 31.03.2018	Balance as at 01.04.2017	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRE- CIATION	AS AT 31.3.2018	AS AT 31.3.2017
TANGIBLE ASSETS										
Land										
Leasehold Industrial land and site development	3900000	0	0	3900000	0	0	0	0	3900000	3900000
Building										
Factory Building and shed	50000	0	0	50000	0	0	0	0	50000	50000
Plant and Machinery										
Plant, Machinery and electrical installation	130000	0	0	130000	0	0	0	0	130000	130000
Capital work in progress	0	18297269	0	18297269	0	0	0	0	18297269	0
TOTAL(A) ₹	4080000	18297269	0	22377269	0	0	0	0	22377269	4080000
INTANGIBLE ASSETS										
Goodwill	8100000	0	0	8100000	0	0	0	0	8100000	8100000
TOTAL(B) ₹	8100000	0	0	8100000	0	0	0	0	8100000	8100000
TOTAL(A+B) ₹	12180000	18297269	0	30477269	0	0	0	0	30477269	12180000

PROPERTY PLANT & EQUIPMENT 2016-17

	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
PARTICULARS	BALANCE AS AT 01.04.2016	Additions	Disposals	Balance as at 31.03.2017	Balance as at 01.04.2016	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRE- CIATION	AS AT 31.3.2017	AS AT 31.3.2016
TANGIBLE ASSETS										
Land										
Leasehold Industrial land and site development	3900000	0	0	3900000	0	0	0	0	3900000	3900000
Building										
Factory Building and shed	50000	0	0	50000	0	0	0	0	50000	50000
Plant and Machinery										
Plant, Machinery and electrical installation	130000	0	0	130000	0	0	0	0	130000	130000
TOTAL(A) ₹	4080000	0	0	4080000	0	0	0	0	4080000	4080000
INTANGIBLE ASSETS										
Goodwill	8100000	0	0	8100000	0	0	0	0	8100000	8100000
TOTAL(B) ₹	8100000	0	0	8100000	0	0	0	0	8100000	8100000
TOTAL(A+B) ₹	12180000	0	0	12180000	0	0	0	0	12180000	12180000

**NOTE - 2****OTHER NON CURRENT ASSETS**

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Pre-Operative Expenses			
Office Expenses	6576	1995	1995
Bank charges	423	393	393
Legal and professional expenses	651468	121814	106106
Audit fees	27736	27736	21986
Security Expenses	8189	8189	8189
ROC Challan Expenses	3500	2500	1000
Power charges	66405	0	0
Property Tax and Lease rent	28811	0	0
TOTAL ₹	801861	162627	139669

NOTE - 3**CASH AND CASH EQUIVALENTS**

Balances with Schedule Banks			
In Current Accounts	184484	5359	3967
Cash on Hand	18000	18000	18000
TOTAL ₹	202484	23359	21967

NOTE - 4**OTHER CURRENT ASSETS**

Security Deposits (MPEB)	10000	0	0
Advance against Capital Goods	1016192	0	0
TOTAL ₹	1026192	0	0

NOTE - 5**EQUITY SHARE CAPITAL**

PARTICULARS	2017-18		2016-17		2015-16	
	Number	₹	Number	₹	Number	₹
AUTHORISED						
Equity Shares of ₹100/- each carrying voting rights	25000	2500000	25000	2500000	25000	2500000
Total ₹	25000	2500000	25000	2500000	25000	2500000
ISSUED, SUBSCRIBED & PAID UP						
Equity Shares of ₹100/- each carrying voting rights fully paid up	24000	2400000	24000	2400000	24000	2400000
Total ₹	24000	2400000	24000	2400000	24000	2400000

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	2017-18		2016-17		2015-16	
	Number	₹	Number	₹	Number	₹
Outstanding at the beginning of the year	24000	2400000	24000	2400000	24000	2400000
Issued during the year	0	0	0	0	0	0
Bought back during the year	0	0	0	0	0	0
Outstanding at the end of the year	24000	2400000	24000	2400000	24000	2400000



b) Terms / Rights attached to Equity Shares

(i) The company has only one class of Equity shares, each Equity share is entitled for one vote.

(ii) Out of the above, 12480 Equity shares of `100 each are held by ITL Industries Limited, being holding company.

c) Details of shareholders holding more than 5% shares of the company

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at April 1, 2016	
Name of Shareholders	Number	% of Holding	Number	% of Holding	Number	% of Holding
ITL Industries Limited (Holding company)	12480	52	21500	89.58	21500	89.58
Smt. Meena Jain	1250	5.21	1250	5.21	1250	5.21
Shri Manish Jain	2880	12	1250	5.21	1250	5.21
Shri Ravish Jain	2880	12	0	0.00	0	0.00
Shri Prakhar Jain	2255	9.39	0	0.00	0	0.00
Shri Shekhar Jain	2255	9.39	0	0.00	0	0.00
TOTAL `	24000	100.00	24000	100.00	24000	100.00

NOTE: 6**BORROWINGS (NON-CURRENT LIABILITIES)**

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Inter Corporate Loan			
Loan from ITL Industries Limited (Holding Company)	28018354	9936324	9926324
TOTAL ₹	28018354	9936324	9926324

NOTE : 7**OTHER CURRENT LIABILITIES**

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Outstanding Liabilities for statutory dues	85853	0	0
Outstanding Liabilities for Expenses (Power expenses)	13999	0	0
Legal & Professional Fees Payable	0	18162	9562
Audit Fees Payable	0	11500	5750
Creditors for capital goods	180847	0	0
Security Deposit (for rent)	1800000	0	0
TOTAL ₹	2080699	29662	15312

**M.M. METALS PRIVATE LIMITED****NOTE: 8****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 Indian 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) Note 1 to 8 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 Ind AS-24, related party disclosures are given as under :-

Name of Party	Relationship	Nature of Transaction	Amount (₹)
ITL Industries Ltd.	Holding Company	Loan Taken	18082030
ITL Industries Ltd.	Holding Company	Security Deposit for Rent (Received)	1800000

(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.

Meena Jain
Director
DIN 00256341

Manish Jain
Director
DIN 00444115

As per our report of even date attached
Statutory Auditors
Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
Partner
ICAI MNO 420388

Place : Indore
Date : 30th May, 2018



M.M. METALS PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31st MARCH, 2018

(Amount in ₹)

PARTICULARS	2017-18		2016-17	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinary 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 working Capital:				
Increase in Current Liabilities	2051037		14350	
Increase in Other Current Assets	(1026192)	1024845	0	14350
Preoperative Expenses		(630481)		(22958)
Cash generated from Operations before Extraordinary Items		394364		(8608)
Adjustment for :				
Excess Provision of Income Tax written off		0		0
Net Cash in flow from operating activities (A)		394364		(8608)
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed assets		(18297269)		0
Sale of Fixed Assets		0		0
Net Cash flow from Investing activities (B)		(18297269)		0
C) CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Share Capital		0		0
Loan taken from Holding Company		18082030		10000
Repayment of loan		0		0
Net Cash flow from Financing activities (C)		18082030		10000
Net increase / decrease in cash & cash equivalents (A+B+C)		179125		1392
Opening Balance - Cash & cash equivalents		23359		21967
Closing Balance - Cash & cash equivalents		202484		23359

Meena Jain
Director
DIN 00256341

Manish Jain
Director
DIN 00444115

As per our report of even date attached
Statutory Auditors
Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
Partner
ICAI MNO 420388

Place : Indore
Date : 30th May, 2018



**M.M.METALS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 2017-18**

(Amount in ₹)

**A. EQUITY SHARE CAPITAL
2017-18**

Balance as at March 31,2017	Changes in equity share capital during the year	Balance as at March 31,2018
2400000	0	2400000

2016-17

Balance as at March 31,2016	Changes in equity share capital during the year	Balance as at March 31,2017
2400000	0	2400000

**B. OTHER EQUITY
2017-18**

Particulars	Reserve and Surplus				Total
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	
Balance as at March 31,2017					
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	-	-	-	-	-
Profit/(Loss) for the Year	-	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	-	-
Transactions with owners in capacity as owners					
Dividends	-	-	-	-	-
Bonus Shares	-	-	-	-	-
Movement during the year	-	-	-	-	-
Balance as at March 31,2018	-	-	-	-	-

2016-17

Particulars	Reserve and Surplus				Total
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	
Balance as at March 31,2016	-	-	-	-	-
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	-	-	-	-	-
Profit/(Loss) for the Year	-	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	-	-
Transactions with owners in capacity as owners	-	-	-	-	-
Dividends	-	-	-	-	-
Bonus Shares	-	-	-	-	-
Movement during the year	-	-	-	-	-
Balance as at March 31,2017	-	-	-	-	-



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ITL INDUSTRIES LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of ITL Industries Limited (hereinafter referred to as “the Holding Company”), its subsidiary company and associate company collectively referred to as “the Group” comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary company, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of report and the other financial information of



subsidiary company and associate company we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and Subsidiary and its associate company who are appointed under Section 139 of the Act, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company and associate company incorporated in India, refer to our separate report in Annexure - A to this report;
- (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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. (refer note to the additional notes to accounts no. 25 (B)(2)(A) to the consolidated financial statements)
 - b. Subject to the additional notes on accounts, the Group has made adequate provision as at March 31st 2018, as required under the applicable law or Indian accounting standards, for material foreseeable losses acknowledged by the company, if any, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

Statutory Auditors

FOR: MAHENDRA BADJATYA & CO

CHARTERED ACCOUNTANTS

ICAI FRN 001457C

CA NIRDESH BADJATYA

PARTNER

ICAI MNO 420388

PLACE: INDORE

DATE: 30, May 2018



Annexure - “A” to the Independent Auditor’s Report

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

In conjunction with our audit of the consolidated financial statements of ITL Industries Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of ITL Industries Limited (hereinafter referred to as the “Holding Company”) and its subsidiary and its associate company which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the respective 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 with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A company’s internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 with Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

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

Statutory Auditors

FOR: MAHENDRA BADJATYA & CO**CHARTERED ACCOUNTANTS****ICAI FRN 001457C****CA NIRDESH BADJATYA****PARTNER****ICAI MNO 420388**

PLACE: INDORE

DATE: 30, May 2018



ITL INDUSTRIES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2018

(Amount in ₹)

PARTICULARS	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
A. Non-Current Assets				
Property Plant and Equipment	1	89598670	88723692	92853029
Capital Work in Progress		46608920	0	0
Other Intangible Assets	1	15928186	14768821	13261860
Financial Assets:				
Investments	2	9538053	17477481	17267471
Other Non-Current Assets	3	3473693	8762436	6736495
Total Non-Current Assets (A)		165147522	129732430	130118855
B. Current Assets				
Inventories	4	245648377	253322613	250126109
Financial Assets:				
Trade Receivables	5	212549665	214214260	191108672
Cash and Cash Equivalents	6	16499173	11276067	8892161
Short Term Loan and Advances	7	32710569	18650359	19473894
Short Term Investments	8	459145	2276787	3523927
Other Current Assets	9	34692866	17223241	10889974
Total Current Assets (B)		542559795	516963326	484014737
TOTAL ASSETS (A+B)		707707317	646695756	614133592
EQUITY AND LIABILITIES				
A. Equity				
Equity Share Capital	10	32043000	32543993	32543993
Other Equity	11	297374798	254984652	219097528
Total Equity (A)		329417798	287528645	251641521
Minority Interest		1152000	250000	250000
Total Equity		330569798	287778645	251891521
Liabilities				
B. Non-Current Liabilities				
Financial Liabilities				
Long Term Borrowings	12	20979517	13245578	25311428
Deferred Tax Liabilities(Net)		13359202	15401578	14031578
Total Non-Current Liabilities (B)		34338719	28647156	39343006
Current Liabilities				
Financial Liabilities				
Short Term Borrowings	13	91290491	100281482	136167635
Trade Payables	14	172768085	128932517	124713640
Other Financial liabilities	15	11286903	10758499	11725510
Other Current Liabilities	16	62163599	85517862	49347470
Current Tax Liability	17	5289722	4779596	944810
Total Current Liabilities (C)		342798800	330269955	322899065
TOTAL EQUITY AND LIABILITIES (A+B+C)		707707317	646695756	614133592

Significant Accounting Policies and Additional Notes on
Accounts Forms an integral part of these Consolidated
Financial Statements

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

As Per our report of even date attached
STATUTORY AUDITORS

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

For **MAHENDRA BADJATYA & CO**
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



ITL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31st, 2018

(Amount in ₹)

Particulars	Note	For the year Ended March 31, 2018	For the year Ended March 31, 2017
<u>Income</u>			
Revenue from operations	18	831091254	697883535
Other Income	19	7201439	6328174
Total Income		838292693	704211709
<u>Expenses</u>			
Cost of Material Consumed	20	524060967	477420834
Changes in Inventories of Stock in Trade	21	25475044	(16779201)
Employee Benefit Expenses	22	96416253	71693589
Finance Cost	23	13062957	22752154
Depreciation and Amortisation	1	11415647	8755575
Other Expenses	24	103535988	86147345
Total Expenses		773966857	655990296
Profit before Exceptional Items & Tax		64325836	48221413
Tax Expenses :			
(i) Current Tax		14000000	10000000
(ii) Tax Expenses of Previous Years		1067156	(549741)
(iii) Deferred Tax Liability Written back		(2042376)	1370000
Profit for the Period for Continued Operations		51301056	37401154
Other comprehensive Income		0	0
Total Comprehensive Income for the period		51301056	37401154
Share in Profit of Associates		73384	689962
Consolidated Profit for the year		51374440	38091116
Earnings per equity share :			
(i) Basic (₹)		16.01	11.49
(ii) Diluted (₹)		16.01	11.49

Significant Accounting Policies & Additional Notes
on Accounts forming an Integral part of these
Consolidated Financial Statements

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Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

As Per our report of even date attached
STATUTORY AUDITORS

For **MAHENDRA BADJATYA & CO**
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



ITL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR 2017-18

(Amount in ₹)

Particulars	2017-18	2016-17
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit and Loss Account	64325836	48221413
Adjustment to reconcile net profit to cash provided by operating activities:		
Depreciation	11415647	8755575
Finance Cost	13062957	22752154
Changes in assets and liabilities		
Inventories	7674236	(3196504)
Trade receivables and unbilled revenues	1664594	(23105587)
Other Current Assets	(43173586)	(7836076)
Other Financial Assets	(87545)	(103800)
Current Liabilities & Provisions	19255169	43674205
Cash Generated from operations	74137309	89161381
Interest Paid	(13062957)	(22752154)
Direct Tax Paid (Net)	(15067156)	(9450259)
Cash Flow before extra ordinary adjustments	46007196	56958968
Extra Ordinary Items :		
Loss / Profit on Sale of Investment	(4471290)	(134720)
Loss / Profit on Sale of Fixed Assets	36133	(70711)
Equity Shares Forfeited	(500993)	0
Pre operative Expenses	(639234)	(22958)
Net Cash Generated by Operating Activities (A)	40431812	56730579
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(60095041)	(6062488)
Investment made during the year	8147761	1536560
Net Cash Used in Investing Activities (B)	(51947280)	(4525928)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long Term Borrowings (Net)	7733940	(12065851)
Proceeds from Short Term Borrowings	(8990991)	(35886153)
Dividend / Corporate Dividend Tax paid	(1928311)	(1878741)
Loan Taken from Holding Company	19923935	10000
Net Cash Used in Financing Activities (C)	16738573	(49820745)
Net increase in cash and cash equivalents (A+B+C)	5223105	2383906
Opening Balance of Cash and cash equivalents	11276067	8892162
Closing Balance of Cash and cash equivalents	16499173	11276067

* The above Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard - 7 on Statement of Cash Flows.

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

As Per our report of even date attached
STATUTORY AUDITORS

Ashok Ajmera
Cheif Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

For MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018



Form AOC-1

(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

S.No.	Name of the Subsidiary	MM Metal Pvt. Ltd.
1	Reporting period for the subsidiary	2017-18
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
3	Share capital	2400000
4	Reserves & surplus	NIL
5	Total assets	32499053
6	Total Liabilities	32499053
7	Investments	12480
	Turnover	NIL
	Profit before taxation	NIL
	Provision for taxation	NIL
	Profit after taxation	NIL
	Proposed Dividend	NIL
	% of shareholding	52%

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

- Names of subsidiaries which are yet to commence operations. – M.M. Metals Pvt. Ltd.
- Names 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

S.No.	Name of the Associates	Luhadiya Sons Shahpura Pvt. Ltd.
1	Latest audited Balance Sheet Date	31/03/2018
2	Shares of Associate held by the company on the year end (a) Number (b) Amount of Investment in Associates (c) Extend of Holding (in %)	294690 5304420 30.79%
3	Description of how there is significant influence	Holding in Associate Company is 30.79 %
4	Reason why the associate/joint venture is not consolidated	Consolidation made
5	Networth attributable to Share holding as per latest audited Balance Sheet	₹ 2968339
6	Profit / Loss for the year (a) Considered in Consolidation	₹ 238313

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

Registered Office:

111, Sector-B, Sanwer Road, Industrial Area
CIN – L28939MP1989PLC005037
Indore – 452015 (M.P)

By Order of the Board

Rajendra Singh Jain
(DIN: 00256515)
Managing Director

Mahendra Singh Jain
(DIN: 00256047)
Joint Managing Director

PLACE: INDORE
DATE: 30.05.2018



ITL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 2017-18

(Amount in ₹)

A. EQUITY SHARE CAPITAL

2017-18

Balance as at March 31,2017	Changes in equity share capital during the year	Balance as at March 31,2018
32543993	-500993	32043000

2016-17

Balance as at March 31,2016	Changes in equity share capital during the year	Balance as at March 31,2017
32543993	0	32543993

B. OTHER EQUITY

2017-18

Particulars	Reserve and Surplus			Retained Earnings	Total
	General Reserve	Capital Reserve	Security Premium		
Balance as at March 31,2017	240000000	2128500	1958900	10897252	254984652
Changes in accounting policy/prior period errors	-	-	-	(6193467)	(6193467)
Restated balances at the beginning of the reporting period	240000000	0	1958900	4703785	246662685
Profit/(Loss) for the Year	50000000	0	0	51374440	101374440
Share in Revenue Profit of associate company	-	-	-	346244	346244
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	56424469	56424469
Transactions with owners in capacity as owners					
Proposed Dividends	-	-	-	(1602150)	(1602150)
Bonus Shares	-	-	-	-	-
Dividend Distribution Tax	-	-	-	(326161)	(326161)
Movement during the year	-	(892980)	(315780)	(50000000)	(50000000)
Balance as at March 31,2018	290000000	1235520	1643120	4496158	297374798

2016-17

Particulars	Reserve and Surplus			Retained Earnings	Total
	General Reserve	Capital Reserve	Security Premium		
Balance as at March 31,2016	200000000	2128500	1973791	9181373	213283664
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	200000000	2128500	1973791	9181373	209181373
Profit/(Loss) for the Year	40000000	0	0	38091117	78091117
Share in Revenue Profit of associate company	-	-	-	5503503	5503503
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	52775993	52775993
Transactions with owners in capacity as owners					
Dividends	-	-	-	(1601600)	(1601600)
Dividend Distribution Tax	-	-	-	(277141)	(277141)
Bonus Shares	-	-	-	-	-
Movement during the year	-	-	(14891)	(40000000)	(40000000)
Balance as at March 31,2017	240000000	2128500	1958900	10897252	254984652

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

As Per our report of even date attached
STATUTORY AUDITORS

Ashok Ajmera
Cheif Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

For **MAHENDRA BADJATYA & CO**
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018

**NOTE:1****PROPERTY PLANT & EQUIPMENT 2017-18**

PARTICULARS	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
	BALANCE AS AT 01.04.2017	Additions	Deduction	Balance as at 31.03.2018	Balance as at 01.04.2017	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRE- CIATION	AS AT 31.3.2018	AS AT 31.3.2017
(A) TANGIBLE ASSETS										
Land (Leasehold)	7407627	0	0	7407627	0	0	0	0	7407627	7407627
Site Development	150004	0	0	150004	54802	4875	0	59677	90327	95202
Factory Building	50513409	0	0	50513409	13253713	1400723	0	14654436	35858973	37259696
Plant & Machinery	45563835	1037582	0	46601417	23578208	3427626	0	27005834	19595583	21985627
Other Equipment	14271122	2969838	296456	16944504	10088245	728667	296456	10520456	6424048	4182877
Electric Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	8680605	849725	612010	8918320	5474584	639049	612010	5501623	3416697	3206021
Furniture & Fixtures	19111209	298898	824608	18585499	10650090	1566639	824608	11392121	7193378	8461119
Computer	11014822	1844073	4633929	8224966	9302267	859275	4633929	5527613	2697353	1712555
Motor Car	12085581	3784601	1183825	14686357	7707146	1112764	1013692	7806218	6880139	4378435
Cycle and Handcart	70983	4500	0	75483	48129	4489	0	52618	22865	22854
Total	169336391	10789217	7550828	172574780	80612698	9744107	7380695	82976110	89598670	88723692
(B) INTANGIBLE ASSETS										
Goodwill	8100000	0	0	8100000	0	0	0	0	8100000	8100000
Software	21323631	2830904	901130	23253405	14654809	1671540	901130	15425219	7828186	6668821
Technical Know-How	3141619	0	3141619	0	3141619	0	3141619	0	0	0
Total	32565250	2830904	4042749	31353405	17796428	1671540	4042749	15425219	15928186	14768821
TOTAL (A+B)	201901641	13620121	11593577	203928185	98409126	11415647	11423444	98401329	105526856	103492513

PROPERTY PLANT & EQUIPMENT 2016-17

PARTICULARS	GROSS BLOCKS				DEPRECIATION				NET BLOCK	
	BALANCE AS AT 01.04.2016	Additions	Deduction	Balance as at 31.03.2017	Balance as at 01.04.2016	FOR THE YEAR	DEDUCTION & ADJUSTMENT	TOTAL DEPRE- CIATION	AS AT 31.3.2017	AS AT 31.3.2016
(A) TANGIBLE ASSETS										
Land (Leasehold)	7407627	0	0	7407627	0	0	0	0	7407627	7407627
Site Development	150004	0	0	150004	49927	4875	0	54802	95202	100077
Factory Building	50513409	0	0	50513409	11852990	1400723	0	13253713	37259696	38660419
Plant & Machinery	45116417	447418	0	45563835	21732032	1846176	0	23578208	21985627	23384385
Other Equipment	14246070	35747	10695	14271122	9379811	719129	10695	10088245	4182877	4866259
Electric Equipment	467194	0	0	467194	455514	0	0	455514	11680	11680
Office Equipment	9616440	254659	1190495	8680605	5955737	680316	1161469	5474584	3206021	3660703
Furniture & Fixtures	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	7707145	4378436	4359477
Cycle and Handcart	70983	0	0	70983	44013	4116	0	48129	22854	26970
Total	168763530	3356837	2783977	169336391	75910500	7443455	2741258	80612697	88723693	92853031
(B) INTANGIBLE ASSETS										
Software	18520313	2819081	15763	21323631	13503003	1167570	15763	14654810	6668821	5017310
Technical Know-How	3141619	0	0	3141619	2997069	144550	0	3141619	0	144550
Goodwill	8100000	0	0	8100000	0	0	0	0	8100000	8100000
Total	21661932	2819081	15763	24465250	16500072	1312120	15763	17796429	14768821	13261860
TOTAL (A+B)	190425462	6175918	2799740	193801641	92410572	8755575	2757021	98409126	103492514	106114891

**NOTE - 2****INVESTMENTS**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
In a Associates Company			
M/s Luhadiya Sons Pvt. Ltd.			
Share in Net Assets	2968339	2968339	2968339
Add: Goodwill/(Capital Reserve) on consolidation	2336081	2336081	2336081
Equity Investment in Associate at Cost	5304420	5304420	5304420
Add: Share in Profit/Reserves of Associates	2062748	1989364	1920825
TOTAL (A)	7367168	7293784	7225245
In Related Parties			
M/s Indore Tools Pvt. Ltd.			
Share in Net Assets	2329993	4160493	4336326
Add: Goodwill/(Capital Reserve) on consolidation	(559108)	(559108)	(574441)
Equity Investment in Associate at Cost	1770885	3601385	3761885
Add: Share in Profit/Reserves of Associates	0	6163001	5866830
TOTAL (B)	1770885	9764386	9628715
M/s Dimart Engineering Pvt. Ltd.			
(40000 Equity shares of ₹ 10 each)	400000	400000	400000
Other Company			
	0	19311	13511
Total	9538053	17477481	17267471
Aggregate amount of Unquoted Investments	9538053	17477481	17267471

NOTE - 3**OTHER NON CURRENT ASSETS**

Unsecured, Considered good			
Security Deposits	2680585	8599809	6596826
Pre Operative Expenses	793108	162627	139669
Total	3473693	8762436	6736495

NOTE - 4**INVENTORIES**

(As taken, valued and certified by management)			
i) Raw materials and Bought out components	103095649	85085319	102540411
ii) Stock of Trading Goods	81287162	93015157	58079767
iii) Finished good	10322517	3011732	37392
iv) Work-in-progress ** (Includes Semi Finished Goods)	50826793	71884628	88806359
v) Stores, Spares Parts & Standard Items	116256	325777	662180
Total	245648377	253322613	250126109

**NOTE - 5****TRADE RECEIVABLES**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
(Unsecured, Considered good unless otherwise stated)			
<u>Overdue for more than six months</u>			
Considered Good	78437234	85032747	97380390
Total (a)	78437234	85032747	97380390
<u>Others</u>			
Considered Good	134112432	129181513	93728282
Total (b)	134112432	129181513	93728282
Total (a+b)	212549665	214214260	191108672

NOTE - 6**CASH AND CASH EQUIVALENTS**

<u>Balances with Schedule Banks</u>			
(i) In Current Accounts	2868657	388499	1399976
(ii) Unclaimed dividend	1161770	1278394	1354409
Cash on Hand	376190	422905	499726
Deposit with Banks			
Fixed Deposit Account	13807853	12969550	16094555
Accrued interest on fixed deposits	374478	265081	334400
Less: OD Limit (against pledge of FDR)	(2089775)	(4048362)	(10790905)
Total	16499173	11276067	8892161

NOTE - 7**SHORT TERM LOAN AND ADVANCES****(Unsecured, Considered good unless otherwise stated)**

Loans and advances to related parties	17891357	18131357	18141357
Loans and advances to employees	3874839	519002	1332537
Other Advances	1016192	0	0
Inter Corporate Deposits	9928181	0	0
Total	32710569	18650359	19473894

**NOTE - 8****SHORT TERM INVESTMENT**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
A. Quoted but not listed-current Investments :-			
Various Mutual Funds	99900	2049900	2049900
TOTAL (A)	99900	2049900	2049900
B. Quoted and Listed (Equity shares) :-			
Shares of Various Companies	359245	226887	1474027
TOTAL (B)	359245	226887	1474027
TOTAL (A+B)	459145	2276787	3523927

NOTE - 9**OTHER CURRENT ASSETS**

Prepaid expenses	397987	367589	556038
Balance with government authorities	9428249	4330939	4719627
Other Deposits	7439960	1130799	1036075
Others			
Unsecured considered good	17426670	11393914	4578234
Total	34692866	17223241	10889974

NOTE - 10**EQUITY SHARE CAPITAL**

(Amount in ₹)

PARTICULARS	2017-18		2016-17	
	Number	Amount	Number	Amount
<u>AUTHORISED</u>				
Equity Shares of ₹ 10/- each	4000000	40000000	4000000	40000000
Total	4000000	40000000	4000000	40000000
<u>ISSUED, SUBSCRIBED & PAID UP</u>				
Equity Shares of ₹ 10/- each	3204300	32043000	3297300	32973000
Less: Amount Due on a/c of Allotment money	0	0	0	429007
Total	3204300	32043000	3297300	32543993
a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.				
PARTICULARS	2017-18		2016-17	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	3297300	32973000	3297300	32973000
Issued during the year	0	0	0	0
Bought back / Forfeited during the year	(93000)	(930000)	0	(429007)
Outstanding at the end of the year	3204300	32043000	3297300	32543993

**b) Terms / Rights attached to equity shares.**

- i) The company has only one class of equity share of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.
- ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares of the company

(Amount in ₹)

Name of Shareholders	2017-18		2016-17	
	Number	% of Holding	Number	% of Holding
1. Shri Rajendra Singh Jain	363400	11.34%	363400	11.02%
2. Shri Mahendra Singh Jain	242713	7.57%	242713	7.36%
Total	606113	18.91%	606113	18.38%

NOTE - 11**OTHER EQUITY**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
General Reserve			
Balance as per last year	240000000	200000000	180765000
Add: Transfer from P & L A/c	50000000	40000000	19235000
Closing Balance	290000000	240000000	200000000
Capital Reserve			
Difference in Face Value and Investments value by Holding Company	1235520	2128500	2128500
Security Premium Account			
Share in Security Premium (Associates)	1643120	1958900	1973791
Profit & Loss Account			
Opening Balance	4703785	9181373	9311229
Add: Surplus/ (Deficit) in statement of Profit & Loss	51374440	38091116	22000110
Less: Transfer to General Reserve	50000000	40000000	19235000
Less: Proposed Dividend	1602150	1601600	1601600
Less: Dividend Distribution Tax	326161	277141	326054
Add: Share in Reserves of Associates	346244	5503503	4846552
Closing Balance	4496158	10897252	14995237
Total	297374798	254984652	219097528

NOTE - 12**LONG TERM BORROWINGS**

i) From Madhya Pradesh Financial Corporation, Indore (Secured by first legal mortgage 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)	5590892	13245578	24701944
ii) From State Bank of India (Secured by first legal mortgage in respect of Company's fixed assets acquired out of this loan and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans last instalment due in March 2025)	13511812	0	609484
iii) From Others (Against hypothecation of Vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)	1876813	0	0
Total	20979517	13245578	25311428

**NOTE - 13****SHORT TERM BORROWINGS**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Loans Repayable on Demand			
Secured			
i) From State Bank of India	86329617	45201213	75853578
ii) From Bank of Baroda	0	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	3920216	3352505	1983215
(Simens Ltd. channel financing loan from Axis Bank)			
Inter Corporate deposits	0	0	5066921
Loans and advances from related parties			
From Director	1040658	2980995	3698092
Total	91290491	100281482	136167635

NOTE - 14**TRADE PAYABLES**

Micro, Small and Medium Enterprises	0	0	0
Others	172768085	128932517	124713640
Total	172768085	128932517	124713640

NOTE - 15**OTHER FINANCIAL LIABILITIES**

Current maturities of long-term debt			
Term Loan			
Madhya Pradesh Financial Corporation, Indore	6883812	10533780	10475000
State Bank of India, Indore	4000000	0	303517
From Others	403091	224719	224719
Interest Payable to MPFC	0	0	722274
Total	11286903	10758499	11725510

NOTE - 16**OTHER CURRENT LIABILITIES**

(i) Statutory remittances	8472525	8459077	6672780
(ii) Contractually reimbursable expenses	20750368	15428753	14554511
(iii) Customers credit Balances	30176786	58750038	25164170
(iv) Proposed dividend	1602150	1601600	1601600
(v) Unclaimed dividend	1161770	1278394	1354409
Total	62163599	85517862	49347470

**NOTE - 17****CURRENT TAX LIABILITIES**

(Amount in ₹)

PARTICULARS	As at March 31 2018	As at March 31 2017	As at April 1 2016
Provision for Income Tax	14000000	10000000	5800000
Less : Advance payment of Income Tax	8710278	5220404	4855190
Total	5289722	4779596	944810

NOTE - 18**REVENUE FROM OPERATIONS**

(Amount in ₹)

PARTICULARS	For the year ended March 31 2018	For the year ended March 31 2017
Sales (Net of Sales Tax)	828053806	743511206
Job Work & Commissioning Charges	3037448	10078731
Total	831091254	753589937
Less: Excise Duty Amount	0	55706402
Total	831091254	697883535

NOTE - 19**OTHER INCOME**

Dividend Received	(2719)	1830067
Refund of Sales Tax	1239490	1331914
Profit on Sales of Fixed Assets	0	70711
Profit on Sales of Investments	4471290	288900
Excess Provision of Sales Tax Written Off	0	39912
Excess Provision of Bonus Written Off	16732	35218
Shares Forfeited	500993	0
Miscellaneous Income	2925654	2731452
Total	9151439	6328174
Less: Dividend Income Reversed	1950000	0
Total	7201439	6328174

NOTE - 20**COST OF MATERIAL CONSUMED**

Opening Stock	85085319	191346770
Add : Purchases	549319099	464174540
	634404418	655521310
Less : Cenvat Credit as per Transitional Provision	7247801	0
Less: Closing Stock	103095649	178100476
Total	524060967	477420834

**NOTE - 21****CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(Amount in ₹)

PARTICULARS	For the year ended March 31 2018	For the year ended March 31 2017
(Increase) / Decrease in Stock in Trade		
Opening Stock	167911517	58117159
Less : Closing Stock	142436473	74896360
Total	25475044	(16779201)

NOTE - 22**EMPLOYEE BENEFIT EXPENSES**

Salary, Wages & Allowances (Including Bonus)	82352654	66920077
Welfare Expenses	983794	840405
Security Expenses	849438	712685
Contribution to E.S.I.C.	747929	388086
Contribution to P.F.	1555355	1267816
Directors' Remuneration	8687900	6628520
Bonus and Exgratia to Directors'	619192	468000
Contribution to PPF	619192	468000
Total	96416254	77693589

NOTE - 23**FINANCE COSTS**

<u>Interest Expenses</u>		
On Term Loan	2038622	4104838
On Other Loan	9727131	15003316
Interest to Other	305149	1045593
Total (A)	12070902	20153747
<u>Other Borrowing Cost</u>		
Other Financial Charges	1890184	3542538
Total (B)	1890184	3542538
Total (A+B)	13961086	23696285
Less : Interest Received	898129	944131
Total (C)	898129	944131
Net Total (A+B-C)	13062957	22752154



NOTE - 24

OTHER EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended March 31 2018	For the year ended March 31 2017
A) <u>Manufacturing Expenses</u>		
Opening Stock	325777	662180
Add: Purchases	1874140	963640
	2199917	1625820
Less : Closing Stock	116256	325777
Consumed during the year	2083661	1300043
Component Processing Charges	31523666	25061364
Power Expenses	3164874	2514416
<u>Repair & Maintenance to</u>		
Plant & Machinery	135762	1083065
Building	1140547	1298524
Entry Tax	680482	1985706
Excise Duty Reversal	33558	218211
Freight & Cartage inward	4780861	4275534
Material Shifting & Handling Charges	2937503	3538372
Other Expenses	1474829	1639905
Total (A)	47955744	42915140
B) <u>Administrative & General Expenses</u>		
Rent, Rates & Taxes	3488026	3226414
Charity & Donation	322252	1130000
Computer Charges	317773	246708
Stationery & Printing	650460	295762
Telephones & Internet	1552425	1835891
Postage & Courier	272220	271232
Travelling & Conveyance	17691524	15943277
Legal & Professional Charges	6628223	4297169
Auditor's Remuneration {Note 25(B)(5)}	160000	65000
Insurance	466072	353497
Loss on Sale of Assets	36133	0
Loss on Sale of Investment	0	154180
Other Expenses	4338315	2470860
Total (B)	35923423	30289990
C) <u>Selling & Distribution Expenses</u>		
Sales Promotion & Entertainment	1354058	1005726
Freight & Cartage outward	5708029	3500304
Sales Commission	3440835	1853640
Advertisement & Exhibition	1192655	3114125
Bad Debts	24479583	2404670
Late Delivery Charges	159125	201642
After Sales & Service	335438	627283
Other Expenses	244398	234825
Total (C)	36914120	12942215
Total (A+B+C)	120793287	86147345
Less : Insurance Charges Recovered	4860000	0
Less : Late Delivery charges Recovered	12397299	0
Total (A+B+C)	103535988	86147345

25. SIGNIFICANT ACCOUNTING POLICIES & ADDITIONAL NOTES TO ACCOUNTS FORMING AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

(A) SIGNIFICANT ACCOUNTING POLICIES

1) Basis for preparation of Financial Statements

The accounts have been prepared in accordance with IND AS to the extent applicable to the Company, and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable. Upto financial year ended on 31st March 2017, the company has prepared the accounts according to the Previous GAAP. The financial statements for the year ended 31st March 2018 are the first to have been prepared in accordance with IND AS. Opening balance sheet as on 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 31st March 2017, and for any variation in the amounts represented in the comparative balance sheet vis-a-vis earlier presentation, reconciliation is given as part of notes. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except as stated elsewhere in these financial statements and except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

2. Basis of Consolidation

The Consolidated Financial Statements comprises the financial statements of ITL Industries Ltd. (The Company) and its subsidiary M.M. Metal Pvt. Ltd and its Associates Luhadiya Sons Shahpura Private Limited

Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- a) The financial statements of the company and its subsidiary have been consolidated on a line by line basis and equity basis as the case may be by adding together the book values of like items of assets, liabilities, incomes and expenses in accordance with the requirements of Ind AS 110 "Consolidated Financial Statements". The intra group balances and intra group transactions have been fully eliminated.
- b) Minority Interest in the net assets of subsidiary company the aggregate of the amount of equity attributable to Minority shareholders as on the dates on which investments are made by the company in the subsidiary company and minority share in the equity subsequent to acquisition.
- c) Investment in Associate Company has been accounted for under the Equity Method as per Ind AS 28 "Accounting for investment in Associates in Consolidated Financial Statement" 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 Company.
- d) The Consolidated Financial Statements is comprised of the Audited Financial Statements of the Company and its subsidiary for the year ended 31st March 2018, which are as under:



Name of the Company	Country of Incorporation	Direct Holding %	
		As at 31st March 2018	As at 31st March 2017
M.M. Metal Pvt. Ltd.	India	52%	89.58%
Luhadiya Sons Shahpura Pvt. Ltd.	India	30.79%	30.79%

3. Revenue

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns and trade discounts allowed by the Company.

Revenue includes only the gross inflows of economic benefits by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax, value added tax and goods and service tax are excluded from revenue.

Sale of products:

Revenue from sale of products is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

4. Current/Non-Current Classification

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

5. Use of Estimates and Judgments

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialized.

6. Property, Plant and Equipment

Measurement and recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost.

Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Transition to Ind AS

On transition to Ind AS the company has elected to continue with the carrying value of all its property, plant



and equipments recognized as at 01.04.2016 measured as previous GAAP and used that carrying value as the deemed cost of all its property, plant and equipments.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as per the provisions of Schedule II of the Companies Act 2013.

7. Impairment

Impairment loss if any is provided to the extent the carrying amount of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

8. Inventory

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. The cost in respect of the various items of inventory is arrived at as under:

- Raw material - cost includes direct expenses and is determined on the basis of weighted average method.
- Packing material - cost includes direct expenses and is determined on the basis of weighted average method.
- Work in progress - includes cost of conversion and other costs incurred to bring the inventories in their present condition.
- Finished goods - cost includes raw material cost, other overheads incurred to bring the goods to their present location and condition.

Cost of goods also includes taxes, wherever applicable.

9. Fair Value

The Company measures financial instruments at Fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which Fair value is measured or disclosed in the financial statements are categorized within the Fair value hierarchy that categorizes into three levels, described as Follows, the inputs to valuation techniques used to measure value. The Fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the



Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

10. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the reporting period as per the applicable provisions of the Income Tax Act 1961.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

11. Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

12. Employee Benefits

i) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

ii) Long Term Employee Benefits

- Provident Fund & Employees State Insurance Scheme:

As per the Employees' Provident Fund and Miscellaneous Provision Act, 1952 all eligible employees of the company are entitled to receive benefits under the provident fund and family pension fund which is a defined contribution plan. These contributions are made to the fund administrated and managed by the Government of India. Similarly all eligible employees of the company are covered under Employees' State Insurance Act, 1948, which are also defined contribution schemes recognized and administrated by the Government of India.

The Company's contribution to these schemes is recognized as expenses in the statement of profit of loss during the period in which the employee renders the related service. The company has no further obligation under these plans beyond its monthly contribution.

- Gratuity:

The Company has provided for Gratuity in accordance with the Ind AS – 19 "Employee Benefits", the company has obtained group Gratuity Insurance Policy from LIC of India and contribution are made to LIC's recognized group gratuity fund scheme based on amount demanded by LIC of India to cover its gratuity liability and making annual payments of the liability as calculated by them.

**13. Borrowing Cost**

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

14. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

15. Research and Development Expenditure Details;

(Amount in ₹)

Particulars	2017-18	2016-17
Capital Expenditure	1820591	341836
Revenue Expenditure	25112514	25291262

16. Other Income

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

17. 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 share outstanding during the year

(B) ADDITIONAL NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

1. Notes 1 to 25 referred herein above forms an integral part of these Consolidated Ind AS Financial Statements.

2. **(A) CONTINGENT LIABILITIES:**

Contingent liability [to the extent not provided for]

- Central Sales Tax, 1956, matter under dispute ₹ 5482865 Lacs (Previous year – ₹ 4331704)
- MP Commercial Tax, matter under dispute ₹ 27622 (Previous year – ₹45834)
- Disputed Demand of Income tax for A.Y. 2011-12 ₹ 180180 (Previous year - Nil)

(B) COMMITMENTS

The company has an outstanding commitments on capital account amounting to ₹ 381278/-

3. As per Ind AS 32 the long term investments held by the company in its subsidiary are to be carried at cost. All the investments of the Company have been considered by the management to be of long-term nature.

4. **DEFERRED TAX LIABILITY AS PER IND AS – 12**

(Amount in ₹)

Particulars	2017-18	2016-17
Difference in Block Value of Fixed Assets as per Income Tax Act and Company Law.	40405294	46045676
Less: Deferred Tax Liability effect for unabsorbed losses	-	-
Net deferred tax Liability	13359202	15224082
Less: Deferred tax Liability already provided in previous years	15401578	14031578
Deferred Tax Liability for the year	(2042376)	1192504

5. **AUDITOR'S REMUNERATION:**

(Amount in ₹)

Particulars	2017-18	2016-17
Statutory Audit Fees	135000	50000
Tax Audit	25000	7500
Reimbursement of Expenses	-	7500
Total	160000	65000

6. **Related Party Transactions Per Ind AS – 24**

Name of related parties:

Directors

(Amount in ₹)

Name of Director	Nature of Transaction	Amount
Mr. Rajendra Singh Jain	Salary	4059000
	Bonus	324720
	PPF	324720
Mr. Mahendra Singh Jain	Salary	3690900
	Bonus	295272
	PPF	295272
Mr. N Chakarborty	Sitting Fees	900000
Mr. Dr. S.K. Kapoor	Sitting Fees	18000
Mrs. Pratima Jain	Sitting Fees	20000

Relative of Managerial Personnel

		(Amount in ₹)
Name	Nature of Payment	Amount
Bharti Chakarborty (Directors Wife)	Rent	360000
Ravish Jain (Managing Director's Son)	Salary & Bonus	1380480
Prakhar Jain (Joint Managing Director's Son)	Salary & Bonus	1380480
Manish Jain (Managing Director's Son)	Salary & Bonus	1380480
Shekhar Jain (Joint Managing Director's Son)	Salary & Bonus	1380480
Remswegs Marketing Private Limited	Purchase (Net)	18489490
	Sales (Net)	3399192
Indore Tools Private Limited	Purchase & Job Work (Net)	36173103
	Sales (Net)	1547075

7. BASIC AND DILUTED EPS:

			(Amount in ₹)
Particulars	2017-18	2016-17	
Net Profit attributable to equity shareholders	51301056	37401153	
Number of equity shares issued (basic)	3204300	3254399	
Number of equity shares issued (weighted)	3204300	3254399	
Basic and Diluted earnings per share	16.01	11.49	

8. The inventories amounting to ₹ 245648378 has been shown at cost. As per Ind AS 2 - "Valuation of Inventories", inventories should be valued at cost or net realizable value whichever is lower. Such valuation requires technical judgments and consideration of market related factors. The diminution in the valuation thereof, if any, will be accounted for the year of realization.
9. Balance of Trade Receivables, Trade Payables, Trade Deposit, Loans and Advances and others are subject to respective consent, confirmation, reconciliation and consequent adjustment, if any. However, in the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realization in the ordinary course of business.
10. There were no dues outstanding for more than 45 days to any micro, small and medium enterprises creditors. The aforesaid information has been arrived at to the extent such communication has been received from the respective parties by the company.
11. Additional information as required under part II of schedule III to the companies Act, 2013 is as under:
 - Expenditure in foreign currency on account of Raw Material ₹ 65402313/- [Previous Year ₹ 44425097]
 - Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 94428765/- [Previous Year ₹ 26533002]



- Particulars of consumption of Imported and Indigenous Raw Materials :-

Particulars	2017-18		2016-17	
	Value	% of Total	Value	% of Total
Imported	₹ 65402313	12.48	₹ 44425097	9.31
Indigenous	₹ 458658654	87.52	₹ 432995737	90.69
Total	₹ 524060967	100.00	₹ 477420834	100.00

12. Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.

13. Research and Development Expenditure Details;

(Amount in ₹)

Particulars	2017-18	2016-17
Capital Expenditure	1820591	341836
Revenue Expenditure	25112514	25291262

14. The Company has not entered into any derivative and forward contracts for the purpose of hedging foreign exchange exposures and there is no speculative transactions. The outstanding position of the Forex Exposure is as under:

A) Hedged Exposure

Particulars	2017-18		2016-17	
	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers credit	NIL	NIL	NIL	NIL

B) Un hedged Exposure :-

Particulars	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers Credit	1970.65 (USD)	222.80	12187118 (JPY)	7.56
	36890682 (JPY)			

15. Figures are rounded off to the nearest multiple of ₹ (Rupee).
16. During the year due to change in shareholding Indore Tools Private Limited is ceases to be an associate company of ITL Industries Limited.

Rajendra Singh Jain
Managing Director
DIN: 00256515

Mahendra Singh Jain
Joint Managing Director
DIN: 00256047

Ashok Ajmera
Chief Financial Officer

Akhilesh Gautam
Company Secretary
FCS: 8592

As Per our report of even date attached
STATUTORY AUDITORS

For MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C
CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388

PLACE: INDORE
DATE: 30th May 2018

**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)

30th Annual General Meeting on September 27, 2018 at 11.30 A.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 30th Annual General Meeting of the Company to be held on 27th September, 2018 at 11.30 a.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, 2018 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 2018.
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 Ratify the appointment of Auditors and fix their Remuneration.

Special Business

Resolution No.	Resolutions
5	Re-appointment of Shri Rajendra Singh Jain (DIN - 00256515) as a Managing Director of the Company.
6	Re-appointment of Shri Mahendra Singh Jain (DIN - 00256047) as a Joint Managing Director of the Company.

Affix
Revenue
Stamp

Signed this _____ day of _____ 2018.

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

Route Map to the Venue of the AGM ITL Industries Limited

111, Sector-B, Sanwer Road, Industrial Area, INDORE (M.P.)



Indore Railway Station to ITL Industries Ltd.



Devi Ahilyabai Holkar International Airport to ITL Industries Ltd.



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
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E-mail : info@itl.co.in, Website : www.itl.co.in