



CORPORATE INFORMATION

BOARD OF DIRECTOR

Yogendra Kumar Gupta	:	Managing Director
Manik Dattatrey	:	Director
Kalpesh Trivedi	:	Independent Director
Chanakya Shukla	:	Independent Director
Lalit Sharma	:	Independent Director
Hiralben Kubavat	:	Director

REGISTERED ADDRESS

: 3rd Floor D.K.House,
Nr, Mithakhali Under bridge,
Ellisbridge, Ahmedabad-380006.
Tel: 079 30024897 , Fax No: 079 26568789
Email ID: mahan.int@gmail.com
Web: www.mahan.co.in

BANKERS

: Axis Bank Ltd
Ahmadabad Branch

AUDITORS

: Roopen R Shah & Co.
Chartered Accountants

REGISTRAR & SHARES TRANSFER AGENT

: Adroit Corporate Service India Pvt Ltd
19/20,Jaferbhoy Ind Estate.1st floor,
Makwana Road,Marol,Andheri(East),
Mumbai-400059.
Tel :+ 91-22-28596060/28594060/42270400
Email : info@adroitcorporate.com

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NOTICE

Notice is hereby given that 23rd **Annual General Meeting** of the Members of MAHAN INDUSTRIES LIMITED will be held on Friday, 29th day of September, 2017 at 10.00 a.m. at the registered office of the Company at 3rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006 (Gujarat) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statements of assets and liabilities as on March 31, 2017 and Statement of Income and Expenditure and Cash flow Statement together with the Reports of Directors' and Auditors' thereon and other documents required to be attached or annexed thereto.
2. To reappoint Mr. Dattatrey Chandrakant Manik(holding Director Identification Number 01825572), Director of the Company, who retires by rotation and being eligible offers himself for reappointment.
3. Appointment of Auditors and to determine their remuneration and for that purpose to pass with or without modification (s) the following resolution as an Ordinary Resolution :
"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Roopen R. Shah & Co., Chartered Accountants (Firm Registration No. 119869W), be and is hereby appointed as Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To reappoint Mr. Yogendrakumar Gupta as Managing Director of the Company and for that purpose to pass with or without modification (s) the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other

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applicable provision, if any, of the Companies act, 2013 , approval of the members of the company be and is hereby accorded to the reappointment of Mr. Yogendrakumar Gupta as the Managing Director of the Company for a period of five years with effect from September, 27, 2017, upon terms and condition as set out in the draft agreement to be entered into by the Company with Mr. Yogendrakumar Gupta and placed before the meeting, duly initialed by the Chairman for the purpose of identification and which draft is hereby specifically approved.”

RESOLVED FURTHER THAT, no remuneration shall be paid to the Managing Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘board’) be and is hereby authorized to vary and / or modify the terms and condition of the agreement that may be entered as set out in the said draft agreement with Mr. Yogendrakumar Gupta in such manner as may be agreed between the board and Mr. Yogendrakumar Gupta and within the limit as prescribed in Schedule V of the Companies Act , 2013 including any amendment, modification variation or re-enactment thereof. “

“RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts, deeds and things and execute all such acts documents, instrument and writing as may be required and to delegate all or any of its powers herein conferred to any committee of director to give effect to the aforesaid resolution”

By Order of the Board
FOR MAHAN INDUSTRIES LIMITED

Sd/-

Date : 2nd September, 2017

Place : Ahmedabad

Yogendra Kumar Gupta

Managing Director

NOTES:



1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be the member of the company. The proxy form duly completed and signed should be lodged with the Company, at its registered office at least 48 hours before the time of the meeting. A person cannot hold more than 50 proxies
2. Explanatory Statement in respect of Special Business to be transacted pursuant to Section 102 of the Companies Act, 2013, is annexed herewith.
3. Pursuant to the provision of Section 91 of the Companies Act, 2013 the registers of members and share transfer books of the company will remain close from 23rd September, 2017 to 30th September, 2017 (both the days inclusive).
4. Members are requested to intimate the change in their address, if any, immediately to the Company's Registrars, M/s Adroit Corporate Services Private Limited.
5. Members/Proxies are requested to bring their Attendance Slip duly filled up for attending the Meeting.
6. The Notice of the 23rd Annual General Meeting with instruction for e-voting, along with attendance slip and proxy form is being dispatched to the Members by Post (and electronically by e-mail to those Members who have registered their e-mail IDs with the Company /Depositories) whose names appear in the Register of Members/list of beneficial owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on 2th September, 2017. Members may also note that the notice of the 23rd AGM and the annual report 2016-17 will be available on the company's website www.mahan.co.in
7. As per Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form SH-13 for nomination and Form SH-14 for cancellation/ variation as the case may be to the RTA.
8. **Voting through electronic means:** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting. The Company has signed an agreement with

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CDSL for facilitating such e-Voting by the Members. Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-voting. However, in case members cast their vote both via physical ballot and e-voting, then voting through postal ballot shall prevail and voting done by e-voting shall be treated as invalid. The detailed instructions for e-voting is as under :

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

- (i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on “shareholders” tab to cast your votes.
- (iv) Now select the Electronic Voting Sequence Number – “EVSN” along with “COMPANY NAME” (Mahan Industries Limited) from the drop down menu and click on “SUBMIT”.
- (v) Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form for Members holding shares in Physical Form

User ID For NSDL – 8 characters of DP ID followed by 8 Digits Client ID

For CDSL – 16 digits beneficiary ID Folio Number registered with the Company

PAN* Enter your 10 digits alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)

DOB# Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio.

Dividend Bank Details# Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use - the First 2 alphabets from First Holder Name filed + 8 characters from right of BOID/ Folio Number (If the BOID / Folio Number is shorter than 8 characters then the



system will insert “0” (zero) to fulfill the 10 character requirements.) in the PAN field. No special characters will be taken from the name.

please enter any one of the details in order to login. If the Date of Birth & Bank Account Details both are left blank then the system will record BOID / FOLIO NO. in the Bank Account Details

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach ‘Password Change’ menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % &*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through NSDL / CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through NSDL / CDSL platform.
- (vii) Click on the relevant EVSN on which you choose to vote.
- (viii) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (x) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm you vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

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(xi) Once you “CONFIRM” you vote on the resolution, you will not be allowed to modify your vote.

(B) In case of members receiving the physical copy of Notice of AGM (for members whose e-mail IDs are not registered with the Company/depository participant(s) or requesting physical copy)

(i) Please follow all steps from Sl. No. (ii) to (vi) and then Sl. No. (viii) to Sl. No. (xii) above to cast vote.

(C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to go to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

(D) The voting period begins on 26th September, 2017 (9.00 a.m.) and ends on 28th September, 2017 (5.00 p.m.) During these period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdsl.india.com. You may also contact to Mr. PratapPujare, Adroit Corporate Services Pvt. Ltd.19/20, Jaferbhay Industrial Estate 1st Floor, Makwana Road, Marol Naka, Andheri(E) Mumbai-400059.

(E) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2017.

(F) Mr. Alkesh Jalan, of M/s Jalan Alkesh & Associates, Company Secretaries, (Membership No. 15677) (Address : 304, Agrawal Arcade, Nr. Ambawadi Circle, Ambawadi, Ahmedabad – 380006) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.



(G) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(H) The Results shall be declared at the AGM of the Company. The result will be announced to the Stock Exchanges where the shares of the Company are listed and will also be displayed on the Company's website www.mahan.co.in and the Company will also request the Central Depository Services (India) Limited to display the same on its website.

(I) Members are requested to notify the change in the address, if any, in case of shares held in electronic form to the concerned Depository Participant quoting their Client ID and in case of physical shares to the Registrar and Transfer Agent of the Company quoting their Folio Number.

(J) This notice is being issued having regard to provisions of section 108 and 110 of the Companies Act 2013, General circular no. 20/2014 Government of India and Clause 35B of the listing agreement with stock exchanges, as amended from time to time.

By Order of the Board
FOR MAHAN INDUSTRIES LIMITED

Sd/-

Date : 2nd September, 2017
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director

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Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Board of Directors at their meeting held on 2nd September, 2017 based on the recommendations of the Nomination and Remuneration Committee at their meeting held on 2nd September, 2017 approved the re-appointment of Mr. Yogendrakumar Gupta as the Managing Director of the Company for a period of five (5) years commencing from 27th September, 2017, not liable to retire by rotation. The Board also approved the terms and conditions of his appointment including remuneration, as recommended by the Nomination and Remuneration Committee, in accordance with the provisions of Sections 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), subject to the approval of the shareholders at the ensuing Annual General Meeting.

The terms and conditions as to the appointment of Mr. Yogendrakumar Gupta are briefly mentioned as under:

1. The appointment of Mr. Yogendrakumar Gupta as the Managing Director shall be subject to the supervision and control of the Board of Directors of the Company. The Managing Director shall manage the business and affairs of the Company and exercise such powers as are vested in the Whole Time Director by the Board of Directors subject to any limitation or conditions which may be prescribed by the Act or the provisions of Memorandum and/ or Articles of Association of the Company or the Board of Directors or by the Company in General Meeting.
2. The Managing Director of the Company shall devote his whole time and attention to the business of the Company and shall use his best endeavour to promote its interest and welfare, excluding cases where he is appointed or nominated as a Director on the Board of any of the Company's subsidiaries, Joint Ventures and other associate Companies if any, whether at present or in future.
3. The Managing Director shall maintain confidentiality of as any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his tenure as the Managing Director or at any time



thereafter.

4. The Managing Director ceasing to be a Managing Director shall not either on his behalf or on behalf of any other person solicit business in competition with the Company from any clients of the Company.
5. Subject to the provisions of the Companies Act, 2013 and applicable provisions of the Companies Act, 1956, the Managing Director, while he continues to hold office of the Managing Director, shall not be liable to retire by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors in fixing the number of Directors to retire, but shall ipso facto and immediately cease to be the Managing Director, if he ceases to hold office of a Director due to any cause.
6. Notwithstanding the fact that the Managing Director was appointed as a Director, forthwith upon termination of this employment agreement for any reasons whatsoever, he shall be deemed to have vacated his office as a Director in accordance with the provisions of Section 164(2) of the Companies Act, 2013.
7. The Agreement may be terminated by the Managing Director or the Company by giving, not less than six calendar months' notice in writing. The Company shall be entitled to terminate the employment agreement forthwith at any time.

No remuneration is proposed to be paid to Mr. Yogendrakumar Gupta.

The various duties and other tasks have been in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/ or the rules and regulations made thereunder and/ or such guidelines as may be notified by the regulatory authorities from time to time.

The appointment and remuneration of Mr. Yogendrakumar Gupta has been approved by the Board of Directors. The Board of Directors of your Company recommends the approval of the appointment of Mr. Yogendrakumar Gupta Shah on new terms with effect from 27th September, 2017 for a period of five years. The details of shares held by the him and their relatives are as under:

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Sr. No.	Name of Shareholder	Number of Shares held	% of total paid up Capital
1.	YOGENDRAKUMAR PRABHUDAYAL GUPTA	5,33,454	1.48
2.	Pranav Gupta	200	0.00

Mr. Yogendrakumar Gupta satisfies all the conditions as set out in Part I of Schedule V as also under sub-section 13 of Section 196 of the Companies Act, 2013 for being eligible to be appointed as a Managing Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors are of the opinion that the appointment of Mr. Yogendrakumar Gupta as the Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Item No. 4 for approval of the members.

The Draft agreement is available for inspection to the members of the Company at the Registered Address of the Company on any working day between 11.00 a.m. to 1.00 p.m.

None of the other Directors, Key Managerial personnel or their relatives are interested or concerned in the proposed Resolution at Item No. 4 of this Notice. This explanatory statement may also be regarded as disclosure under the provision of the Companies Act, 2013.

By Order of the Board
FOR MAHAN INDUSTRIES LIMITED

Sd/-

Date : 2nd September, 2017
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director



DIRECTORS' REPORT

To,
The Members,
Mahan Industries Limited

Your Company's Directors are pleased to present the 23rd Annual Report of the Company along with the Audited Accounts for the year ended March 31, 2017.

FINANCIAL PERFORMANCE

The summary of the financial result of the Company for the year under review are as under:

Particulars	31 March 2017 Amt (Rs)	31 March 2016 Amt (Rs)
INCOME		
Revenue from Operations	1573310	1116088
Other Income	781	745850
Total Revenue (i)	1574090	1861938
EXPENDITURE		
Purchase	0	3839741
(Increase)/ Decrease in inventory	(2255022)	(2403113)
Employee Benefits Expense	532452	672182
Finance Cost	4723607	5049656
Depreciation	18651	18651
Other Expenses	5321927	772443
Loss on Sale of Investments	5136435	1935542
Total Expenses (ii)	13478051	9885103
Profit / (Loss) before Tax [(i) - (ii)]	(11903960)	(8023165)
Tax expense:		
Current Tax	-	-
Current tax expenses related to previous year	-	-
Add: Balance from previous year of Profit (Loss)	(237163705)	(229097288)
Balance of Profit / (Loss) carried to Balance Sheet	(249067665)	(237163705)

Reserves and Surplus :

The Opening balance of Profit and Loss shows a loss of Rs. 237163705 as against (P.Y. 229097288). During the year the Company has incurred a loss of Rs. 11903960as against

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(P.Y. Rs. **8023165**). The closing Balance of Profit and Loss shows a loss of Rs.**249067665/** - as against (P.Y. Rs. **237163705**). There is no change in Capital Reserves balance. The opening and closing balance of capital reserves stands at Rs. 90.00 lacs.

DIVIDEND :

Your Directors do not recommend any Dividend for the year under the review.

PERFORMANCE REVIEW

During the financial year 2016-17, the volatility in the macroeconomic environment continued to cast its shadow and affected most of the markets where your Company operates in. During the year under the review the total income has decreased by approx. 15.45% and loss has increased by 48.36%

Disclosure under Rule 5 of Companies (Accounts) Rules, 2014:

Change in Nature of Company Business:

The Company is a Non-Banking financial Company (NonDeposit taking) registered with the Reserve Bank of India. There is no change in nature of Company Business.

Details of Directors and Key Managerial Personnel Appointed / Resigned:

The Board of Directors' key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its Shareholders and stakeholders.

The Board consists of a combination of Executive, Non – Executive and Independent Directors with an extensive and diverse experience in different fields of operations.

During the year under the review, no Key Managerial Personnel have been appointed or resigned.

Details of Holding / Subsidiary Companies / Joint Ventures / Associate Companies:

During the year under review, there was no holding / Subsidiary Company / Joint Ventures / Associate Companies were there.



Deposit:

The Company has not invited any deposit other than the exempted deposit as prescribed under the provision of the Companies Act, 2013 and the rules framed there under, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

Details of Significant and Material Orders passed by Regulators or Courts or Tribunals:

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company's operation in future.

Internal Financial Controls:

The Company has an adequate internal financial control to support the preparation of the financial statements.

CODE OF CONDUCT

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company has laid down a Code of Conduct for its Board Members and Senior Management Personnel. All the Directors and the Senior Management Personnel have affirmed compliance with the said Code of Conduct. A declaration regarding compliance by Board Members and Senior Management Personnel with the Code of Conduct for the year ended March 31, 2017 is also contained in the Corporate Governance Report.

DEPOSITORY SYSTEM

Members not having Shares in Dematerialized form are advised to avail the facility of Dematerialization through any of the nearest Depository Participants (DPs) to avoid the possibility of loss, mutilation etc, of share certificates and also to ensure safe and speedy transactions in the securities.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134 of the Act, your Directors report that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down internal financial controls as required by Explanation to Section 134(5)(e) of the Act) to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo :

Pursuant to provision of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 the Company has no particulars to report in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo during the year under review.

Extract of the Annual Return

Pursuant to provision of Section 92 and 134 and other applicable provision of the Companies Act, 2013 and of Rule 12 (1) of Companies (Management and Administration) Rules, 2014 the extract of the annual return in form MGT 9 for the Financial Year ended on 31st March, 2017 is annexed as Annexure I to this Report.



PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration requiring disclosure under the Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information required under Section 197(12) of the Companies Act, 2013 and rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure II** to this report and form part of this Report.

LISTING:

The Equity Shares of the Company are listed on Bombay Stock exchange. The Company is regular in payment of listing fees. The Company has paid the listing fees for the year 2016 – 2017. However listing fees for the year 2017 – 2018 remains unpaid.

AUDITORS AND AUDITORS' REPORT

The Board of Directors of the Company propose to reappoint M/s. Roopen R. Shah & Co., as Statutory Auditors, of the Company to hold office from the conclusion of this annual general meeting until the conclusion of 28th Annual General Meeting, subject to ratification by the members at each annual general meeting. The Company has also received a letter from M/ s. Roopen R. Shah & Co., that they are eligible for the appointment of auditors and also stating that their appointment if made will be within the limits prescribed under the provisions of the Companies Act, 2013 and the rules made thereunder.

The Company has received letter from them to the effect that their appointment, if ratified, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.

The Board recommends the ratification of their appointment from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting of the Company.

There is no qualification or adverse remarks in the auditor's report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

AUDIT COMMITTEE

The Company has duly constituted its Audit Committee pursuant to the provisions of Section

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177 of the Companies Act, 2013 & Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detail of the constitution of the audit committee is provided in the Corporate Governance Report. In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate.

DEMATERIALIZATION OF SHARES:

The ISIN for the equity shares is INE564J01018. As on 31st March, 2017 total 22811707 equity shares of the Company have been dematerialized. Members of the Company are requested to dematerialize their shares.

Related Party Transactions

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year. No advance is / was paid for entering into related party transactions. The details of the transactions entered with related party are mentioned in the notes to the accounts.

Particulars of Loans / Guarantees / Investment :

The Company has not given any loan / guarantee or provided any Security or made any investment to any person (except those required for business purpose). The details of investment made during the year is provided in the Balance Sheet. Further the Company is a Non Banking finance Company and therefore it is eligible for exemption as provided under Section 186 (11) of the Companies Act, 2013. The Company and its Directors do not have any relation to the person to whom the loan is provided or the Company in which the investment is made. The loan and investment are made for Business purpose.

Risk Management Policy

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process



such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section. The Risk Management Policy is also available on the Company's website. i.e. www.mahan.co.in

Declaration by Independent Directors:

The following Directors are independent in terms of Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 :

- (a) Lalit Sharma
- (b) KalpeshLalitbhaiTrivedi
- (c) ChanakyaShukla

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The requisite details as required by Section 134(3)(e), Section 178(3) & (4) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is attached herewith and forms part of the Directors Report.

The details in respect Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure II of the Report.

The details of the remuneration policy of the Company as required in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is provided in Annexure III of the Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is attached in Annexure IV forming part of the Annual Report.

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Number of Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy, apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Ahmedabad. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year the Board of Directors met 9 times. The details of the Board Meetings are provided in the Corporate Governance Report.

Corporate Social Responsibility:

The Company is not covered under the criteria of the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and therefore it is not mandatory for the Company to have the Corporate Social Responsibility.

CORPORATE GOVERNANCE:

Pursuant to SEBI (Listing Obligations and Disclosure Regulations) 2015 and of Clause 49 of the Listing Agreement with BSE Limited (Bombay Stock Exchange), Management Discussion & Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance to conditions of corporate governance are made part of this Annual Report and marked as Annexure V.

Code For Prevention Of Insider Trading Practices

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 pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. The insider trading Policy is also available on the Website of the Company i.e. mahan.co.in

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up at shop floor level to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman. All employees (permanent, contractual, temporary , trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2016-17 and hence no complaint is outstanding as on 31.03.2017 for redressal.

SECRETARIAL STANDARDS:

Pursuant to provision of Section 110 of the Companies Act, 2013 the Company has complied with the mandatory Secretarial Standards which are notified.

COST AUDIT:

The Company is not engaged in the manufacturing activity and therefore the provisions of Cost Audit are not applicable to the Company.

SECRETARIAL AUDIT REPORT :

Pursuant to Section 204 of the Act, the Secretarial Audit Report for the Financial Year ended 31st March, 2017 given by Nisha Munka, Practicing Company Secretary is attached herewith and marked as Annexure VI which forms part of the Directors Report. The observations are self explanatory.

ANNUAL PERFORMANCE EVALUATION :

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors.

The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as understanding of Board members of their roles and responsibilities, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, quality, quantity and timeliness of the information flow between Board members and management, Board's effectiveness in disseminating information to shareholders and in representing shareholder interests, Board information on industry trends and regulatory developments and discharge of fiduciary duties by the Board.

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Non Independent Directors including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on 15th January, 2016. The Nomination and Remuneration Committee has further carried out evaluation of all Directors including Independent Directors. The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board in their respective meetings.

Board :

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

Committees of the Board :

The performance of the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee was



evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed thereunder and the Listing Agreement.

Individual Directors :

- (a) Independent Directors: In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.
- (b) Non-Independent Directors: The performance of each of the non-independent directors (including the chair person) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership

CEO AND CFO CERTIFICATION :

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate from Mr. Yogendrakumar Gupta, Managing Director for the year ended 31st March, 2017 is given in the Corporate Governance Report. The Company has not yet appointed separate Chief Financial Officer and hence it has been signed only by the Managing Director.

MATERIAL CHANGES AND COMMITMENTS:

Pursuant to the directive of the SEBI, the Company is put under Shell Category. The Company

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has submitted necessary papers to BSE required and is willing to represent that we are genuine company operating for last 23 years. There are no material changes and commitments, if any, affecting the financial position of the Company subsequent to the date of the Balance sheet and up to the date of the report.

Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil mechanism & Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be reported to the Vigilance & Ethics Officer which operates under the supervision of the Audit Committee, as protected disclosures through an e-mail, or dedicated telephone line or a written letter. Employees may also report directly to the Chairman of the Audit Committee. The said Policy is available on the website of the Company.

Policy on Related Party Transactions

The Board of the Company has adopted the Policy and procedure with regard to Related Party Transactions. The policy envisages the procedure governing the materiality of Related Party Transactions and dealing with Related Party transactions required to be followed by Company to ensure compliance with the Law and Regulation. Related Party Transaction Policy has been placed on the website of the Company and can be accessed at the link: www.mahan.co.in

APPRECIATION:

Your Directors acknowledge the continued support and cooperation received from the Central Government, Shareholders, Banks and other Lenders, suppliers and Dealers.

The Board also wishes to record its sincere appreciation of the total commitment, dedication and hard work, put in by every stakeholder of the Company.

**By the Order of the board of Directors of
Mahan Industries Limited**

Date: 2nd September, 2017

Place: Ahmedabad

**Chairman cum Managing Director
Yogendrakumar Gupta
DIN :01726701**



Annexure - I

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN	L91110GJ1995PLC024053
ii. Registration Date	02/01/1995
iii. Name of the Company	MAHAN INDUSTRIES LIMITED
iv. Category/Sub-Category of the Company	Company Limited by Shares/Indian Non-Govt. Company
v. Address of the Registered office and contact details	D K House 3rd Floor, Nr MithaKhali Under Bridge, Navrangpura, Ahmedabad-380006, Gujarat Email : mahan.int@gmail.com Telephone : 079 - 26568789 Website . : www.mahan.co.in
vi. Whether listed company	Yes/No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhay Industrial Estate 1st Floor, Makwana Road, Marol Naka, Andheri(E) Mumbai-400059

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Finance and Investment	65	100

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.					
2.					
3.			Nil		
4.					

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	213354	200	213354	0.59	0	200	200	0.00	-0.59
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other (Directors)	320000	100	320100	0.89	533354	100	533454	1.48	0.59
Sub-total(A)(1):-	533354	300	533654	1.48	533354	300	533654	1.48	0
2) Foreign									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture	0	0	0	0	0	0	0	0	0



Capital Funds									
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	13246716	7638600	20885316	58.01	13376199	7638600	21014799	58.37	0.36
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4095284	135789	4231073	11.75	4121526	135793	4257319	28.08	0.07
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4851162	5413600	10264762	28.51	4695524	5413600	10109124	11.83	-0.43
c) Others(Specify)									
C (i) clearing member	1101	0	1101	0.00	110	0	110	0.00	0.00
C (ii) NRI	84094	0	84094	0.23	84994	0	84994	0.24	0.00
C (iii) Others									
Sub-total(B)(2)	22278357	13187989	35466346	98.52	22278353	13187993	35466346	98.52	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs &ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	22811711	13188289	36000000	100	22278353	13187993	36000000	100	0

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ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company be read to total shares	% of Shares Pledged encum	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbe red to total shares	
1.	Manju Yogendrakumar Gupta	17000	0.05	0	0	0	0	-0.05
2.	Pranav Gupta	6354	0.02	0	200	0	0	-0.02
3.	Pranav Gupta	200	0.00	0	0	0	0	0
4.	Prashantkumar Prabhudayal Gupta	90000	0.25	0	0	0	0	-0.25
5.	Ratankumar Prabhudayal Gupta	100000	0.28	0	0	0	0	-0.28
6.	Yogendrakumar Gupta	320100	0.89	0	533454	1.48	0	0.59
	Total	533654	1.48	0	533654	1.48	0	0

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
1	Prashant Prabhudayal Gupta				
	At the beginning of the year	90000	0.25	90000	0.25
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment /	90000	0.25	0	0



	transfer / bonus/ sweat equity etc.): Transfer on 27 th March, 2017				
	At the End of the year	0	0	0	0
2	Ratankumar Prabhudayal Gupta				
	At the beginning of the year	100000	0.28	100000	0.28
	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.): Transfer on 29 th March, 2017	100000	0.28	0	0
	At the End of the year	0	0	0	0
3	Manju Yogendrakumar Gupta				
	At the beginning of the year	17000	0.05	17000	0.05
	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.): Transfer on 27 th March, 2017	17000	0.05	0	0
	At the End of the year	0	0	0	0
4	Pranav Gupta				
	At the beginning of the year	6554	0.02	6554	0.02
	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.): Transfer on 30 th March, 2017	6354	0.02	200	0.00

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	At the End of the year	200	0.0	200	0.0
5	Yogendrakumar Prabhudayal Gupta				
	At the beginning of the year	320100	0.89	320100	0.89
	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.):				
	Acquired by transfer on 27 th March, 2017	107000	0.30	427100	1.19
	Acquired by transfer on 29 th March, 2017	100000	0.28	527100	1.47
	Acquired by transfer on 30 th March, 2017	6354	0.01	533454	1.48
	At the End of the year	533454	1.48	533454	1.48

(iv) Shareholding pattern of top ten shareholders

Sr. no		Shareholding at the beginning of the year (01-04-2016)		Cumulative Shareholding during the year (31-03-2017)	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1.	Viaggio Entertainment Pvt. Ltd	4500000	12.5	4500000	12.5
2.	Prabhudas Liladher Private Limited	2925000	8.13	2925000	8.13
3.	Sourabh H Bora, Huf	1800000	5.00	1800000	5.00
4.	Rakhi S Bora	1750000	4.86	1750000	4.86
5.	Lakeview Land Private Limited	1705000	4.74	1705000	4.74
6.	Aalya Traders Private Limited	1694995	4.71	1694995	4.71
7.	Religare Finvest Limited	1643720	4.57	1643720	4.57
8.	Sourabh H Bora	1600000	4.44	1600000	4.44
9.	Indivar Traders Private Limited	1429000	3.97	1429000	3.97



10.	Shriram Credit Company Limited	1036586	2.88	783586	2.18
11.	Religare Securities Limited	983029	2.73	979519	2.72

(v) Shareholding of Directors and Key Managerial personnel*:

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
1.	Yogendrakumar Prabhudayal Gupta 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.):	320100	0.89	320100	0.89
	Acquired by transfer on 27 th March, 2017	107000	0.30	427100	1.19
	Acquired by transfer on 29 th March, 2017	100000	0.28	527100	1.47
	Acquired by transfer on 30 th March, 2017	6354	0.01	533454	1.48
	At the End of the year	533454	1.48	533454	1.48

- * Other Directors do not hold any shares either at the beginning of the year and at the end of the year.

I. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Amount in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	30777805	12646644	0	43424449
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not	0	0	0	0
Total(i+ii+iii)	30777805	12646644	0	43424449

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Change in Indebtedness during the financial year				
- Addition	0	11066606	0	11066606
- Reduction	23864113	0	0	23864113
Net Change	23864113	11066606	0	12797507 reduction
Indebtedness at the end of the financial year				
i) Principal Amount	6913692	23713236	0	30626928
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	6913692	23713250	0	30626928

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole-Time Director		Total Amount
		Yogendrakumar Gupta (Managing Director)	Dattatrey Manik (Executive Director)	
1	Gross salary			
a	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	0	240000	240000
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
c	Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission- as % of profit-others, specify...	0	0	0
5	Others, please specify Bonus	0	20000	0
	Total(A)	0	260000	260000
	Ceiling as per the Act	4200000	4200000	



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount in Rupees
	Independent Directors·Fee for attending board committee meetings·Commission·Others, please specify	/	
	Total(1)		
	Other Non-Executive Directors ·Fee for attending board committee meetings·Commission·Others, please specify	NIL	
	Total(2)	/	
	Total(B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	/			
(a)	Salary as per provisions contained in Section17(1) of the Income-tax Act,1961				
(b)	Value of perquisites u/s17 (2)Income-taxAct,1961				
(c)	Profits in lieu of salary under Section17(3) Income-taxAct,1961				
2	Stock Option			N.A.	
3	Sweat Equity				
4	Commission- as % of profit-others, specify...				
5	Others, please specify Total				

MAHAN INDUSTRIES LIMITED

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

Type	Section of the companies	Brief description on	Details of Penalty/ Punishment/ Compounding fees imposed	Authoring [R [RD/NCLT/ Court]	Appeal made If any (give details
A. Company					
Penalty Punishment Compounding					
B. Directors					
Penalty Punishment Compounding			NIL		
C. Other Officers In Default					
Penalty Punishment Compounding					



Annexure - II

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31 March, 2017

Sr. No.	Name of the Director	Remuneration per annum (In Rs.)	Median Remuneration of the employees per annum (In Rs.)	Ratio
1	Mr. Lalit Sharma	0	72000	N.A.
2	Mr. Yogendrakumar Prabhudayal Gupta	0	72000	N.A.
3	Mr. Dattatrey ChandrakantManik	260000	72000	3.61:1
4	Mr. Kalpesh LalitbhaiTrivedi	0	72000	N.A.
5	Mr. ChanakyaShukla	0	72000	N.A.
6	Mrs. HiralKubavat	0	72000	N.A.

2. During the year under the review there was no proposal to increase the remuneration of any Director.

The % increase during the year was 0%.

3. Percentage increase in median remuneration of Employees in the financial year – 43.18% increase in median remuneration of employees in the current financial year.
4. The number of permanent employees on the rolls of the company as on 31 March, 2017 – 3
5. The explanation on the relationship between average increase in remuneration and company performance

MAHAN INDUSTRIES LIMITED

Particulars	2016 – 2017	2015 – 2016
Total revenue	1573310	1861938
EBIDTA	(7161702)	(2952656)
EBIDTA as a % of total Income	-455.2%	-158.57%
Profit / (Loss) before tax	(11903960)	(8023165)
PBT as a % of total Income	(756.6)	(330.9)
Provision for income tax	0	0
Net profit / (Loss) for the year	(11903960)	(8023165)

No increase in the remuneration of employees is in line with the current year's performance, market dynamics and global environment, keeping in view the losses the Company has.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.

Average increase in remuneration of key managerial personnel is 0% and is based on individual performances, company's performance and as measure to motivate them for better future performance to achieve organisation's growth expectations.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. :

During the last three financial years, there was no increase in remuneration of Key Managerial Personnel:

Variations in the market capitalization of the company as at the closing date of the current financial year and the previous financial year:

- (i) The market capitalization as on 31.3.2017 was Rs. 201.60 lacs and as on 31.3.2016 was Rs. 198.00lacs.
- (ii) Variation in price earnings ratio as at the closing date of the current financial year and the previous financial year:

Price earnings ratio as on 31.3.2017 was -0.58 and as on 31.3.2016 was -2.5



- (iii) Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:

Not applicable since the Company has never come out with any public offer during the last 5 years.

No Variable component of remuneration was paid to any Director.

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

B. Particulars of Employee in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There is no employee in the Company employed throughout the financial year with salary above Rs. 60 lacs per annum or employed part of the financial year with average salary above Rs. 5 lacs per month.

Further, there is no employee employed throughout Financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company.

ANNEXURE - III

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. PREAMBLE:

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges, as amended from time to time. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

II. OBJECTIVE:

The objective of the Policy is to ensure that:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed thereunder, (b) Listing Agreement with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.



IV. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

- (i) Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings of the Board and Committees thereof
- (ii) Commission up to 1% of net profit as may be decided by the Board
- (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

V. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

- i) Components:
 - Basic salary
 - Allowances
 - In kind (car, house, etc.)
 - Retirals
 - Reimbursements
 - Variable Pay
 - Stock Options
- ii) Factors for determining and changing remuneration:
 - Factors:
 - Existing compensation
 - Qualification
 - Experience
 - Salary bands
 - Individual performance
 - Market benchmark
- iii) Variable incentive pay (including Stock Options)
 - Factors:

Individual Performance Business/Company Performance
GradeReturn on Assets

MAHAN INDUSTRIES LIMITED

Performance Rating EBIDTA
Comparative performance with KMPs Operational Revenue
(YOY/Budget)
Return on Investments
HSE

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

VI. REMUNERATION TO OTHER EMPLOYEES:

Components:

Basic Salary, Allowances, Retire Benefits, such other perquisites and/or incentives and/or bonus and/or Variable Incentive Pay (including ESOP) based on factors as above, as may be decided by the Management from time to time as per HR Policy.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He/She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed thereunder and the Listing Agreement with Stock Exchanges.



II. POSITIVE ATTRIBUTES:

- (a) He/She should be a person of integrity, with high ethical standard.
- (b) He/She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He/She should be having courtesy, humility and positive thinking.
- (d) He/She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He/She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of the Listing Regulations as amended from time to time.

By order of the Board of Directors
For, Mahan Industries Limited

Place : Ahmedabad
Date : 2nd September, 2017

Yogendrakumar Gupta
(Chairman cum Managing Director)
DIN: 01726701

Annexure - IV

MANAGEMENTDISCUSSIONANDANALYSISREPORT

STRUCTURE OF THE COMPANY

Mahan Industries Limited is basically an investment Company and majority of its assets are financial assets and income is derived mainly from financial activity.

The company invests in middle market companies. It provides direct equity capital and debt and loans. The company may also invest in Public and / or Private companies that are traded and/or unlisted may acquire investments in the secondary market.

STATE OF THE GLOBAL ECONOMY

The developments over the last year in major economies of the world have been very volatile. There is a decline in the Growth of China. The Growth of China GDP which was approximately 14% has fallen to 7%. Further the Climate in India continues to be challenging. Lending by the Bankers is very strict and rigid and as a result the Credit growth is very low. Further there is a high volatility in the Stock markets. However there is a decline in oil prices which is very positive for the development.

Overview of Developments In 2017 - 2018

During the year 2017–2018 the overall development continues to be challenging. There is a deep recession in the market. Further there is huge volatility in the stock markets, currency and commodity markets. low growth continue to shed the markets and the investor sentiments continues to be poor.

OPPORTUNITIES AVAILABLE

The globalization of India has given rise to new opportunities but it has also brought with it new challenges and responsibilities. It means that the global economy can no longer be viewed from a spectator's standpoint. During the fiscal year ended March 31, 2016, the credit markets offered periods of significant volatility and opportunity. Market liquidity increased and credit spreads tightened as Investors continued their search for yield amid a low interest rate environment. Decline in Commodity Prices can result in higher profits and disposable income of the people.



The Board of Directors foresees good response in coming future.

RISKS AND CONCERNS:

The Company's income is mainly from the Dividends and Interests that may be receivable on Investments held by it. Any adverse impact on the industries of which securities are held by the Company, also have a bearing on the performance of the Company itself. Any slowdown in the growth of Indian economy or future volatility in global financial market, could also adversely affect the business.

SEGMENT REPORTING :

The Company operates in a Single segment and hence segment reporting is not applicable to the Company.

INTERNAL CONTROL SYSTEMS:

The Company has a proper and adequate Internal Control System to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and those transactions are authorized, recorded and reported correctly.

The Company, in consultation with its Statutory Auditors, periodically reviews and ensures the adequacy of Internal Control Procedures for the orderly conduct of business and also includes a review to ensure overall adherence to management policies and applicable laws & regulations. The Company's internal audit team carries out extensive audits throughout the year, across all functional areas, and submits its reports to the Audit Committee of the Board of Directors. On the Finance and Administrative side, the internal checks and balances are augmented by a formal system of internal and management audit. The Audit Committee of the Board reviews and will continue to review the adequacy and effectiveness of the internal control systems and suggest improvements for strengthening them.

HUMAN RESOURCES DEVELOPMENTS

During the year under review, the Company continued its emphasis on Human Resource Development as one of the critical area of its operation. Executives and officers of the Company having high potential in the field of Finance, Accounts, Marketing and Computer were regularly meet at the head office with a view to update their knowledge and to keep them abreast of the present scenario for meeting the challenges ahead.

MAHAN INDUSTRIES LIMITED

The year witnessed recruitment of prominent, proficient and distinguished personnel at key positions in the organization. This search for the highest degree of intellectual capital to enrich our professional and technical milieu is perennial one at the company. The Company organizes periodical trainings to encourage and develop vital human resource. All the efforts are aimed to ensure develop and nurture the entrepreneurial attitude and skill among the employ. Human capital continued to be recognized as the most valued asset. Your company is adequately managed with experienced professionals to take care of all operations and allied activities. The total number of employees are 3.

FORWARD LOOKING STATEMENTS

The Forward looking statements that address expectations or projections about the future, including the Company's strategy for growth, development, market position, expenditures and financial results, based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements.

CAUTIONARY STATEMENT:

The statements, objectives and estimates provided in the said Management Discussion and Analysis are "forward looking statements" within the meaning of applicable securities laws and regulations which have been prepared in compliance with the requirements of the Companies Act, 2013, the Accounting Standards issued by the Institute of Chartered Accountants of India, the Listing Agreements and all other applicable rules and regulations. The actual performance may vary depending on the market fluctuations, changes in Government policies, rules and regulations change in economic conditions nationally as well as internationally.

By order of the Board of Directors
For, Mahan Industries Limited

Place : Ahmedabad
Date : 2nd September, 2017

Yogendrakumar Gupta
(Chairman cum Managing Director)
DIN 01726701



Annexure - V

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance:

Mahan Industries Limited, recognizes the importance of Good Corporate Governance, which is the tool of building strong and everlasting beneficial relationship with customers, suppliers, bankers and more importantly with the investors. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity. Company's corporate structure, business and disclosure practices have been aligned to its Corporate Governance Philosophy. The Company believes in system driven performance and performance oriented systems to formulate strategies and policies having focus on optimizing value for various stakeholders and to protect their interest.

The Company is in adherence to the provisions on Corporate Governance pursuant to Schedule V (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of Directors Report for the year ended on 31st March, 2017. The Company has complied with the Corporate governance requirements specified in Regulation 17 to 27 and regulation 46 of the Listing regulations.

A. Board Of Directors

The strength of the Board on signing of the report comprises of Six Directors. The Board of Directors comprises of Executive and Non-Executive Directors. There are five Non-Executive Directors and one Executive Director. The Chairman of the Board is Executive Director. The Directors are eminently qualified and experienced in business, finance and corporate management.

The table below provides the composition of the Board, their attendance at Board meetings & AGM and number of directorship, chairmanship/membership of companies:

MAHAN INDUSTRIES LIMITED

Name of the Director & Designation & Age	Category & Nature of employment	Date of Appointment	No. of Directorship held in other companies in India	No. of committees of which Member(M)/ Chairman(C) of other Companies	Board meeting attended	Attendance at the last AGM	No. of Shares held & % holding (of the Company) (As on 31 st March, 2012017)
Mr. Yogendrakumar Prabhudayal Gupta Chairman cum Managing Director 60 Years	Executive Promoter Director	02/01/1995	NIL	NIL	9	Yes	533454(1.48)
Mr. Dattatrey Chandrakant Manik Director 46 Years	Executive Director Non Promoter	31/12/2003	NIL	NIL	9	Yes	NIL
Mr. Lalit Sharma 60 Years	Non-Executive Independent Director	31/12/1997	NIL	NIL	8	No	NIL
Mr. Kalpesh Lalitbhai Trivedi 56 Years	Non-Executive Independent Director	23/02/2006	NIL	NIL	6	Yes	NIL
Mr. Chanakya Shukla 38 Years	Non-Executive Independent Director	30/12/2005	NIL	NIL	8	No	NIL
Mrs. Hiralben Pravinkumar Kubavat 39 Years	Non-Executive Non Independent Director	07/04/2015	NIL	NIL	9	Yes	NIL

Notes:

- (1) Disclosure of Chairmanship & Membership includes membership of Audit and Stakeholder Relationship Committees in other Public Limited Companies.
- (2) Other directorships do not include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.



- (3) None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- (4) None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.
- (5) None of the Non-executive Directors has any pecuniary relationship, with other Directors of the Company. Non-executive Directors have no transaction with the Company. The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

The information as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment/reappointment of Directors of the Company are as under :

Name of the Director	Dattatrey Chandrakant Manik
Father Name	Chandrakant Manik
Date of Birth	29/08/1970
Date of Appointment	31/12/2003
Qualification	Commerce Graduate
Name of the Companie(s) in which he is a director other than Mahan Industries Limited	Nil
Specific functional Areas	He has wide experience in the field of accounts, finance and investment.
Shareholding in the Company as on 31st March, 2017	Nil

The information as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment/reappointment of Directors of the Company are as under :

MAHAN INDUSTRIES LIMITED

Name of the Director	Yogendrakumar Prabhudayal Gupta
Father Name	Prabhudayal Gupta
Date of Birth	01/02/1957
Date of Appointment	02/01/1995
Qualification	Commerce Graduate
Name of the Companie(s) in which he is a director other than Mahan Industries Limited	Nil
Specific functional Areas	He has wide experience in the field of accounts, finance and investment.
Shareholding in the Company as on 31 st March, 2017	5,33,454

Board Meetings

The meetings of Board of Directors were held at the Registered Office of the Company. The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The maximum interval between any two meetings did not exceed 120 days. The agenda papers along with notes and other supporting were generally circulated in advance of the Board Meeting with sufficient information as required. The Board met four times during the financial year 2016-17 on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	30/05/2016	9	8
2.	18/07/2016	9	9
3.	13/08/2016	9	9
4.	16/08/2016	9	9
5	09/11/2016	9	8
6	14/11/2016	9	8
7	10/12/2016	9	8
8	13/01/2017	9	9
9	14/02/2017	9	9

Meeting of Independent Directors

The Company's independent directors meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole. Schedule IV to the Act, inter alia, prescribes that the Independent



Directors of the Company shall hold at least one meeting in a year, without the attendance of the non independent directors and members of the management. During the year, One meeting of independent directors was held on 14th February, 2017. ShriLalit Sharma was unanimously elected as the Chairman of the Meeting of the Independent Directors. The Independent Director meeting was attended by Mr. Lalit Sharma, Mr. Chanakya Shuklaand and Mr. Kalpesh Trivedi. At the meetings, the Independent Directors reviewed the performance of the non-independent directors (including the chairperson) and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company i.e. www.mahan.co.in

COMMITTEES OF THE BOARD:

Functioning of Boards through committees result in enhanced quality of decisions taken with focused approach. Such committees assist the Board in discharging its responsibilities in a better manner. In compliance with the mandatory requirements under the Listing Agreement, and the applicable laws, the Board has constituted the following committees.

The Board has constituted III Committees namely;

- **Audit Committee**
- **Shareholders/Investors Committee**
- **Nomination and Remuneration Committee**

I. The Audit Committee :

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate.

Broad Terms of Reference of the Audit Committee

The Audit Committee of the Company comprises of Mr. Kalpesh Trivedi (Chairman), Mr. Lalit Sharma and Mr. Yogendrakumar Prabhudayala Gupta as other members of the Committee.

MAHAN INDUSTRIES LIMITED

The role of the Audit Committee of the Company are in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia, include the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;



-
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) approval or any subsequent modification of transactions of the listed entity with related parties;
 - (9) scrutiny of inter-corporate loans and investments;
 - (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - (11) evaluation of internal financial controls and risk management systems;
 - (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (14) discussion with internal auditors of any significant findings and follow up there on;
 - (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

MAHAN INDUSTRIES LIMITED

- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Committee.

Attendance of the Members in the Audit Committee Meetings:

The Audit Committee is comprising of 3 (three) Directors which are as under :

Name of Directors	Designation	Category	No.of Meetings attended
Mr. Kalpesh Trivedi	Chairman	Non Executive Independent Director	3
Mr. Lalit Sharma	Member	Non Executive Independent Director	6
Mr. Yogendrakumar Gupta	Member	Executive Director	6

The Committee met 6 times during the year ended 31st March, 2017 i.e. on 30th May, 2016, 13th August, 2016, 16th August, 2016, 9th November, 2016, 14th November, 2016 and 14th February, 2017 and the time gap between the two meetings did not exceed four months. The necessary quorum was present for all the meeting. The Company has accepted all the recommendations of the audit committee.

The members of the committee are having financial and accounting knowledge. The committee carries out functions enumerated in the listing agreement and Section 177 of the Companies Act, 2013.

Representatives of Auditors are invited from time to time depending upon the requirement of the committee to attend the meeting.



The Minutes of the Audit Committee are placed before the next Board Meeting.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company to answer shareholders query.

II. The Shareholders/Investors Committee:

Pursuant to provision of Section 178 of the Companies Act, 2013 the Company has constituted Stakeholders Relationship Committee (also known as “The Shareholders/ Investors Grievance Committee) deals with the following matters:

- Noting Transfer/ Transmission of Shares
- Review of dematerialised/rematerialised shares and all other related matters.
- Monitors expeditious redressal of Investor Grievance Matters received from Investors, Stock Exchange, SEBI, ROC etc.
- All other matters related to shares.

Composition and Category of Directors:

Name of Committee Member	Designation in Committee	Category
Mr. Lalit Sharma	Chairman	Non Executive Independent Director
Mr. Kalpesh Trivedi	Member	Non Executive Independent Director
Mr. Manik Dattatrey	Member	Executive Director

Shareholders/Investors Committee Meetings Held:

In the financial year 2016-2017, the Committee met 4 times. The attendance of each Member at the said Meetings is stated below:

Name of Committee Member	No. of meetings attended
Mr. Lalit Sharma	4
Mr. Kalpesh Trivedi	4
Mr. Manik Dattatrey	4

The Share Transfer and Investors’ Grievance Committee generally meets in every Quarter depending on the frequency of grievances / transfer / duplicate requests received from the Shareholders and to discuss a plan of action for the recourse to be taken by the Committee to resolve such issues on time.

III. The Remuneration Committee:

Pursuant to the provision of Section 178 of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has constituted a Nomination and Remuneration Committee, which is also known as Remuneration Committee. It also identifies the persons who are qualified to become Directors and who may be appointed senior management. It also recommends to the Board their appointment and removal and evaluate their performance. The remuneration committee is established to ensure that remuneration arrangements support the strategic aims of the business and enable the recruitment, motivation and retention of senior executives such as Managing Director and the Executive Director while complying with the requirements of regulatory and governance bodies, satisfying the expectations of shareholders.

The Remuneration Committee is entrusted with the power to determine Company's policy on specific remuneration packages, including pension rights and other compensation for executive Directors and other employees of our Company.

Composition and Category of Directors:

The Remuneration Committee comprises of 3 Non-Executive Independent Directors.

Name of Committee Member	Designation in Committee	Category
Mr. Kalpesh Trivedi	Chairman	Non Executive Independent Director
Mr. Lalit Sharma	Member	Non Executive Independent Director
Mr. Chanakya Shukla	Member	Non Executive Independent Director

During the year there was no proposal to increase the remuneration of any Director.

During the year the Company has paid gross remuneration of Rs. 260000/- to Mr. Dattatrey Chandrakant Manik(inclusive of Bonus of Rs. 20000/-).



GENERAL BODY MEETINGS:

1. GENERAL MEETING

a) Annual General Meeting

Financial Year	Day and Date	Type	Time	Location
2013 – 2014	Tuesday, 30th September, 2014	AGM	9.00 a.m.	3rd Floor, D.K. House, Nr. Mithakhali Underbridge, Ellisbridge, Navrangpura, Ahmedabad-380006
2014 - 2015	Wednesday, 30th September, 2015	AGM	9.00 a.m.	
2015 - 2016	Friday, , 30th September, 2016	AGM	9.00 a.m.	

b) Extraordinary General Meeting

No Extra Ordinary General meeting was held during the year 2013 – 2014 and 2014 – 2015 and 2015 - 2016.

However One Extraordinary General meeting was held during the year on 9th January, 2017.

2. Details of the Special Resolutions passed during the last three AGMs:

At the annual general meeting of the Company held on 30th September, 2015 the Company has passed one Special resolution for the Borrowing Power in excess of the Paid up Share Capital and free reserves.

3. Postal Ballot:

During the year under review, no Postal Ballot was conducted as none of the Businesses proposed to be transacted required passing a special resolution through postal ballot.

DISCLOSURES:

• Related Party Transaction

During the year under review, there were no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

MAHAN INDUSTRIES LIMITED

- **Disclosures By The Management**

Disclosures of all the material, financial and commercial transactions stating personal interest that could result in a conflict of interest have been made to the Board by The Management of the Company.

- **Compliances by the Company**

The Company has complied with all the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets hence there are no instances of non-compliances in any matter related to the capital market during the last three years. However due to non compliance of certain clauses of the listing agreement, BSE has imposed penalty on the Company. The Company has not paid the penalty due to heavy losses incurred in the last few years.

- **Accounting treatment:**

The Company has followed the Accounting Standards as prescribed under Companies (Accounting Standards) Rules, 2006 during preparation of financial statements.

- **Code of conduct:**

In compliance with Regulation 26 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Companies Act, 2013 the Board members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended on 31st March, 2017.

MEANS OF COMMUNICATION:

- **Financial Results**

Quarterly & Annual Results are published in prominent daily newspapers.

- **Annual Report**

Annual Report is circulated to all the Members and Auditors of the Company.



- **Intimation to the Stock Exchanges:**

The Company intimates the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

- **Training to Board Members**

The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment & minimization procedures, and new initiatives proposed by the Company. Directors are also updated on changes/developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation and economic environment.

CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director is given below:

DECLARATION BY THE MANAGING DIRECTOR PERSUANT TO CLAUSE 49 OF LISTING AGREEMENT

To,
The Member of Company,

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2016 – 2017.”

For and on behalf of board
Sd/-

Place : Ahmedabad
Date : 2nd September, 2017

YOGENDRA KUMAR GUPTA
(Chairman cum Managing Director)

MAHAN INDUSTRIES LIMITED

GENERAL SHAREHOLDERS INFORMATION

- Annual General Meeting:

Day and Date	Friday, 29th September, 2017.
Time	10 : 00 a.m.
VENUE	3rd Floor, D.K. House, Near. Mithakhali Underbridge, Ellisbridge, Navrangpura, Ahmedabad-380006.
Financial Year	1st April, 2016 to 31st March, 2017(12 Months)
Book Closure Dates	23rdSeptember, 2017 to 30th September, 2017 (both the days inclusive).
Listing on Stock Exchange	BSE Limited
Stock Code &Demat ISIN No.	Scrip code: 531515 ISIN: INE735D01033
Registrar and Transfer Agents	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhay Industrial Estate 1st Floor, Makwana Road, Marol Naka, Andheri(E) Mumbai-400059
Address for Correspondence	Mahan Industries Ltd. 3rd Floor, D.K. House, Near. Mithakhali Underbridge, Ellisbridge, Navrangpura, Ahmedabad-380006.
Whether Management Discussion and Analysis Report is a part of Corporate Governance Report	Yes
Compliance Officer	Mr. Yogendrakumar Gupta, Managing Director
Plant Locations	Not Applicable
Any presentation made to the institutional investor and analyst	No
Is half yearly report sent to the shareholders	No

Financial Calendar

During the Financial year under review, the Board Meetings for approval of quarterly Un-audited financial results were held on the following dates.



Financial Reporting for the year 2016-17	Date of Board Meeting
Financial Reporting for the quarter ending 30/06/2016	13th August, 2016
Financial Reporting for the quarter ending 30/09/2016	14th November, 2016
Financial Reporting for the quarter ending 31/12/2016	14th February, 2017
Financial Reporting for the quarter ending 31/03/2017	29th May, 2017

The Tentative dates of the Board Meeting for consideration of the Financial results for the year ending 31st March, 2018

Financial Reporting for the year 2017-2018	Month of reporting
Financial Reporting for the quarter ending 30/06/2017	Second week of September, 2017
Financial Reporting for the quarter ending 30/09/2017	Second week of Nov, 2017
Financial Reporting for the quarter ending 31/12/2017	Second week of Feb, 2018
Financial Reporting for the quarter ending 31/03/2018	Last week of May, 2018

🌀 **Market Information**

Monthly high and low price Data of the Company on BSE in comparison with BSE Sensex for the period commencing from 1st April, 2016 to 31st March, 2017 :

On the basis of the data available from the BSE website the monthly high and low price of the Shares in comparison to BSE Sensex is as under :

Month and Year	Share Price of the Company		No. of Shares of Company traded	BSE SENSEX	
	High	Low		High	Low
April, 2016	0.57	0.56	748	26100.54	24523.20
May, 2016	0.60	0.54	84643	26837.20	25057.93
June, 2016	0.60	0.55	3413	27105.41	25911.33
July, 2016	0.64	0.60	33185	28240.20	27034.14
August, 2016	0.64	0.59	23866	28532.25	27627.97
September, 2016	0.59	0.56	1843	29077.28	27716.78
October, 2016	0.55	0.53	2544	28477.65	27488.30
November, 2016	0.60	0.52	3618	28029.80	25717.93
December, 2016	0.62	0.58	163586	26803.76	25753.74
January, 2017	0.64	0.56	46938	27980.39	26447.06
February, 2017	0.63	0.59	5408	29065.31	27590.10
March, 2017	0.62	0.55	3569	29824.62	28716.21

MAHAN INDUSTRIES LIMITED

▶ **Distribution of the Shareholding as on 31st March, 2017**

Nominal Values	Shareholders	Percentage	Total Shares	Amount	Percentage
Upto - 5000	2434	58.75	414971	4149710	1.15
5001 - 10000	510	12.31	434924	4349240	1.21
10001 - 20000	346	8.35	540471	5404710	1.50
20001 - 30000	217	5.24	556627	5566270	1.55
30001 - 40000	98	2.37	355644	3556440	0.99
40001 - 50000	143	3.45	690003	6900030	1.92
50001 – 100000	188	4.54	1446917	14469170	4.02
100000 & Above	207	5.00	31560443	315604430	87.67
TOTAL	4143	100	36000000	360000000	100

▶ **Dematerialization of Shares**

Pursuant to SEBI notification, trading in the Equity Shares of the Company is permitted only in Dematerialized form w. e. f. 5th July, 2002.

▶ **Physical and Demat Shares as on 31st March, 2017**

Particulars	No. of Shareholders	No. of Shares	%
CDSL	1847	13262227	36.84
NSDL	1828	9549480	26.53
Physical	468	13188293	36.63
Total	4143	36000000	100

Other Disclosures :

(a) Whistle Blower Policy

In accordance with the requirements of the Act, read with Listing Regulations, 2015 , the Company has a Whistle Blower Policy approved by the Board of Directors. The objectives of the policy are:

- a. To provide a mechanism for employees and directors of the Company and other persons dealing with the Company to report to the Audit Committee; any instances



of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy and

- b. To safeguard the confidentiality and interest of such employees/directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.
- c. To appropriately communicate the existence of such mechanism, within the organization and to outsiders. Whistle blower policy is available on website of the Company.

The Company confirms that no personnel has been denied access to the audit committee pursuant to the whistle blower mechanism

(b) Familiarisation Programme :

The Company has a detailed familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company etc. The details of such programme are available on the website of the Company.

The Company has laid down procedures to inform the Board Members about the risk assessment and risk mitigation mechanism, which is periodically reviewed and reported to the Board of Directors by senior executives.

Date:2nd September, 2017

Place:Ahmedabad

By the Order of the board

Sd/-

Yogendrakumar Gupta

AUDITORS' CERTIFICATE FOR CORPORATE GOVERNANCE

(Pursuant to Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of,
Mahan Industries Limited

We have examined the compliance of conditions of Corporate Governance by Mahan Industries Limited for the Financial Year ended 31st March, 2017 as per the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') for the period from 1st April, 2016 to 31st March, 2017.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company, the representations made by the Directors and the Management. In our opinion and to the best of our information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of the Regulations.

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 Roopen R. Shah & Co.,
Chartered Accountant
Firm Reg No. 119869W

Roopen R. Shah
Proprietor
Membership No.: 107279
Place: Ahmedabad
Date: 2nd September, 2017



ANNEXURE - VI

Form No. MR-3 for the financial year ended on 31st March, 2016

[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,
Mahan Industries Limited

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

Based on my verification of the Mahan 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 31 March, 2017 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 the Company for the financial year ended on 31 March, 2017 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

MAHAN INDUSTRIES LIMITED

- (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;
 - (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; - Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable as there was no Securities were delisted.
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 – Not Applicable there was no Buy Back of Securities

And in general, the Company has systems, process and procedure for the compliance of Other Laws Applicable to the Company namely

a) Income Tax Act, 1961.

b) Non-Banking Finance Companies Regulations, 1998

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 Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject to the following:

- a) No appointment of full time Company Secretary by the Company.
- b) No appointment of Chief Financial Officer by the Company.
- c) Some of the information / data required to be submitted to the Listing Agreement were submitted late.
- d) Promoters Shares to the extent of 300 Shares were not dematerialized in accordance with the listing requirements.
- e) Website of the Company not fully updated as on date of issue of Certificate.
- f) Non filing / Late Filing of certain forms with the Ministry of Corporate Affairs required under the Companies Act, 2013 was not done in time. However for late filing of forms the Company has paid additional fees.
- g) Unable to comment about the dispatch of the annual report and extraordinary general meeting to the shareholders holding shares in physical form due to lack of evidence.
- h) We are unable to comment about the publication of certain notice of Board meeting in newspaper due to lack of information.

I further report that:

The Board of Directors of the Company is duly constituted, subject to the above fact with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The 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.

MAHAN INDUSTRIES LIMITED

The Company has issued adequate notice to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

I further report that during the audit period, there were no instances of :

- (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity of the Company.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

NISHA MUNKA
PRACTICING COMPANY SECRETARY

Date: 2nd September, 2017
Place: Kolkatta

PROPRIETOR
COP: 18201

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



'Annexure A'

**To,
The Members
Mahan Industries Limited**

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

1. Maintenance of Secretarial Records 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 appropriated 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. 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.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
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.

**NISHA MUNKA
PRACTICING COMPANY SECRETARY**

Date: 2nd September, 2017
Place: Kolkatta

**PROPRIETOR
COP: 18201**

MAHAN INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAHAN INDUSTRIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying Financial statements of **MAHAN INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Financial Statements based on our audit
4. 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 rules framed there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under



section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

6. 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act(hereinafter referred to as the " Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us , we give in the Annexure A, statement on the matters specified in the paragraph 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. the Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. on the basis of the written representations received from the Directors as on 31st March 2017 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March 2017 from being appointed as a Director in terms of Section 164 (2) of the Act
- f. With respect to the 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** 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:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements ;
 - ii. In our opinion and as per the information and explanation provided to us the Company has not entered into any long-term contracts including derivatives contract, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
 - iii. the company is not required to transfer any amount to Investor Education and Protection Fund .



-
- iv the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period From 8 November, 2016 to 30 December,2016 and these are in accordance with the books of accounts maintained by the Company , Refer Notes to accounts of its financial statements.

For, Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

Roopen R Shah
Proprietor
Place: Ahmedabad
Date: 29th May 2017
M.no:-107279

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our report to the members of **MAHAN INDUSTRIES LIMITED** for the year ended on 31st March, 2017, we report that:

- (i)
 - a. In our opinion and according to the information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. In our opinion, the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company
- (ii) As explained to us, inventories of shares and securities have been physically verified by the management at reasonable intervals during the year. As per the explanations given to us there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provision of clause 3(iii)(a),(b),(c) of the said order are not applicable to the company.
- (iv) The company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under sections 185 and 186 of the Act. Accordingly the provisions of clause 3(iv) of the order are not applicable to the company.
- (v) The company has not accepted deposits, within the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 therefore the provisions of paragraph 3(v) of the order are not applicable to the company.
- (vi) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of CARO 2016 is not applicable.



(vii)

- a. According to the records of the company undisputed statutory dues including provident fund, income tax, service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, value added tax, excise duty & custom duty. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2017 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no material dues of sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Amount (Rs...)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Income Tax	65,84,951/-	AY 2006-07	ITAT
Income Tax	Income Tax	25,78,244/-	AY 2010-11	CIT-APPEAL
Income Tax	Income Tax	26,99,427/-	AY 2011-12	CIT-APPEAL
Income Tax	Income Tax	9,86,384/-	AY 2012-13	CIT-APPEAL
Income Tax	Income Tax	9,32,250/-	AY 2013-14	CIT-APPEAL
Income Tax	Income Tax	1,10,158/-	AY 2014-15	CIT-APPEAL
TOTAL		1,38,91,414/-		

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly the provisions of Clause 3(ix) of the order are not applicable to the company.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according

MAHAN INDUSTRIES LIMITED

to the information and explanation given to us, we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

- (xi) According to the information and explanations given by the company, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- (xii) The company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the company.
- (xiii) As per the information provided all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv)is not applicable.
- (xv) As per the information and explanations given to us The Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable.
- (xvi) The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the same has been obtained.

For, Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

Roopen R Shah
Proprietor
M.no:-107279

Place:Ahmedabad
Date:29th May 2017



Annexure – B to Independent Auditors’ Report

Referred to in paragraph 10(I) of the Independent Auditors’ Report of even date to the members of **MAHAN INDUSTRIES LIMITED** on the standalone financial statements for the year ended 31st March, 2017.

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

1. We have audited the internal financial controls over financial reporting of MAHAN INDUSTRIES LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. 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 Companies Act, 2013.

Auditors Responsibility

3. 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 and audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.

Cleaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

Roopen R Shah
Proprietor
M.no:-107279

Place:Ahmedabad
Date:29th May 2017

MAHAN INDUSTRIES LIMITED

MAHAN INDUSTRIES LIMITED Balance Sheet As At 31 March, 2017

Particulars	Note No.	As at 31 March 2017 Amt (Rs)	As at 31 March 2016 Amt (Rs)
<u>EQUITY AND LIABILITIES</u>			
1. Shareholders' Funds :			
a) Share Capital	3	360,000,000	360,000,000
b) Reserves & Surplus	4	(240,067,665)	(228,163,705)
		119,932,335	131,836,295
2. Share Application money pending allotment			
		-	-
3. Non-Current Liabilities :			
a) Long Term Borrowings		-	-
b) Deferred Tax Liabilities (Net)		-	-
		-	-
4. Current Liabilities			
a) Short-term borrowings	5	30,626,928	43,424,449
b) Trade Payables		4,233,642	4,233,869
c) Other Current liabilities	6	911,625	472,273
d) Short term provisions	7	40,500	63,900
		35,812,695	48,194,491
TOTAL		155,745,030	180,030,786
<u>ASSETS</u>			
1. Non-Current Assets			
a) Fixed Assets :			
(i) Tangible Assets	8	707,203	725,854
		707,203	725,854
b) Non-Current Investments	9	7,200,305	28,862,339
c) Long-Term Loans and Advance	10	54,693,611	59,129,111
2. Current Assets			
a) Current Investment	11	73,832,979	73,832,979
b) Short Term Loans and Advances	10	1,004,434	999,434
c) Trade Receivables	12	11,125,255	11,578,359
d) Inventories	13	7,026,688	4,771,667
e) Cash & Cash Equivalents	14	154,555	131,043
TOTAL		155,745,030	180,030,786
Contingent Liabilities	23		
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith
Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

For, MAHAN INDUSTRIES LTD.

Roopen R Shah
Proprietor

Director Director

M.no:-107279

Place : Ahmedabad
Date: 29th May 2017

Place : Ahmedabad
Date: 29th May 2017



MAHAN INDUSTRIES LIMITED

Profit & Loss Statement for the year ended 31st March 2017

Particulars	Note No.	31 March 2017 Amt (Rs)	31 March 2016 Amt (Rs)
INCOME			
Revenue from Operations	15	1,573,310	1,116,088
Other Income	16	781	745,850
Total Revenue (i)		1,574,090	1,861,938
EXPENDITURE			
Purchase	17	-	3,839,741
(Increase)/ Decrease in inventory	18	(2,255,022)	(2,403,113)
Employee Benefits Expense	19	532,452	672,182
Finance Cost	20	4,723,607	5,049,656
Depreciation	21	18,651	18,651
Other Expenses	22	5,321,927	772,443
Loss on Sale of Investments		5,136,435	1,935,542
Total Expenses (ii)		13,478,051	9,885,103
Profit / (Loss) before Tax	[(i) - (ii)]	(11,903,960)	(8,023,165)
Tax expense:			
Deferred Tax		-	-
Current tax expenses related to previous year		-	-
		-	-
Profit/ (Loss) for the year		(11,903,960)	(8,023,165)
Basic earnings per share	24	(0.33)	(0.22)
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith
Roopen R Shah & Co.

For, MAHAN INDUSTRIES LTD.

Chartered Accountants
Firm Reg. No. 119869W

Roopen R Shah
Proprietor

Director

Director

M.no:-107279

Place : Ahmedabad

Place : Ahmedabad

Date: 29th May 2017

Date: 29th May 2017

MAHAN INDUSTRIES LIMITED

MAHAN INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2016-17

PARTICULARS	31 March,2017 Amt (Rs)	31 March,2016 Amt (Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	(11,903,960)	(8,023,165)
Non-cash adjustment to reconcile profit before tax to net cash flows	-	-
ADD: Depreciation	18,651	18,651
	-	-
Operating Profit before Working Capital Changes	(11,885,309)	(8,004,514)
Movement in Working Capital :		
Increase / (Decrease) in Trade Payables	(227)	4,176,091
Increase / (Decrease) in Provisions	(23,400)	-
Increase / (Decrease) in Other Current Liabilities	439,352	32,727
(Increase)/ Decrease in Trade Receivables	453,104	5,000
(Increase)/ Decrease in Inventories	(2,255,022)	(2,403,113)
(Increase)/ Decrease in Current Loans & Advances	(5,000)	763
Cash generated from / (used in) operations	(1,391,193)	1,811,468
Income Tax Paid		
Net Cash Flow From / (Used in) Operating Activities (A)	(13,276,502)	(6,193,046)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Non-Current Investments	21,662,034	5,354,946
Sale / Purchases of Current Investments	-	-
(Increase) / Decrease in Non Current Loans & Advances	4,435,500	297,500
Net Cash Flow From / (Used in) Investing Activities (B)	26,097,534	5,652,445
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Short Term Borrowings	(12,797,521)	235,230
Net Cash Flow From / (Used in) Financing Activities (C)	(12,797,521)	235,230
Net Increase/ (Decrease) in Cash & Cash Equivalent (A+B+C)	23,511	(305,371)
	131,043	436,414
Cash & Cash Equivalents at the end of the year	154,555	131,043

Notes: Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date attached herewith
Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

For, MAHAN INDUSTRIES LTD.

Roopen R Shah
Proprietor

Director

Director

M.no:-107279
Place : Ahmedabad
Date: 29th May 2017

Place : Ahmedabad
Date: 29th May 2017



MAHAN INDUSTRIES LIMITED
Notes to Financial Statements for the year ended 31 March 2017

NOTE - 3 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number	Amt (Rs.)	Number	Amt (Rs.)
Authorised Shares:				
Equity Shares of Rs. 10/- each	37,300,000	373,000,000	37,300,000	373,000,000
Issued				
Equity Shares of Rs. 10/- each	36,000,000	360,000,000	36,000,000	360,000,000
Subscribed & fully Paid up				
Equity Shares of Rs. 10/- each fully paid up	36,000,000	360,000,000	36,000,000	360,000,000
TOTAL	36,000,000	360,000,000	36,000,000	360,000,000
<p>The company has only 1 class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.</p> <p>In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.</p> <p>The details of shareholders holding more than 5% shares as at 31/03/2017 and 31/03/2016 is set out below.</p>				
Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number	% held	Number	% held
Viaggio Entertainment Pvt. Ltd.	4,500,000	12.50%	4,500,000	12.50%
Prabhudas Liladhar Private Limited	2,925,000	8.13%	2,925,000	8.13%
<p>The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2017 & 31/03/2016 is set out below</p>				
Particulars	As at 31 March 2017		As at 31 March 2016	
	Number	Amt (Rs.)	Number	Amt (Rs.)
Shares at the beginning	36,000,000	360,000,000	36,000,000	360,000,000
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	36,000,000	360,000,000	36,000,000	360,000,000

NOTE - 4 RESERVE & SURPLUS

Particulars	As at 31 March 2016	
	Amt (Rs.)	Amt (Rs.)
Capital Reserve	9,000,000	9,000,000
(On account of Capital Reduction Scheme in the year 2010-11)		
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statement	(237,163,705)	(229,140,540)
Add : Profit for the year	(11,903,960)	(8,023,165)
Net Surplus/ (Deficit) at year end	(249,067,665)	(237,163,705)
other adjustment on account of depreciation	-	-
TOTAL	(240,067,665)	(228,163,705)

MAHAN INDUSTRIES LIMITED

NOTE - 5 SHORT TERM BORROWINGS

Particulars	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)
Loans from Others - Repayable on demand (Unsecured)	1,132,250	1,057,250
Loan from Related Party (Unsecured)	22,580,986	11,589,394
Loan from Finance Companies (Secured)	6,913,692	30,777,805
TOTAL	30,626,928	43,424,449
<u>Loans from others & related party</u>		
The loans are interest free and repayable on demand		
<u>Loan From Finance Companies</u>		
Loan taken are under margin funding from the finance companies carries interest from 16.5% to 18% (p.y.16.5 % TO 18 %)and the loan are repayable on demand. The loan is secured by pledge of shares.		

NOTE - 6 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)
Other Payables	911,625	472,273
TOTAL	911,625	472,273

NOTE - 7 SHORT TERM PROVISIONS

Particulars	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)
Provision for employee benefits	40,500	63,900
TOTAL	40,500	63,900



Note - 8 TANGIBLE ASSETS

Cost of Valuation	OFFICE BUILDING	PLANT & MACHINERY	OFFICE EQUIPMENT	FURNITURE & FIXTURES	COMPUTER	TOTAL
As at 31 March 2015	954,322	38,300	235,488	504,436	834,820	2,567,366
Addition	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-
As at 31 March 2016	954,322	38,300	235,488	504,436	834,820	2,567,366
Addition	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-
As at 31 March 2017	954,322	38,300	235,488	504,436	834,820	2,567,366

Depreciation	OFFICE BUILDING	PLANT & MACHINERY	OFFICE EQUIPMENT	FURNITURE & FIXTURES	COMPUTER	TOTAL
As at 31 March 2015	302,214	24,642	223,713	479,213	793,079	1,822,860
Charge for the year	14,737	3,914	-	-	-	18,651
Disposal	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-
As at 31 March 2016	316,951	28,556	223,713	479,213	793,079	345,507
Charge for the year	14,737	3,914	-	-	-	18,651
Disposal	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-
As at 31 March 2017	331,688	32,470	223,713	479,213	793,079	364,158

NET BLOCK						
As at 31 March 2016	637,371	9,744	11,775	25,223	41,741	725,854
s at 31 March 2017	622,634	5,830	11,775	25,223	41,741	707,203
ransferre to reserve(deduct)	-	-	-	-	-	-

MAHAN INDUSTRIES LIMITED

NOTE - 9 NON-CURRENT INVESTMENTS

Particulars			As at 31 March 2017	As at 31 March 2016
			Amt (Rs.)	Amt (Rs.)
Trade Investments - (Valued at cost, unless stated otherwise)				
I) Quoted	2016-17	2015-16		
	No. of Shares	No. of Shares		
Investments in Equity Shares				
DCM Ltd.	-	154,085	-	21,662,034
Jhonmeyers Granites Ltd.	10,000	10,000	1	1
Kanhaiya Foods Ltd.	2,900	2,900	1	1
Karan Fibers & Fabrics Ltd.	197,900	197,900	1	1
Sanguine Media Ltd.	720,000	720,000	7,200,000	7,200,000
Spenta Finance Ltd.	500	500	1	1
TOTAL (I)			7,200,004	28,862,038
II) Unquoted				
Investments in Shares				
D.K. Association	3	3	300	300
Charotar Housing Corporation	1	1	1	1
TOTAL (II)			301	301
TOTAL (I + II)			7,200,305	28,862,339
Aggregate amount of Quoted Investments (Market Value)			792,000	16,155,092

NOTE - 10 LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
(A) Deposits				
Unsecured, Considered Good	14,121	14,121	-	-
(A)	14,121	14,121	-	-
(B) Loans and Advances				
Unsecured, Considered Good	50,642,838	55,078,338	-	-
(B)	50,642,838	55,078,338	-	-
(C) Other Loans & Advances				
(i) Advance Tax/ TDS Receivable	-	-	957,559	957,559
Less : Provision	-	-	-	-
Net Advance	-	-	957,559	957,559
(ii) Advance to Suppliers	440,343	440,343	-	-
(iii) STT/MAT of earlier years	3,596,309	3,596,309	-	-
(iv) Advance to Staff	-	-	46,875	41,875
(C)	4,036,652	4,036,652	1,004,434	999,434
TOTAL (A+B+C)	54,693,611	59,129,111	1,004,434	999,434



NOTE - 11 CURRENT INVESTMENTS

Particulars			As at 31 March 2017	As at 31 March 2016
			Amt (Rs.)	Amt (Rs.)
<u>Trade Investments - (Valued at Cost or NRV, whichever is lower)</u>				
I) Unquoted	2016-17	2015-16		
	No.of Shares	No.of Shares		
Investments in Equity Shares				
A S Techno Build Pvt Ltd	86,630	86,630	8,749,630	8,749,630
JagmohanlalGupta Estate Pvt Ltd	4,990	4,990	2,504,980	2,504,980
Kalyan Toll Highways Pvt Ltd	1,406,330	1,406,330	14,203,933	14,203,933
RCM Infrastructure Limited	535,290	535,290	45,499,824	45,499,824
Ujala Finstock Pvt. Ltd.	3,600	3,600	180,000	180,000
Uyes Investment Pvt Ltd	25,910	25,910	1,274,772	1,274,772
V B Buildcon Pvt Ltd	19,720	19,720	1,419,840	1,419,840
TOTAL			73,832,979	73,832,979

NOTE - 12 TRADE RECEIVABLES

Particulars	Non Current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
A. Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured , Considered Good	-	-	11,110,255	11,563,359
(A)	-	-	11,110,255	11,563,359
B. Other Receivables				
Unsecured , Considered Good	-	-	15,000	15,000
(B)	-	-	15,000	15,000
TOTAL (A+B)	-	-	11,125,255	11,578,359

MAHAN INDUSTRIES LIMITED

NOTE - 13 INVENTORIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)
Shares	7,026,688	4,771,667
TOTAL	7,026,688	4,771,667

NOTE - 14 CASH AND CASH EQUIVALENTS

Particulars	Non Current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)	Amt (Rs.)
<u>Cash and Cash Equivalents</u>				
Balances with Bank:				
in Current Accounts	-	-	52,097	49,367
Cash on Hand	-	-	102,459	81,677
	-	-	154,555	131,043
TOTAL	-	-	154,555	131,043

NOTE - 15 REVENUE FROM OPERATIONS

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Sale of Shares	1,573,310	1,116,088
TOTAL	1,573,310	1,116,088

NOTE - 16 OTHER INCOME

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Dividend	781	520,060
Interest Previous Year	-	225,000
Interest On Tds Refund		
TOTAL	781	745,850

**NOTE - 17 PURCHASE**

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Purchase of Shares	-	3,839,741
TOTAL	-	3,839,741

NOTE - 18 (INCREASE)/ DECREASE IN INVENTORIES

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Inventory at the beginning of the year		
Shares	4,771,667	2,368,554
	4,771,667	2,368,554
Inventory at the end of the year		
Shares	7,026,688	4,771,667
	7,026,688	4,771,667
(Increase)/ Decrease in Stock	(2,255,022)	(2,403,113)

NOTE - 19 EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Director's Remuneration	240,000	240,000
Salary & Bonus	267,961	423,012
Staff Welfare	24,491	9,170
TOTAL	532,452	672,182

NOTE - 20 FINANCE COST

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Interest on Margin Funding	4,702,204	5,036,622
Other Interest	21,403	13,034
TOTAL	4,723,607	5,049,656

NOTE - 21 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Depreciation of Tangible Assets	18,651	18,651
TOTAL	18,651	18,651

MAHAN INDUSTRIES LIMITED

NOTE - 22 OTHER EXPENSES

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Auditors Remuneration	54,282	45,800
NSDL-CDSL Charges	228,677	179,356
Repairs & Maintenance	28,305	9,870
Rates & Taxes	30,397	28,272
Miscellaneous Expenses	315,766	279,915
Loans and Advances Balance Written Off	4,435,500	-
Listing Fees	229,000	229,230
TOTAL	5,321,927	772,443

NOTE - 23 Contingent Liabilities

Particulars	As at 31 March 2017 Amt. (Rs.)	As at 31 March 2016 Amt (Rs.)
Income Tax 2006-2007 Appeal filed with ITAT	6,584,951	6,584,951
Income Tax 2010-2011 Appeal filed	2,578,244	2,578,244
Income Tax 2011-2012 Appeal filed	2,699,427	2,699,427
Income Tax 2012-2013 Appeal filed	986,384	986,384
Income Tax 2013-2014 Appeal filed	932,250	932,250
Income Tax 2014-2015 Appeal filed	110,158	110,158
TOTAL	13,891,414	13,891,414

SPECIFIED BANK NOTES (SBN)

Pursuant to Schedule III of the Companies Act, 2013

Particulars		Other denomination notes	Total
Closing cash in hand as on 08.11.2016	197000	9500	206500
(+) Permitted receipts	0	45000	45000
(-) Permitted payments	0	17308	17308
(-) Amount deposited in banks	197000	0	197000
Closing cash in hand as on 30.12.2016	0	37192	37192



MAHAN INDUSTRIES LIMITED

As At 31 March, 2017

Miscellaneous Expense

Particulars	Amount	
	2017	2016
Advertisement	6,743	2,982
Bank Charges	1,610	2,202
Consultancy Exp	80,000	61,660
Conveyance	27,192	33,882
Electricity	16,620	19,960
Filing Fees	-	12,000
Income Tax Challan For Appeal	15,500	-
Internet Charges	12,792	7,554
Legal Exp	20,000	20,000
Mis & General Exp	5,100	1,126
Office Expense	8,120	18,239
Printing, Stationery & Postage	32,493	28,113
ShareTransfer, Demat, Stamping Exp	72,361	62,702
Stamp Duty	158	135
Telephone Expense	15,503	9,329
Transaction Charges	1,575	31
Total	315,766	279,915

MAHAN INDUSTRIES LIMITED.

Notes to financial statements for the year ended 31 March, 2017.

a. **Basis of Accounting**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 133 of Companies Act, 2013

b. **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. **Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repaired maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss when the asset is de recognized.



d. Depreciation on Tangible Fixed Asset

Depreciation on tangible fixed asset is calculated on Straight Line method considering the useful life prescribed under the Schedule II to The Companies Act, 2013.

e. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, will be classified as current investments. All other investments will be classified as non- current investments.

Long term investments are carried at cost. However, provision for diminution in value is to be made to recognize a decline, other than temporary, in the value of investments.

f. Inventories

The company accounts for the traded shares & securities remaining unsold at the end of the year as Inventory and the same are valued at cost or market value whichever is lower.

g. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sales is recognized on the basis of delivery of shares & securities.

Dividend income is accounted on receipt basis.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "Other Income" in the statement of profit & loss.

Profit from sale of investments is recognized at the time of sale.

h. Income Tax

Tax expense comprises current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date.

i. Provisions and Contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

j. Cash & Cash equivalents

Cash and cash equivalents comprise cash and balance with banks in current accounts. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



23. EARNING PER SHARE:

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Sr No	Particulars	Year ended 31-03-2017	Year ended 31-03-2016
1	Net Profit / (Loss) attributable to shareholders	(1,19,03,960)	(80,04,635)
2	Weighted average no. of. Equity Shares	36,000,000	36,000,000
3	Basic Earning Per Share	(0.33)	(0.22)

24. RELATED PARTY TRANSACTIONS:

Name	Relationship	Nature of transaction	Amt (Rs)		Outstanding Balance (Rs)	
			2016-17	2015-16	2016-17	2015-16
Yogendra Kumar Gupta	Managing Director	Loan Taken	1,10,91,592	11,12,000	2,25,80,985	1,15,89,394
		Loan Repaid	1,00,000	17,51,000	6,74,660	2,25,306
		For expenses	4,49,354	2,25,306		
Manik Dattatrey	Key Managerial Personnel	Remuneration	2,40,000	2,40,000		
		Bonus	20,000	20,000	-	-

For, Roopen R Shah & Co.
Chartered Accountants
Firm Reg. No. 119869W

Roopen R Shah
Proprietor
M.no:-107279

For, Mahan Industries Ltd

Director **Director**
Place :Ahmedabad
Date: 29th May 2017

MAHAN INDUSTRIES LIMITED

MAHAN INDUSTRIES LIMITED

Registered Address : 3rd Floor, D.K. House, Nr. Mithakhali Underbridge,

Ahmedabad - 380006 Gujarat

Tel : 079 -30024897, Fax Nos. 079 - 26568789

www.mahan.co.in

Email address : mahanint@gmail.com

CIN : L91110GJ1995PLC024053

ATTENDANCE SLIP

DP ID _____

(To be presented at the entrance)

Folio No. /Client ID _____

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company at 3rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006 (Gujarat) on Friday, 29th day of September, 2017 at 10.00 a.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

Signature of the Member/ Proxy



PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

MAHAN INDUSTRIES LIMITED

Registered Address : 3rd Floor, D.K. House, Nr. Mithakhali Underbridge,
Ahmedabad - 380006 Gujarat

Tel : 079 -30024897, Fax Nos. 079 - 26568789

www.mahan.co.in

Email address: mahan.int@gmail.com

CIN: L91110GJ1995PLC024053

Name of the Member(s):
Registered address:
E-mail Id:
Folio No./ Client
ID:DP Id:

I/We being the member(s) of _____ shares of the above named Company hereby appoint:

(1) Name: _____

Address: _____

E-mail Id: _____ or falling him;

(2) Name: _____

Address: _____

E-mail Id: _____ or falling him;

(3) Name: _____

Address: _____

E-mail Id: _____ or falling him;

MAHAN INDUSTRIES LIMITED

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, 29th day of September, 2017 at 10.00 a.m.at the Registered office of the Company at 3rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006 (Gujarat)and at any adjournment thereof in respect of such resolution as are indicate below:

Resolution No	Particulars of Resolution	Voting	
		For	Against
	ORDINARY BUSINESS		
1	Consider and adopt Financial Statements of the Company for the year ended 31st March,2017 together with the Reports of the Board of Directors and Auditors' thereon		
2	To Reappoint Mr. Dattatrey ChandrakantManik (holding Director Identification Number 01825572), who retires by rotation and, being eligible, himself for Re-appointment.		
3	Appointment of Roopen R. Shah & Co., as Statutory Auditorsof the Companyand fixing their remuneration SPECIAL BUSINESS		
4	Reappointment of Mr. Yogendrakumar Gupta as Managing Director		

Signed this _____ day of _____ 2017

Affix Revenue Stamp

Signature of the Shareholder _____

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

