

24th
Annual Report
2017-18



MAHAN
INDUSTRIES LTD.



CORPORATE INFORMATION

BOARD OF DIRECTOR

Mr.	Yogendra kumar Gupta	: Managing Director
Mr.	Manik Dattatrey	: Director
Mr.	Lalit Sharma	: Independent Director
Mr.	Kalpesh Trivedi	: Independent Director
Mr.	Chanakya Shukla	: Independent Director
Ms.	Hiralben Kubavat	: Woman & Independent Director

REGISTERED OFFICE

: 3rd Floor D. K .House,
Nr, Mithakhali Under Bridge,
Mithakhali ,Ahmedabad-380006.
Tel & Fax: 079-26568789
Email ID : mahan.int@gmail.com
Web site: www.mahan.co.in

BANKERS

: Axis Bank Ltd & HDFC BANK
Ahmedabad

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 : 228596060/28594060/42270400
Email Id: info@adroitcorporate.com

CONTENTS

Notice

Board's Report

Remuneration Policy

Management Discussion & Analysis Report

Corporate Governance Report

Auditors Certification on Corporate Governance

Secretarial Audit Report

Auditors Report

Audited Financials

Attendance Slip

Proxy Form



NOTICE

Notice is hereby given that 24th **Annual General Meeting** of the Members of MAHAN INDUSTRIES LIMITED will be held on Friday, 7th day of September, 2018 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 Balance Sheet as on March 31, 2018, the Profit & Loss Account and schedules 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 Ms. Hiralben Kubavat (holding Director Identification Number 07151116), Director of the Company, who retires by rotation and being eligible offers herself for reappointment.

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

**Yogendra Kumar Gupta
Managing Director
DIN: 01726701**

NB: A letter seeking KYC details of shareholder holding shares in physical mode is also enclosed with this report. Shareholders are requested to submit KYC details as required as per SEBI guidelines.

Sub : Demat of Physical Shares

Dear Members,

As you know that, the Securities and Exchange Board of India (SEBI) has notified amendments to the Listing Obligations and Disclosure Requirements) Regulations, 2015 on 8th June, 2018 which will come into force on 5th December, 2018.

Pursuant to these amendments, shares held in physical form cannot be transferred to any other person unless the shares are held in dematerialized form. Only transmission or transposition of securities can be carried out if the shares are held in physical form.

You are therefore through this notice requested to approach Depository Participants (DP) and get your shares demat on or before 5th December, 2018 in your interest.

For, MAHAN INDUSTRIES LIMITED

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. 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 closed from 30th August 2018 to 3rd September, 2018 (both the days inclusive).
3. 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. Shareholders holding shares in physical mode are requested to submit their KYC details as per SEBI guidelines.
4. Members/Proxies are requested to bring their Attendance Slip duly filled up for attending the Meeting.
5. The Notice of the 24th 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 4th September, 2018. Members may also note that the notice of the 24th AGM and the annual report 2017-18 will be available on the company's website www.mahan.co.in.
6. 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.
7. **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 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting. The Company has signed an agreement with 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on “shareholders” tab to cast your votes.
- (iii) Now Enter your User ID,
a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

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

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

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.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (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) Please follow all steps mentioned above to cast vote.
- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to on 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 4th September, 2018 (9.00 a.m.) and ends on 6th September, 2018 (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 29th August 2018, 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. Praful shah, 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 29th August 2018.
- (F) Mr. Arvind Gaudana, of M/S Gaudana & Gaudana, Company Secretaries, (Membership No. FCS 2838) (Address : 307, Ashirwad Paras, Nr. Prahladnagar Garden, Corporate Road, Prahaladnagar, Satellite,

Ahmedabad – 380015) 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 read with rule 20 of companies (Management and administration) rules, 2014 as per General circular no. 20/2014 and regulation 44 of the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force with stock exchanges, as amended from time to time.

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director
DIN: 01726701



Board's Report

To,

**The Members,
Mahan Industries Limited**

Your Company's Directors are pleased to present the 24th Annual Report of the Company along with the Audited Accounts for the year ended March 31, 2018.

Web Address of company: www.mahan.co.in

FINANCIAL PERFORMANCE

The summary of the financial result of the Company for the year under review are as under and figures are updated as per IND AS:

Particulars	31 March 2018	31 March 2017
	Amt (Rs)	Amt (Rs)
INCOME		
Revenue from Operations	1,80,000	15,73,310
Other Income	44	781
Total Revenue (i)	1,80,044	15,74,090
EXPENDITURE		
(Increase)/ Decrease in inventory	15,25,593	(22,55,022)
Employee Benefits Expense	5,65,343	5,32,452
Finance Cost	4,391	47,23,607
Depreciation	18,651	18,651
Other Expenses	9,67,253	53,21,927
Loss on Sale of Investments	-	51,36,435
Diminution/Gain Value in long term Investment	4,03,200	(72,000)
Total Expenses (ii)	34,84,431	1,34,06,051
Profit / (Loss) before Tax [(i) - (ii)]	(33,04,387)	(1,18,31,961)
Tax expense:	Nil	Nil
Add: Balance from previous year of Profit (Loss)	(24,64,75,671)	(23,46,43,710)
Balance of Profit / (Loss) carried to Balance Sheet	(24,97,80,058)	(24,64,75,671)

RESERVES AND SURPLUS:

The Opening balance of Profit and Loss shows a loss of Rs. **24,64,75,671/-** as against (P.Y. **23,46,43,710/-**). During the year the Company has incurred a loss of **Rs. 33, 04,387/-** as against (P.Y. Rs. **1, 18, 31,961/-**). The closing Balance of Profit and Loss shows a loss of Rs. **24, 97, 80,058/-** as against (P.Y. Rs. **24,64,75,671/-**). There is no change in Capital Reserves balance. The opening and closing balance of capital reserves stands at Rs. **90, 00,000/-** .

DIVIDEND:

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

PERFORMANCE REVIEW

During the financial year 2017-18, company could not perform well due to funds constraint, therefore during the year under the review the total income has decreased substantially.

Your company is trying to revive.

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

Change in Nature of Company Business:

The Company is a Non-Banking financial Company (Non Deposit 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 or Associate Companies.



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

BSE Ltd. informed as per SEBI's directions vide Letter No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated 07 August, 2017 wherein it is mentioned that MCA directed SEBI to initiate action as per SEBI laws and regulations for 331 Shell Companies. The list includes your company.

Accordingly, the trading of the shares were put under GSM VI and trading in shares were restricted as per rules. Upon representation by Company, Bombay Stock Exchange Vide its Letter No. L/SURV/OFL/KM/2017/2017-18/SHELL/COMP/531515/1 Dated March, 14, 2018 restored trading as normal, subject to the other conditions, including the condition that promoters shall not transfer or sell their holdings. BSE has also decided that an independent Auditor to be appointed to conduct Forensic Audit of Company and accordingly an independent chartered accountant has been appointed.

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:

Internal Financial Control system of the Company have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable Accounting Standards.

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, 2018 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(3) (c) of the Companies Act, 2013, 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, 2018 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 I 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 2017 – 2018. The company is yet to pay Listing Fees for F.Y. 2018-19.

AUDITORS AND AUDITORS' REPORT

M/s. Roopen R. Shah & Co., Chartered Accountants (Firm Reg. No. 119869W) were appointed as Statutory Auditors of the Company to hold office from the conclusion of 23rd annual general meeting until the conclusion of 28th Annual General Meeting.

M/s. Roopen R. Shah & Co. have confirmed their eligibility and qualification required under section 139, 141 and other applicable provisions of the companies act 2013 and rules issued there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

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 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 INE735D01033. As on 31st March, 2018 total 2, 28, 11,707 equity shares of the Company have been dematerialized. Members of the Company are requested to dematerialize their shares. Shareholder holding shares in physical mode are requested to submit their KYC details as per SEBI guidelines.

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 inventories 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) Mr. Lalit Sharma
- (b) Mr. Kalpesh Trivedi
- (c) Mr. Chanakya Shukla
- (d) MS. Hiralben Kubavat

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

Management Discussion and Analysis as stipulated under the Listing Regulation is attached in **Annexure IV** forming part of the Annual Report. It speaks about the overall industry structure, global and domestic economic scenarios, development in business operations/performance of the Company's business and other material changes with respect to the Company pursuant to Regulation

34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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 7 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:

In compliance with Regulation 34 of Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditor's on its compliance forms an integral part of this Annual Report attached in

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 2017-18 and hence no complaint is outstanding as on 31.03.2018 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, 2018 given by M/S. Gaudana & Gaudana, 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 31st March, 2018. The Committee has carried out evaluation of all Directors including Independent Directors. The report of performance evaluation so arrived at was then noted and discussed at the Board Meeting.

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 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 there under and the Listing Regulations.

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. Yogendra Kumar Gupta, Managing Director for the year ended 31st March, 2018 is given in the Corporate Governance Report. Appointment of Chief Financial Officer is w. e. f. 04th July 2018 and hence it has been signed only by the Managing Director.

MATERIAL CHANGES AND COMMITMENTS:

BSE Ltd. informed as per SEBI's directions vide Letter No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated 07 August, 2017 wherein it is mentioned that MCA directed SEBI to initiate action as per SEBI laws and regulations for 331 Shell Companies. The list includes your company. Accordingly, the trading of the shares were put under GSM VI and trading in shares were restricted as per rules

The Company has submitted necessary papers to BSE and have represented to them that we are genuine company operating for last 24 years. Upon representation by Company, Bombay Stock Exchange Vide its Letter No. L/SURV/OFL/KM/2017/2017-18/SHELL/COMP/531515/1 Dated March, 14,

2018 restored trading as normal, subject to the other conditions, including the condition that promoters shall not transfer or sell their holdings. BSE has also decided that an independent Auditor to be appointed to conduct Forensic Audit of Company and accordingly an independent chartered accountant has been appointed.

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

Other Disclosures:

- a. During the year under review, the company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for time being in force);
- b. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;
- c. There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future except that the company is declared as Shell Company as referred above.
- d. The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under section 134 of



the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is NIL.

- e. The Managing Director of the company has not received any remuneration or commission from the company
- f. None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modifications or re-enactment's thereof for the time being in force);
- g. The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors; and
- h. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

DETAILS OF FRAUDS REPORTED BY AUDITORS:

The Auditors did not found and hence reported any fraud during the year as per the Section 134 (3) (ca) of the Companies (Amendment) Act, 2015.

WEB ADDRESS WHERE THE COPY OF THE ANNUAL RETURN:

The Annual Return for the financial year 2017-18 onwards as referred in sub-section (3) of Section 92 will be placed on below web address as per Section 134 (3) (a) of the Companies (Amendment) Act, 2015.

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.

**For and on behalf of Board of Directors
Of Mahan Industries Limited
Sd/-**

**Yogendra Kumar Gupta
Managing Director
DIN: 01726701**

Date : 1st August, 2018
Place : Ahmedabad

ANNEXURE-I
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS:-

1.	CIN	L91110GJ1995PLC024053
2.	Registration Date	02/01/1995
3.	Name of the Company	Mahan Industries Limited
4.	Category Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	D K House 3 rd Floor, Nr Mithakhali Under Bridge, Navrangpura, Ahmedabad-380006, Gujarat Email : mahan.int@gmail.com Telephone : 079-26568789 Website. :www.mahan.co.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate 1 st 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)

SN	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

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
	NIL	NIL	NIL		



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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters and Parties Acting in concert									
(1) Indian									
a) Individual/HUF	0	200	200	0	0	200	200	0	0
b) Central Govt./State Govt. (s).	0	0	0	0	0	0	0	0	0
c) Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
d) Any Other.	0	0	0	0	0	0	0	0	0
Director	5,33,354	100	5,33,454	1.48	5,33,354	100	5,33,454	1.48	0
Total shareholding of Promoter (A)	5,33,354	300	5,33,654	1.48	5,33,354	300	5,33,654	1.48	0
2) Foreign									
g) NRI-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 Totals(A)(2)	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

MAHAN INDUSTRIES LIMITED

h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,33,76,199	76,38,600	2,10,14,799	58.37	1,32,86,675	76,38,600	2,09,25,275	58.13	0.24
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	41,21,526	1,35,793	42,57,319	28.08	52,10,422	1,46,793	53,57,215	14.88	13.2
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	46,95,524	54,13,600	10,109,124	11.83	36,85,402	54,02,600	90,88,002	25.24	13.42
c) Others (specify)									
(i) Clearing Member	110	0	110	0	10	0	10	0	0
(ii) Non Resident Indians	84,994	0	84,994	0.24	89,244	0	89,244	0.25	0.01
(iii) Others	-	-	-	-	6600	0	6600	0.02	0.02
Sub-total (B)(2):-	2,28,11,707	1,31,88,293	3,60,00,000	98.52	2,28,11,707	1,31,88,293	3,60,00,000	98.52	0
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	2,28,11,707	1,31,88,293	3,60,00,000	100	2,28,11,707	1,31,88,293	3,60,00,000	100	0



B) Shareholding of Promoter and parties acting in concert -

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareh olding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumber ed to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged /encum bered to total shares	
1	PROMOTER							
	Yogendrakumar Gupta	533454	1.48	0	533454	1.48	0	0
2	PARTY ACTING IN CONCERT							
	Pranav Gupta	200	0	0	200	0	0	0
	TOTAL	533654	1.48	0	533654	1.48	NIL	NIL

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	PROMOTER				
	Yogendra kumar Gupta				
	At the beginning of the year	533454	1.48	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGE			
	At the end of the year	533454	1.48	533454	1.48
2.	PARTY ACTING IN CONCERT				
	Pranav Gupta				
	At the beginning of the year	200	0	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGE			
	At the end of the year	200	0	200	0

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

S.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Viaaggio Entertainment Pvt. Ltd	45,00,000	12.50	45,00,000	12.50
2.	Prabhudas Liladher Private Limited	29,25,000	8.13	30,00,000	8.33
3.	Sourabh H Bora, HUF	18,00,000	5.00	18,00,000	5.00
4.	Rakhi S Bora	17,50,000	4.86	17,50,000	4.86
5.	Lakeview Land Private Limited	17,05,000	4.74	17,05,000	4.74
6.	Aalya Traders Private Limited	16,94,995	4.71	16,94,995	4.71
7.	Religare Finvest Limited	16,43,720	4.57	16,43,720	4.57
8.	Sourabh H Bora	16,00,000	4.44	16,00,000	4.44
9.	Indivar Traders Private Limited	14,29,000	3.97	14,29,000	3.97
10.	Zuber Trading	0	0	11,49,557	3.19
11.	Westlife Infraprojects Private Limited	0	0	8,96,361	2.49
12.	Yuvika Tradewing LLP	0	0	6,75,000	1.88
13.	Gazala Constructions Private Limited	0	0	6,00,000	1.67
14.	Sampoorna Portfolio Limited	0	0	3,70,000	1.03
15.	Guinness Securities Limited	0	0	3,68,770	1.02
16.	Shriram Credit Co. Ltd	7,83,586	2.18	0	0
17.	Religare Securities Ltd.	9,79,519	2.72	0	0

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Yogendrakumar Gupta	533454	1.48	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
	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.**

IV) INDEBTEDNESS –

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

(Amount in Rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	69,13,692	237,13,236	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)	69,13,692	237,13,236	0	30626928
Change in Indebtedness during the financial year				
* Addition	0	16,46,479	0	16,46,479
* Reduction	178906	0	0	1,78,906
Net Change	0	0	0	14,67,573
Indebtedness at the end of the financial year				
i) Principal Amount	67,34,786	253,59,715	0	32094501
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	67,34,786	23713250	0	32094501

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

(Amount in Rupees)

SN.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Yogendra kumar 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	0	20000	20000
	Total (A)	0	260000	260000
	Ceiling as per the Act	4200000	4200000	

B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors Fee for attending board committee meetings Commission Others, please specify	NIL	
	Total (1)		
2	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:

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
(b)	Value of Perquisites u/s 17(2) Income Tax Act, 1961				
(c)	Profits in lieu of salary u/s 17(3) Income Tax Act, 1961		N,A.		
2.	Stock Option				
3.	Sweat Equity				
4.	Commission –as % of profit-others, specify...				
5.	Others, please specify Total				

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies	Brief description on	Details of Penalty/ Punishment/Compounding fees imposed	Authority (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					

For and on behalf of Board of Directors
Of Mahan Industries Limited
Sd/-

Yogendra Kumar Gupta
Managing Director
DIN: 01726701

Date : 1st August, 2018
Place : Ahmedabad

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, 2018

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	0	N.A.
2	Mr. Yogendra Kumar Gupta	0	0	N.A.
3	Mr. Manik Dattatrey	2,60,000	0	-
4	Mr. Kalpesh Trivedi	0	0	N.A.
5	Mr. Chanakya Shukla	0	0	N.A.
6	Ms. Hiralben Kubavat	0	0	N.A.

In view of the Financial Positions of the Company Directors have foregone the Sitting Fees also.

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 – NIL

4. The number of permanent employees on the rolls of the company as on 31 March, 2018 – 5

5. The explanation on the relationship between average increase in remuneration and company performance

Particulars	2017 – 2018	2016 – 2017
Total revenue	1,80,000	15,73,310
EBIDTA	(3281348)	(70,89,699)
EBIDTA as a % of total Income	-1822.97%	-450.62%
Profit / (Loss) before tax	(33,04,390)	(1,18,31,960)
PBT as a % of total Income	-1835.77%	(752.04)
Net profit / (Loss) for the year	(33,04,390)	(1,18,31,960)

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 organization'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 31.3.2018 was Rs. 176.40 lakh and as on 31.3.2017 was Rs. 201.60.lakh.

(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 31.3.2018 was -0.09 and as on 31.3.2017 was -0.33

(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 SEBI (LODR) Regulations, 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 there under, (b) SEBI (LODR) Regulations 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 framed there under 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.)
- Retrials
- Reimbursements
- Variable Pay
- Stock Options

ii) Factors for determining and changing remuneration:

Factors:

- Existing compensation
- Qualification
- Experience
- Salary bands
- Individual performance
- Market benchmark

ii) Variable incentive pay (including Stock Options)

Factors:

Individual Performance	Business/Company Performance
Grade	Return on Assets
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 SEBI (LODR) Guidelines, 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 SEBI (LODR) Regulations 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.

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director
DIN: 01726701



Annexure IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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.

Overview of Developments and opportunities in 2017 - 2018

During the year 2017–2018 the Indian Government is committed to enhance growth which will benefit your Company also.

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.

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.

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.

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 Regulations 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.

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

**Yogendra Kumar Gupta
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, 2018. 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 four Non-Executive Directors and two Executive Director. The Chairman of the Board is Executive Director. The Directors are eminently qualified and experienced in business, finance and corporate management.

MAHAN INDUSTRIES LIMITED

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

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, 2018)
Mr. Yogendra Kumar Gupta Managing Director 61 Years	Executive Promoter Director	02/01/1995	NIL	NIL	7	Yes	533454 (1.48)
Mr. Manik Dattatreya Director 47 Years	Executive Director Non Promoter	31/12/2003	NIL	NIL	7	Yes	NIL
Mr. Lalit Sharma 61 Years	Non-Executive Independent Director	31/12/1997	NIL	NIL	7	No	NIL
Mr. Kalpesh Trivedi 57 Years	Non-Executive Independent Director	23/02/2006	NIL	NIL	7	Yes	NIL
Mr. Chanakya Shukla 39 Years	Non-Executive Independent Director	30/12/2005	NIL	NIL	7	No	NIL
Mrs. Hiralben Kubavat 40 Years	Non-Executive Non Independent Director	07/04/2015	1	NIL	2	Yes	NIL

Notes:

Disclosure of Chairmanship & Membership includes membership of Audit and Stakeholder Relationship Committees in other Public Limited Companies.

Other directorships do not include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.

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.

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.

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	Hiralben Kubawat
Father Name	PravinKumar Kubavat
Date of Birth	24/05/1978
Date of Appointment	30/09/2015
Qualification	Graduate
Name of the Companie(s) in which he is a director other than Mahan Industries Limited	COGENT MOTOPARTS Pvt Ltd.
Specific functional Areas	She has the expertise in administration and accounting matters.
Shareholding in the Company as on 31 st March, 2018	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:

Name of the Director	Yogendra Kumar Gupta
Father Name	Prabhudayal Gupta
Date of Birth	01/02/1957
Date of Appointment	02/01/1995
Qualification	Commerce Graduate
Name of the Companies(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, 2018	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 Seven times during the financial year 2017-18 on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	29/05/2017	6	5
2.	02/09/2017	6	6
3.	14/09/2017	6	6
4.	13/12/2017	6	5
5	15/01/2018	6	5
6	09/02/2018	6	5
7	21/03/2018	6	5

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 28th March, 2018. Shri Lalit 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 Shukla 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 Regulations, 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. Yogendra Kumar Gupta as other members of the Committee.

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 utilization 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, and 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;

(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	5
Mr. Lalit Sharma	Member	Non Executive Independent Director	5
Mr. Yogendra Kumar Gupta	Member	Executive Director	5

The Committee met 5 times during the year ended 31st March, 2018 i.e. on 29th May, 2017, 02nd September, 2017, 14th September, 2017, 13th December, 2017, and 09th February, 2018 and the time gap between the two meetings did not exceed 120 days. 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 Regulations 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 2017-2018, 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 Dattatreya	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. Manik Dattatrey (inclusive of Bonus of Rs. 20000/-).

GENERAL BODY MEETINGS:

1. GENERAL MEETING

a) Annual General Meeting

Financial Year	Day and Date	Type	Time	Location
2014 - 2015	Wednesday, 30 th September, 2015	AGM	9.00 a.m.	3rd Floor, D.K. House, Near. Mithakhali Underbridge, Ellisbridge, Navrangpura, Ahmedabad-380006
2015 - 2016	Friday, , 30 th September, 2016	AGM	9.00 a.m.	
2016 - 2017	Friday, , 29 th September, 2017	AGM	10.00 a.m.	

b) Extraordinary General Meeting

No Extra Ordinary General meeting was held during the year 2014 – 2015, 2015 – 2016.

One Extraordinary General meeting was held during the year 2016-2017 on 9th January, 2017.

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

1. 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. ,
2. On 09.02.2017, the Company held EOGM for appointment of Statutory Auditors.

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.

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 Regulations, BSE has imposed penalty on the Company. The Company has paid the penalty.

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, 2018.

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 BSE Stock Exchange 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 LISTING REGULATIONS BY SEBI:-

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 2017 – 2018.”

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

**Yogendra Kumar Gupta
Managing Director
DIN: 01726701**



GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting:

Day and Date	Friday, 7th September, 2018.
Time	10:00 a.m.
VENUE	3rd Floor, D.K. House, Near. Mithakhali Under bridge, Ellis bridge, Navrangpura, Ahmedabad-380006.
Financial Year	1st April, 2017 to 31st March, 2018(12 Months)
Book Closure Dates	30 th August 2018 to 3 rd September ,2018 (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. Yogendra Kumar 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/Audited financial results were held on the following dates.

FINANCIAL REPORTING FOR THE YEAR 2017-18	DATE OF BOARD MEETING
Financial Reporting for the quarter ending 30/06/2017	14 th September, 2017
Financial Reporting for the quarter ending 30/09/2017	13 th December, 2017
Financial Reporting for the quarter ending 31/12/2017	09 th February, 2018
Financial Reporting for the quarter ending 31/03/2018	30 th May, 2018

The Tentative dates of the Board Meeting for consideration of the Financial results for the year ending 31st March, 2019

Financial Reporting for the year 2018-2019	Month of reporting
Financial Reporting for the quarter ending 30/06/2018	Second week of, August 2018
Financial Reporting for the quarter ending 30/09/2018	Second week of, Nov 2018
Financial Reporting for the quarter ending 31/12/2018	Second week of Feb, 2019
Financial Reporting for the quarter ending 31/03/2019	Last week of May, 2019

Market Information

Monthly high and low price Data of the Company on BSE in comparision with BSE Sensex for the period commencing from 1st April, 2017 to 31st March, 2018

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, 2017	0.56	0.52	461887	30184.22	29241.48
May, 2017	0.52	0.49	1641630	31255.28	29804.12
June, 2017	0.49	0.49	113486	31522.87	30680.66
July, 2017	0.49	0.49	1000	32672.66	31017.11
August, 2017	Not traded	Not traded	000	32,686.48	31,128.02
September, 2017	Not traded	Not traded	000	32,524.11	31,081.83
October, 2017	Not traded	Not traded	000	33,340.17	31,440.48
November, 2017	Not traded	Not traded	000	33,865.95	32,683.59
December, 2017	Not traded	Not traded	000	34,137.97	32,565.16
January, 2018	Not traded	Not traded	000	36,443.98	33,703.37
February, 2018	Not traded	Not traded	000	36,256.83	33,482.81
March, 2018	0.49	0.49	440	34,278.63	32,483.84



Distribution of the Shareholding as on 31st March, 2018

Nominal Values	Shareholders	Percentage	Total Shares	Amount	Percentage
Up to – 5000	2428	59.03	414019	4140190	1.15
5001 - 10000	506	12.30	432738	4327380	1.20
10001 - 20000	334	8.12	520516	5205160	1.45
20001 - 30000	211	5.13	542472	5424720	1.51
30001 - 40000	96	2.33	348720	3487200	0.97
40001 - 50000	143	3.48	689285	6892850	1.91
50001 – 100000	191	4.64	1468443	14684430	4.08
100000 & Above	204	4.96	31583807	315838070	87.73
TOTAL	4113	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 and as ammended from time to time.

Physical and Demat Shares as on 31st March, 2018

Particulars	No. of Shareholders	No. of Shares	%
CDSL	1855	1,48,30,758	41.20
NSDL	1790	79,80,949	22.17
Physical	468	1,31,88,293	36.63
Total	4113	3,60,00,000	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) Familiarization 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.

**For and on behalf of Board of Directors
Of Mahan Industries Limited**

Sd/-

Date : 1st August, 2018
Place : Ahmedabad

**Yogendra Kumar Gupta
Managing Director
DIN: 01726701**



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, 2018 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, 2017 to 31st March, 2018.

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: 01st August, 2018

Annexure VI

Form No. MR-3 for the financial year ended on 31st March, 2018

[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, 2018 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, 2018 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.
- (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, 2008.

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 Regulations 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) Appointment of Chief Financial Officer was in process at the end of the year and was made w. e. f 04th July, 2018 by the Company.

c) Some of the information / data required to be submitted as per the Listing Regulations were submitted late as a result, company had paid penalty/late fee in some cases as required.

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.

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.

Place: Ahmedabad
Date: 05th July, 2018

For Gaudana & Gaudana
(Company Secretaries)

CS Arvind Gaudana
FCS No: 2838C.P No: 2183

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.

**Place: Ahmedabad
Date: 05th July, 2018**

**For Gaudana & Gaudana
(Company Secretaries)**

**CS Arvind Gaudana
FCS No: 2838C.P No: 2183**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Mahan Industries Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying In AS financial statements of Mahan Industries Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including Other comprehensive Income), the Cash Flow Statement and Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these In AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued hereunder.

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

Auditors' Responsibility

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing 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 Ind AS financial statements are free from material misstatement.



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

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

Opinion

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

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 prepared in accordance with Ind As included in these Ind As financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet dated 1st Aril,2017 expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - A) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- B) In our opinion, proper books of account as required by law relating to preparation of the Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- C) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these Ind AS financial statements.
- D) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- E) On the basis of the written representations received from the Directors as on March 31, 2018, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
- F) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
- G) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses therefore question as to provision of losses does not arise.
 - III. The company is not required to transfer any amount to Investor Education and Protection Fund therefore question as to delay in transferring such amounts to the Investor Education and Protection Fund by the Company does not arise.

For, **ROOPEN R. SHAH & CO.**
Chartered Accountants
Firm Registration No. 119869W

CA Roopen R. Shah
Proprietor
No.: 107279

Date: 30th May 2018.
Place: Ahmedabad



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, 2018, 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. 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.

- 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 2018 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:

Particulars	31/03/2018	31/03/2017
<u>Claims against the company not acknowledged and provided for in respect of:</u>		
a) Income tax matters, pending decision on various appeals made by the Company		
Income Tax 2006-2007 Appeal allowed and demand deleted by ITAT.	-	6,584.,951
Income Tax 2010-2011 Appeal filed with ITAT. Demand reduced by DCIT u/s 154	-	2,578.244
Income Tax 2010-2011 Appeal filed with ITAT. Demand reduced by DCIT u/s 154	-	2,699.427
Income Tax 2010-2011 Appeal filed with ITAT. Demand reduced by DCIT u/s 154	-	986.384
Income Tax 2010-2011 Appeal filed with ITAT . Demand reduced by DCIT u/s 154	506.300	932.250
Income Tax 2010-2011 Appeal filed with ITAT. Demand reduced by DCIT u/s 154	110.158	110.158
Total	616.458	13,891.414

- (vii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (viii) 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 provision of Clause 3(ix) of the order are not applicable to the company.
- (ix) 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 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.

- (x) According to the information and explanations given by the company, managerial remuneration has been paid / provided accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- (xi) 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.
- (xii) 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;
- (xiii) 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.
- (xiv) As per the information and explanations given to us The company has not entered into any non-cash transactions with directors or persons connected
- (xv) 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: 30th May 2018

Annexure–B to Independent Auditors’ Report

Referred to in paragraph 10(l) 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, 2018.

Report on the Internal Financial Controls over financial reporting 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, 2018 in conjunction with our audit of the stand alone IND AS 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 procedure selected depends on the auditor’s judgment, including the assessment of the risks of material mis- statement 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.

Meaning 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 & 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 mis-statements 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, 2018, 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 : 30th May 2018

BALANCE SHEET AS AT 31ST MARCH, 2018				"₹" in Thousands
Particulars	Note No.	As at 31st March,		As at 1st April, 2016
		2018	2017	
ASSETS				
A Non-Current Assets				
(a) Property, Plant & Equipments	1	704.65	707.20	725.85
(b) Financial Assets				
(i) Investments	2	389.11	792.31	22,382.34
(c) Other Non-current Assets	3	54,909.61	54,693.61	59,129.11
Sub-Total (A)		56,003.37	56,193.12	82,237.30
B Current Assets				
(a) Inventories	4	5,501.10	7,026.69	4,771.67
(b) Financial Assets				
(i) Investments	5	73,832.98	73,832.98	73,832.98
(i) Trade Receivables	6	10,894.26	11,125.26	11,578.36
(ii) Cash and cash equivalents	7	95.64	154.56	131.04
(iii) Other Current Assets	8	1,039.34	1,004.43	999.43
Sub-Total (B)		91,363.31	93,143.91	91,313.48
Total Assets (A+B)		147,366.68	149,337.03	173,550.79
EQUITY AND LIABILITIES				
C Equity				
(a) Equity Share Capital	9	360,000.00	360,000.00	360,000.00
(b) Other Equity	10	(249,780.05)	(246,475.67)	(234,643.71)
Sub-Total (C)		110,219.95	113,524.33	125,356.29
D Liabilities				
(1) Current Liabilities:				
(a) Financial Liabilities				
(i) Trade Payables		4,294.92	4,233.64	4,233.87
(iii) Other Financial Liabilities	11		30,626.93	
(b) Other Current Liabilities	12	32,094.50	911.63	43,424.45
(c) Provisions	13	757.32	472.27	472.27
		-	40.50	63.90
Sub-Total (D)		37,146.74	35,812.70	48,194.49
Total Equity and Liabilities (C+D)		147,366.68	149,337.03	173,550.79
<p>See Accompanying notes to the financial statements As per our report of even date attached For, Roopen R Shah & Co. Chartered Accountants ICAI Firm Reg. No. 119869W CA ROOPEN R SHAH Proprietor Membership No. 107279 Place : Ahmedabad Date : 30th May 2018</p>				
<p>For Mahan Industries Limited</p> <p>Managing Director Director</p> <p>Place : Ahmedabad Date : 30th May 2018</p>				



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

₹ in Thousands				
Sr. No.	Particulars	Note No.	For the Year ended 31st March,	
			2018	2017
	Income			
I	Revenue from operations	14	180.00	1,573.31
II	Other income	15	0.04	0.78
III	Total Income (I + II)		180.04	1,574.09
	Expenses			
IV	Purchase of Stock-In-Trade	16	-	-
	Changes in inventories of Stock-In-Trade	17	1,525.59	(2,255.02)
	Employee benefit expense	18	565.34	532.45
	Finance cost	19	4.39	4,723.61
	Depreciation and amortization expense	1	18.65	18.65
	Other expenses	20	967.25	5,321.93
	Loss on sale of investments		-	5,136.43
	Diminution/(Gain) in Value of Long Term Investment		403.20	(72.00)
	Total expenses (IV)		3,484.43	13,406.05
V	Profit before tax for continuing operations (III-IV)		(3,304.39)	(11,831.96)
VI	Tax expense:			
	(1) Current Tax		-	-
	(2) Deferred tax		-	-
VII	Profit After Tax (V-VI)		(3,304.39)	(11,831.96)
VIII	Other Comprehensive Income		-	-
IX	Total Comprehensive Income for the Year (VII-VIII)		(3,304.39)	(11,831.96)
X	Earnings per equity share: (nominal value of share ₹ 10/-)			
	(1) Basic		(0.09)	(0.33)
	(2) Diluted		(0.09)	(0.33)

See Accompanying notes to the financial statements

As per our report of even date attached

For, Roopen R Shah & Co.

Chartered Accountants

ICAI Firm Reg. No. 119869W

For Mahan Industries Limited

CA ROOPEN R SHAH

Proprietor

Membership No. 107279

Place : Ahmedabad

Date : 30th May 2018

Managing Director

Director

Place : Ahmedabad

Date : 30th May 2018

Statement of Cash Flow the year ended on 31st March, 2018

Sr. No.	Particulars	For the Year ended 31st March,	
		2018	2017
1	<u>Cash flow from Operating Activities</u>		
	Profit Before Tax as per statement of Profit & Loss	-3304.39	-11831.96
	Adjusted for:		
	Depreciation and amortization expenses	18.65	18.65
	Loss on sale of investments	-	5136.44
	Net Gain/ Loss on Valuation of Investment [FVTPL]	403.20	-72.00
	Sub-total (a)	-2882.54	-6748.87
	<u>Changes in Working Capital</u>		
	(Increase)/Decrease in Current Assets		
	Trade Receivables	231.00	453.10
	Inventory	1525.59	-2255.02
	Other Current Assets	-34.91	-5.00
	Sub-Total (b)	1721.68	-1806.92
	Increase/ (Decrease) in Current Liabilities		
	Trade Payables	61.27	-0.23
	Provisions	-40.50	-23.40
	Other current liabilities	-154.31	439.35
	Sub-Total (c)	-133.53	415.73
	Changes in Working Capital (d=b-c)	1588.15	-1391.19
	Cash flow from operating activities (a+d)	-1294.39	-8140.07
2	<u>Cash flow from Investing Activities</u>		
	Sale of Non-Current Investments	-	16525.60
	Cash flow from other non-current assets	-216.00	4435.50
	Increase/ Decrease in Non-Current assets	-16.10	
	Cash flow from Investing Activities	-232.10	20961.10
3	<u>Cash flow from Financing Activities</u>		
	Proceeds/(Repayment) of short-Term Borrowings	1467.57	-12797.52
	Cash flow from Financing Activities	1467.57	-12797.52
	<u>Cash in/(out) flow during the period (4=1+2+3)</u>	-58.91	23.51
	Opg. Balance of Cash & cash equivalents (5)	154.56	131.04
	Clg. balance of Cash and cash equivalents (4+5)	95.64	154.56
		403.20	72.00

See Accompanying notes to the financial statements
As per our report of even date attached
Note:1) Cash flow statement has been prepared under the indirect method as set out in Ind AS-7 on Cash flow statement.
For, Roopen R Shah & Co.
CA ROOPEN R SHAH
Proprietor
Membership No. 107279
Place : Ahmedabad
Date : 30th May 2018

For Mahan Industries Limited

Managing Director

Place : Ahmedabad
Date: 30th May 2018



Statement of Changes in Equity For the year ended 31st March, 2018

Statement of Changes in Equity

Equity Share Capital	NUMBERS	"₹" in Thousands
As at April 01, 2016	36,000,000	360000.00
Issue of equity Shares		
As at March 31, 2017	36,000,000	360000.00
Issue of equity Shares		
As at March 31, 2018	36,000,000	360000.00

Reconciliation of Other Equity as at 31st March 2018

Particulars	Reserves and Surplus				Other Comprehensive Income				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the reporting period	9,000.00	-	-	(255,475.67)	-	-	-	-	(246,475.67)
Depreciation transferred (to)/from Revaluation Reserve	-	-	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-

Loss on Mark to Market of Hedging Instruments designated and effective as Hedges of Future Cash Flow	-	-	-	(3,304.39)	-	-	-	-	(3,304.39)
Adjustments as per Ind AS	-	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	9,000.00	-	-	(258,780.05)	-	-	-	-	(249,780.05)

Reconciliation of Other Equity as at 31st March 2016

Particulars	Reserves and Surplus				Other Comprehensive Income				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the reporting period	9,000.00	-	-	(229,140.54)	-	-	-	-	(220,140.54)
Depreciation transferred (to)/from Revaluation Reserve	-	-	-	-	-	-	-	-	-



Tax on Dividend	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-
Loss on Mark to Market of Hedging Instruments designated and effective as Hedges of Future Cash Flow	-	-	-	-	-	-	-	-	-
Adjustments as per Ind AS	-	-	-	-	-	-	-	-	-
Prior Period Items	-	-	-	225.00	-	-	-	-	225.00
Loss for the year	-	-	-	(14,728.17)	-	-	-	-	(14,728.17)
Balance at the end of the reporting period	9,000.00	-	-	(243,643.71)	-	-	-	-	(234,643.71)

See Accompanying notes to the financial statements

As per our report of even date attached

For, Roopen R Shah & Co

Chartered Accountants

ICAI Firm Reg. No. 119869W

CA ROOPEN R SHAH

Proprietor

Membership No. 107279

Place : Ahmedabad

Date : 30th May 2018

For, Mahan Industries Limited

Managing Director

Place : Ahmedabad

Date : 30th May 2018

MAHAN INDUSTRIES LIMITED

Mahan Industries Limited Reconciliation of Balance sheet for First time Adoption of Ind As

(Rupees in

thousands)

Particulars	As at 31st March 2016	Ind AS Adjustments	As per Ind AS 1ST APRIL 2016	As at 31st March 2017	Ind AS Adjustments	As per Ind AS 31st APRIL 2017
ASSETS						
Non-current assets						
(a) Property, Plant and Equipment	725.85	-	725.85	707.20	-	707.20
(b) Capital work-in-progress	-	-	-	-	-	-
(c) Investment Property	-	-	-	-	-	-
(d) Goodwill	-	-	-	-	-	-
(e) Other Intangible assets	-	-	-	-	-	-
(f) Intangible assets under development	-	-	-	-	-	-
(g) Biological Assets other than bearer plants	-	-	-	-	-	-
(h) Financial Assets						
(i) Investments	28,862.34	(6,480.00)	22,382.34	7,200.31	6,408.00	792.31
(ii) Trade receivables	-	-	-	-	-	-
(iii) Loans	-	-	-	-	-	-
(iv) Others (to be specified)	-	-	-	-	-	-
(i) Deferred Tax Assets	-	-	-	-	-	-
(j) Other non current assets	59,129.11	-	59,129.11	54,693.61	-	54,693.61
Current assets						
(a) Inventories	4,771.67	-	4,771.67	7,026.69	-	7,026.69
(b) Financial Assets						
(i) Investments	73,832.98	-	73,832.98	73,832.98	-	73,832.98
(ii) Trade Receivable	11,578.36	-	11,578.36	11,125.26	-	11,125.26
(iii) Cash and cash equivalents	131.05	-	131.05	154.56	-	154.56
(v) Loans	999.43	-	999.43	1,004.43	-	1,004.43
(vi) Others (to be specified)	-	-	-	-	-	-
(c) Current Tax Assets (Net)	-	-	-	-	-	-
(d) Other current assets	-	-	-	-	-	-
TOTAL ASSETS	180,030.79	(6,480.00)	173,550.79	155,745.03	6,408.00	149,337.03



EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	360,000.00	-	360,000.00	360,000.00	-	360,000.00
(b) Other Equity	(228,163.71)	6,480.00	(234,643.71)	(240,067.67)	6,408.00	(246,475.67)
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	-	-	-	-	-	-
(ii) Trade payables	-	-	-	-	-	-
(iii) Other financial liabilities	-	-	-	-	-	-
(b) Provisions	-	-	-	-	-	-
(c) Deferred tax liabilities (Net)	-	-	-	-	-	-
(d) Other non-current liabilities	-	-	-	-	-	-
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	43,424.45	-	43,424.45	30,626.93	-	30,626.93
(ii) Trade payables	4,233.87	-	4,233.87	4,233.64	-	4,233.64
(iii) Other financial liabilities (other than those specified in item (c))	-	-	-	-	-	-
(b) Other current liabilities	472.27	-	472.27	911.63	-	911.63
(c) Provisions	63.90	-	63.90	40.50	-	40.50
(d) Current Tax Liabilities (Net)	-	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES	180,030.79	6,480.00	173,550.79	155,745.03	6,408.00	149,337.03

Reconciliation of Profit and loss account for First time Adoption of Ind As for the year ended 2017

Particulars	Previous Gaap	Ind As Adjustment	Ind As
Income			
Revenue from operations	1,573.31	-	1,573.31
Other income	0.78	-	0.78
Total Income (I + II)	1,574.09	-	1,574.09
Expenses			
Purchase of Stock-In-Trade	-	-	-
Changes in inventories of Stock-In-Trade	(2,255.02)	-	(2,255.02)
Employee benefit expense	532.45	-	532.45

MAHAN INDUSTRIES LIMITED

Finance cost	4,723.61	-	4,723.61
Depreciation and amortization expense	18.65	-	18.65
Other expenses	5,321.93	-	5,321.93
Loss on sale of investments	5,136.43	-	5,136.43
Diminution/Gain in Value of Long Term Investment	-	(72.00)	(72.00)
Total expenses (IV)	13,478.05	(72.00)	13,406.05
Profit before tax (III-IV)	(11,903.96)	(72.00)	(11,831.96)
Exceptional items	-	-	-
Profit before extraordinary items and tax (V - VI)	(11,903.96)	(72.00)	-
Extraordinary Items	-	-	-
Profit before tax for continuing operations (III-IV)	(11,903.96)	(72.00)	(11,831.96)
Tax expense:			
(1) Current Tax	-	-	-
(2) Deferred tax	-	-	-
Profit After Tax (V-VI)	(11,903.96)	(72.00)	(11,831.96)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year (VII-VIII)	(11,903.96)	(72.00)	(11,831.96)

Notes to the reconciliations of equity as at 1 April 2015 and 31 March 2016 and total comprehensive income for the year ended 31 March 2016

First-time adoption- Mandatory exceptions, optional exemptions:

- 1) The Company has prepared opening balance sheet as per Ind AS as on 1st April 2016 (Transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous Accounting standards to Ind AS as required by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. Subject to certain exceptions and optional exemptions availed as detailed below.
- 2) **Classification and measurement of Financial Assets**
In accordance with Ind AS, financial assets designated certain investments classified as fair value through profit or loss as permitted by Ind AS 109. The carrying value of unquoted Equity Instrument is considered as fair value due to non-availability of relevant Information. They are classified as level 3 Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

Particulars	AMOUNT
Diminution in Value of Long Term Investment (FVTPL) YEAR 2016	6480.00
Gain in Value of Long Term Investment (FVTPL) YEAR 2017	-72.00
See Accompanying notes to the financial statements As per our report of even date attached For, Roopen R Shah & Co. Chartered Accountants CA ROOPEN R SHAH Proprietor Membership No. 107279 Place : Ahmedabad Date :30 th May 2018	
For Mahan Industries Limited Managing Director Director Place:Ahmedabad Date :30th MAY 2018	



Note 1

Property, Plant & Equipments

A Reconciliation of Carrying Amount for the year ended on March 31, 2018

"₹" in Thousands

Particulars	Software	Office Building	Plant & Equipment	Computer Equipment	Furniture & fixtures	Office Equipments	Total
Gross Carrying Value as on April 1, 2017	-	954.32	38.30	834.82	504.44	235.49	2,567.37
Additions during the year	16.10	-	-	-	-	-	16.10
Deletions during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2018	16.10	954.32	38.30	834.82	504.44	235.49	2,583.47
Accumulated depreciation as on April 1, 2017	-	331.69	32.47	793.08	479.21	223.71	1,860.16
Depreciation for the year	-	14.74	3.91	-	-	-	18.65
Adjustments during the year	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2018	-	346.43	36.38	793.08	479.21	223.71	1,878.81
Net Carrying Value as on March 31, 2018	16.10	607.90	1.92	41.74	25.22	11.78	704.65
Net Carrying Value as on March 31, 2017	-	622.63	5.83	41.74	25.22	11.78	707.20

B Reconciliation of Carrying Amount for the year ended on March 31, 2017

"₹" in Thousands

Particulars		Office Building	Plant & Equipment	Computer Equipment	Furniture & fixtures	Office Equipments	Total
Gross Carrying Value as on April 1, 2016	-	954.32	38.30	834.82	504.44	235.49	2,567.37
Additions during the year	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2017	-	954.32	38.30	834.82	504.44	235.49	2,567.37
Accumulated depreciation as on April 1, 2016	-	316.95	28.56	793.08	479.21	223.71	1,841.51
Depreciation for the year	-	14.74	3.91	-	-	-	18.65
Adjustments during the year	-	-	-	-	-	-	-
Transitional Adjustment*	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2017	-	331.69	32.47	793.08	479.21	223.71	1,860.16
Net Carrying Value as on March 31, 2017	-	622.63	5.83	41.74	25.22	11.78	707.20
Net Carrying Value as on March 31, 2016	-	637.37	9.74	41.74	25.22	11.78	725.85

The Company has elected to continue with the carrying value of all its Property, Plant and Equipment and other intangible assets as recognized in the financial statement as at the date of transition to Ind As, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

MAHAN INDUSTRIES LIMITED

Note 2

Investments (Non-Current)

"₹" in Thousands

Particulars	No. of Shares/Units			(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	2016	2018	2017	
I) Unquoted Investment in shares						
D.K.Association	3	3	3	0.30	0.30	0.30
Charotar Housing Corporation	1	1	1	0.00	0.00	0.00
Total (I)				0.30	0.30	0.30
II) Quoted (Investment at fair value through profit or loss) (FVTPL) Investment in equity shares						
DCM Ltd.	0	0	154085	-	-	21,662.03
Jhonmeyers Granites Ltd.	10000	10000	10000	0.00	0.00	0.00
Kanhaiya Foods Ltd.	2900	2900	2900	0.00	0.00	0.00
Karan Fibers & FabricsLtd.	19790	197900	197900	0.00	0.00	0.00
Sanguine Media Ltd.	72000	720000	7200000	388.80	792.00	720.00
Spenta Finance Ltd.	500	500	500	0.00	0.00	0.00
Total (II)				388.80	792.00	22,382.04
Aggregate market value of quoted investments				388.80	792.00	720.00
Total (I + II)				389.11	792.31	22,382.34

Note 3

Other Non-current Assets

"₹" in Thousands

Particulars	(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Advances other than capital Advances			
Deposits (Unsecured and considered Good)	14.12	14.12	14.12
Advances to suppliers (Unsecured and considered Good)	-	440.34	440.34
Earlier years' STT/MAT	3,596.31	3,596.31	3,596.31
Other Advances (Unsecured and considered Good)	51,299.18	50,642.84	55,078.34
Total	54,909.61	54,693.61	59,129.11

Note 4

Inventories

"₹" in Thousands

Particulars	(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Inventory of shares	5,501.10	7,026.69	4,771.67
Total	5,501.10	7,026.69	4,771.67



Note 5

Investments (Current)

"₹" in Thousands

Particulars	No. of Shares/Units			(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	2016	2018	2017	
Unquoted investments						
Equity shares of,						
A S Techno Build Pvt Ltd	86630	86630	86630	8,749.63	8,749.63	8,749.63
JagmohanlalGupta Estate Pvt Ltd	4990	4990	4990	2,504.98	2,504.98	2,504.98
Kalyan Toll Highways Pvt Ltd	1406330	1406330	1406330	14,203.93	14,203.93	14,203.93
RCM Infrastructure Limited	535290	535290	535290	45,499.82	45,499.82	45,499.82
Ujala Finstock Pvt. Ltd.	3600	3600	3600	180.00	180.00	180.00
Uyes Investment Pvt Ltd	25910	25910	25910	1,274.77	1,274.77	1,274.77
V B Buildcon Pvt Ltd	19720	19720	19720	1,419.84	1,419.84	1,419.84
Total				73,832.98	73,832.98	73,832.98

Note 6

Trade Receivables (Unsecured and considered Good)

"₹" in Thousands

Particulars	(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Trade Receivables (Unsecured and considered Good)	10,894.26	11,125.26	11,578.36
Total	10,894.26	11,125.26	11,578.36

Note 7

Cash and cash equivalents

"₹" in Thousands

Particulars	(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Cash on Hand	30.62	102.46	81.68
Balance with Banks in current account	65.02	52.10	49.37
Total	95.64	154.56	131.04

Note 8

Other Current Assets

"₹" in Thousands

Particulars	(₹) As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Advances to staff	62.30	46.88	41.88
Others			
TDS/GST receivable	977.04	957.56	957.56
Total	1,039.34	1,004.43	999.43

Note 9
Share Capital
Authorised, Issued, Subscribed and Fully paid up shares

"₹" in Thousands

Share Capital	As at 31 March, 2018		As at 31 March, 2017		As at 1st April, 2016	
	Number	"₹"	Number	"₹"	Number	"₹"
Authorised shares			-	-		
Equity Shares of ₹ 10 each	37,300,000	373,000.00	37,300,000	373,000.00	37,300,000	373,000.00
Issued, subscribed and fully paid up shares						
Equity Shares of ₹ 10 each	36,000,000	360,000.00	36,000,000	360,000.00	36,000,000	360,000.00
Total issued, subscribed and fully paid-up share capital	36,000,000	360,000.00	36,000,000	360,000.00	36,000,000	360,000.00

The company has only one class of shares referred to as Equity shares having face value of Rs. 10 /- each. Each holder of Equity share is entitled to one vote per share.

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.

Details of shareholders holding more than 5% shares in the company

"₹" in Thousands

Name of Shareholder	As at 31 March, 2018		As at 31 March, 2017		As at 1st April, 2016	
	Number	% held	Number	% held	Number	% held
Viaggio Entertainment Pvt. Ltd.	4,500,000	12.50%	4,500,000	12.50%	4,500,000	12.50%
Prabhudas Liladhar Private Limited	2,925,000	8.13%	2,925,000	8.13%	2,925,000	8.13%

Disclosure pursuant to part 1 of Division II to Schedule III of Companies Act, 2013 as notified vide Notification No. G.S.R. 404 (E) dated 6th April, 2016

Statement of changes in equity

"₹" in Thousands

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 1st April, 2016	
	Number	"₹"	Number	"₹"	Number	"₹"
Balance at the beginning of the year	36,000,000	360,000.00	36,000,000	360,000.00	36,000,000	360,000.00
Changes in the equity share capital during the year:						
1) Shares Issued during the year	-	-	-	-	-	-
2) Shares bought back during the year	-	-	-	-	-	-
Balance at the end of the year	36,000,000	360,000.00	36,000,000	360,000.00	36,000,000	360,000.00



Reconciliation of Profit

"₹" in Thousands

Particulars	Link	For the year ended 31/03/2017	For the year ended 31/03/2016
Net Profit as per Audited Financial Statements	A	(11,903.96)	(8,023.17)
Prior Period Errors - Interest Income	B	-	(225.00)
Diminution/Gain in Value of Long Term Investment		72.00	(6,480.00)
Total Comprehensive Income as per Ind AS Financial Statements	C=A+B	(11,831.96)	(14,728.17)

Note 10 Other Equity

"₹" in
Thousands

Particulars	Reserves & Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 01/04/2015	9,000.000	(229,140.54)	(220,140.54)
Loss for the Year	-	(14,728.17)	(14,728.17)
Prior Period Errors - Interest Income	-	225.00	225.00
Balance as at 31/03/2016	9,000.000	(243,643.71)	(234,643.71)
Balance as at 01/04/2016	9,000.000	(243,643.71)	(234,643.71)
Loss for the Year	-	(11,831.96)	(11,831.96)
Balance as at 31/03/2017	9,000.000	(255,475.67)	(246,475.67)
Balance as at 01/04/2017	9,000.000	(255,475.67)	(246,475.67)
Loss for the Year		(3,304.39)	(3,304.39)
Balance as at 31/03/2018	9,000.000	(258,780.05)	(249,780.05)

Note 11 Other Financial Liabilities

"₹" in Thousands

Particulars	As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Unsecured Loan from Related Party	23,998.99	22,580.99	11,589.39
Secured Loan from Finance Companies	6,734.79	6,913.69	30,777.81
Unsecured Loans from Others - Repayable on demand	1,360.73	1,132.25	1,057.25
Total	32,094.50	30,626.93	43,424.45

Loans from others & related party are interest free and repayable on demand.

Loan From Finance Companies taken under margin funding are secured by pledge of shares and the loan are repayable on demand.

Note 12
Other Current Liabilities

Particulars	As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Other Payables	757.32	911.63	472.27
Total	757.32	911.63	472.27

Note 13

Provisions

Particulars	As at 31st March,		(₹) As at 1st April, 2016
	2018	2017	
Provision for employee benefits	-	40.50	63.90
Total	-	40.50	63.90

Note 14

Revenue From Operations

Particulars	For the Year Ended on 31st March,	
	2018	2017
Revenue From Operations		
Sales of Shares	180.00	1,573.31
Total	180.00	1,573.31

Note 15

Other Income

Particulars	For the Year Ended on 31st March,	
	2018	2017
Dividend	0.04	0.78
Total	0.04	0.78

Note 16

Purchase of Stock-In-Trade

Particulars	For the Year Ended on 31st March,	
	2018	2017
Purchase of shares	-	-
Total	-	-

**Note 17****Changes in inventories of Stock-In-Trade**

Particulars	For the Year Ended on 31st March,	
	2018	2017
Inventory of shares at the beginning of the year	7,026.688	4,771.667
Inventory of shares at the closing of the year	5501.095	7,026.688
Changes in inventory	1,525.593	(2,255.022)

Note 18**Employee benefits expense**

Particulars	For the Year Ended on 31st March,	
	2018	2017
Director's Remuneration	240.000	240.000
Salary & Bonus	301.249	267.961
Staff Welfare Expenses	24.094	24.491
Total	565.343	532.452

Note 19**Finance cost**

Particulars	For the Year Ended on 31st March,	
	2018	2017
Interest on Margin Funding	0.220	4702.204
Other Interest	4.171	21.403
Total	4.391	4,723.607

Note 20
Other expense

Particulars	For the Year Ended on 31st March,	
	2018	2017
Auditors Remuneration	60.00	54.28
Listing Fees	247.46	229.00
Loans and Advances Balance Written Off	-	4,435.50
Miscellaneous Expenses	440.51	315.77
NSDL-CDSL Charges	167.40	228.68
Rates & Taxes	26.11	30.40
Repairs & Maintenance	25.77	28.31
Total	967.25	5,321.93

Note 21
Contingent Liabilities

Particulars	For the Year Ended on 31st March,	
	2018	2017
Income Tax A.Y 2006-2007 Appeal allowed and demand deleted by ITAT	-	6,584.95
Income Tax 2010-2011 Appeal filed with ITAT Demand reduced by DCIT u/s 154	-	2,578.24
Income Tax 2011-2012 Appeal filed with ITAT Demand reduced by DCIT u/s 154	-	2,699.43
Income Tax 2012-2013 Appeal filed with ITAT Demand reduced by DCIT u/s 154	-	986.38
Income Tax 2013-2014 Appeal filed with ITAT Demand reduced by DCIT u/s 154	506.30	932.25
Income Tax 2014-2015 Appeal filed with ITAT Demand reduced by DCIT u/s 154	110.16	110.16
Total	616.46	13,891.41



Note 22

Notes to financial statements for the year ended 31 March, 2018.

a. Corporate Information

Mahan Industries Limited is Ahmedabad, Gujarat based public Limited company incorporated under provisions of the Companies Act, 1956. The Company is engaged in the business of Investment in Quoted and Unquoted Shares and trading in shares.

b. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 ("the Act"), (Ind AS compliant Schedule III), as applicable to the Company.

The Ind AS are prescribed under Section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These are the first Ind AS Financial statements and have been prepared under historical cost convention on accrual basis.

The financial statements are presented in INR and all values are rounded to the nearest Thousands, except where otherwise indicated.

c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates judgments and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities as on date of financial statements and reported amounts of revenue and expenditure for the reporting period. Any revision to accounting estimates is recognized prospectively in current and future periods. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates is recognized in the year in which the results are known/materialized.

d. Property, Plant and Equipment

Property, plant & equipment held for use in the supply of services or for administration purpose, are stated in the balance sheet at cost less accumulated depreciation.

Property, plant and equipment not ready for intended use as on balance sheet date are to be disclosed as Capital Work-in-progress. Capital work-in-progress are carried at cost. Cost includes any directly attributable expenses incurred to bring the assets to working condition for their intended use. In respect of qualifying assets, borrowing cost are

capitalized. Capital work-in-progress are classified to the appropriate categories of property, plant and equipment when ready for intended use.

Depreciation on Property, Plant and Equipment is provided using straight line method based on useful life of assets as prescribed under Schedule II to the Companies Act, 2013 except low value items not exceeding Rs. 5,000/- which are fully depreciated at the time of addition.

Depreciation on addition and deletion to Property, Plant and Equipment is provided on pro-rata basis. Depreciation on subsequent expenditure arising on account of capital improvement or other factors is provided for prospectively.

e. Financial Instruments

A financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the company becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets or liabilities measured at fair value through profit and loss are immediately recognized in profit and loss.

All financial assets and liabilities are subsequently measured depending on classification either at,

1. Amortised Cost
2. Fair Value through Other Comprehensive income (FVTOCI)
3. Fair value through profit and loss (FVTPL)

Investments:

Investments that are readily realizable and intended to be held for not more than 12 months are classified as current investments. **The carrying value of unquoted Equity Instrument is considered as fair value due to non- availability of relevant Information. They are classified as level 3**

Provision for diminution in the value of non current investments is made only if such decline is other than temporary. Cost of overseas noncurrent investments comprises the Indian rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment.

Since there was permanent diminution in the value of some of the non-current investments, the same was written off to Profit & Loss account to the extent of permanent diminution. The same practice was also adopted in earlier periods' figures and earlier period figures restated accordingly in current year.

Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at bank, cash in hand and short term deposits (with the maturity of three months or less), which are subject to an insignificant risk of changes in value.



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.

h. Taxes on Income

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.

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 31-03-2018	Year ended 31-03-2017
1	Net Profit / (Loss) attributable to shareholders	(3,304.387)	(11,831.960)
2	Weighted average no. of. Equity Shares	36,000,000	36,000,000
3	Basic Earning Per Share	(0.09)	(0.33)

Name	Relationship	Nature of transaction	Amt(Rs)		Outstanding Balance(Rs)	
			2017-18	2016-17	2017-18	2016-17
Yogendrakumar Gupta	Managing Director	Loan Taken	14,23,000	1,10,91,592	2,39,98,986	2,39,98,986
		Loan Repaid	5,000	1,00,000		
		For expenses		4,49,354	6,74,660	6,74,660
Manik Dattatrey	Key Managerial Personnel	Remuneration	2,40,000	2,40,000	-	-
		Bonus	20,000	20,000		

For, Roopen R Shah & Co.
Chartered Accountants

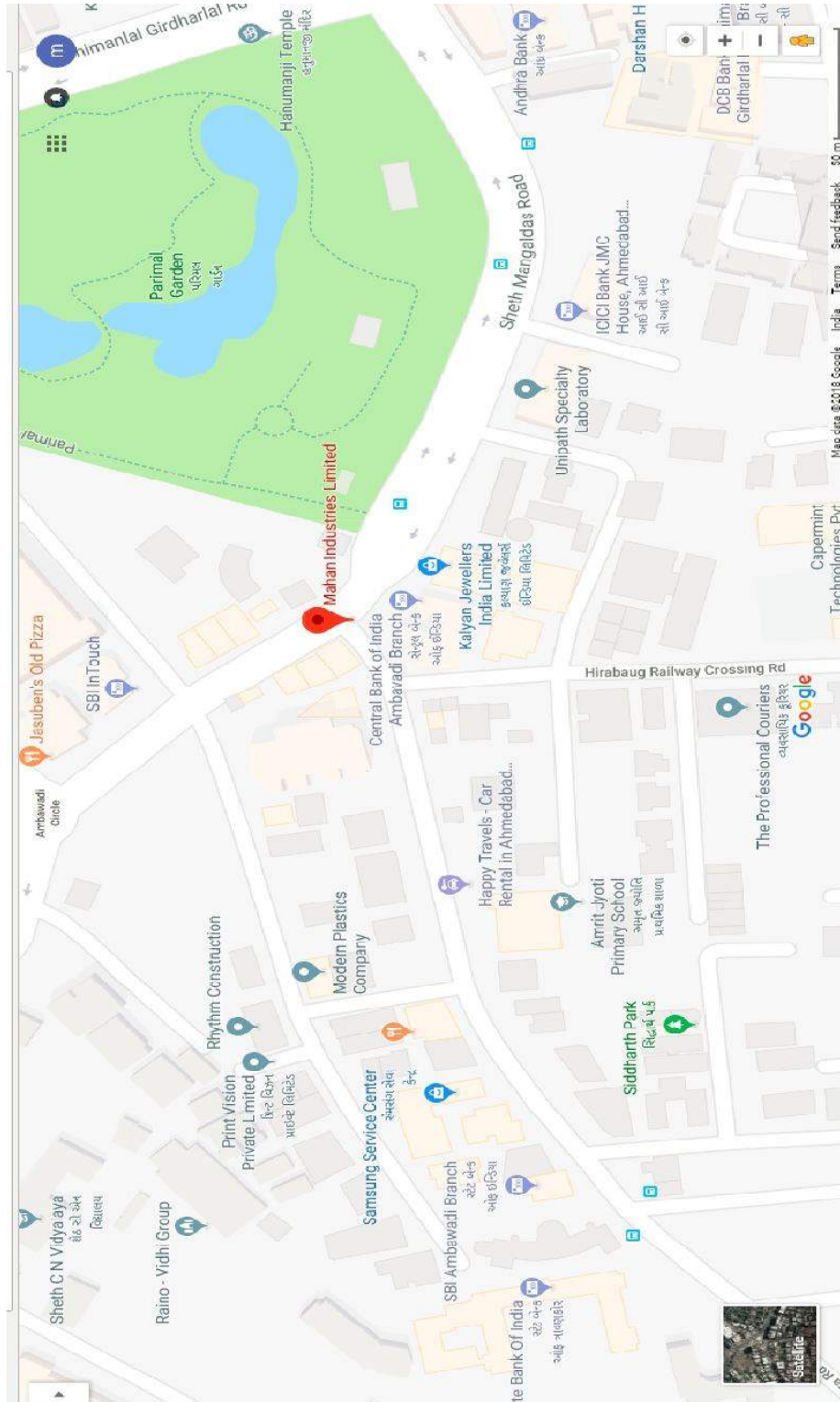
CA ROOPEN R SHAH
Proprietor
Membership No. 107279

Place : Ahmedabad
Date :30th May 2018

For Mahan Industries Limited

Managing Director Director

Place:Ahmedabad
Date :30th MAY 2018



MAHAN INDUSTRIES LIMITED

CIN: L91110GJ1995PLC024053

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

Ahmedabad - 380006 Gujarat

Tel: & Fax Nos. 079 - 26568789

Email Address: mahan.int@gmail.com

Web Address: www.mahan.co.in

ATTENDANCE SLIP

DP ID _____

(To, be presented at the entrance) Folio No. / Client ID _____

I/We hereby record my/our presence at the 24th Annual General Meeting of the Company at 3rd Floor D. K. House. Nr, Mithakhali Underbridge Mithakhali Ahmedabad-380006(Gujarat) on Friday,7th day of September,2018 at 10:00 a.m

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

Signature of the Member/Proxy

MAHAN INDUSTRIES LIMITED

CIN: L91110GJ1995PLC024053

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

Ahmedabad - 380006 Gujarat

Tel: & Fax Nos. 079 - 26568789

Email Address: mahan.int@gmail.com

Web Address: www.mahan.co.in

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]

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;

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Friday, 7th day of September, 2018 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 31 st March,2018 together with the Reports of the Board of Directors and Auditors' thereon		
2	To Reappoint Ms. Hiral P Kubavat (holding Director Identification Number 07151116), who retires by rotation and, being eligible, himself for Re-appointment.		

Signed this _____ day of _____ 2018

Signature of the Shareholder _____

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

ADROIT CORPORATE SERVICES PRIVATE LIMITED
17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road,
Marol Naka, Andheri (E), Mumbai 400059, India.
Tel: +91 (0)22 42270400, email: info@adroitcorporate.com

**IMPORTANT & URGENT
FOR YOUR IMMEDIATE ACTION**

Date:

Name
Address 1
Address 2
Address 3
Pincode

Jt1:

Jt2:

Folio :

UNIT: MAHAN INDUSTRIES LIMITED
ISIN: INE735D01033

Dear Shareholder(s),

Sub.: Mandatory update of PAN and Bank details against your share holding

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018, shareholders whose ledger folios /have incomplete details with respect to PAN and Bank particulars are mandatorily required to furnish these details to the Issuer Company/RTA for registration in the folio. **As per our records, your folio for the mentioned unit/company needs to be updated with the PAN / Complete Bank details so that the investments held by you are in compliance with the aforementioned circular.**

You are hence requested to submit the following documents within 21 days of receipt of this communication to Company's Registrar and Transfer Agent:

Enclosed form duly filled in and signed by all the shareholders.

Self-attested legible copy of Pan Card of all the holders (exempted for Sikkim Shareholders).

Cancelled personalised cheque leaf (In absence of personalised cheque, self-attested copy of first page of pass book **showing name of the account holder**) which contains the Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder

Address proof (self-attested copy of Aadhaar/ passport/utility bill (not older than 3 months))

You may also register your email ID, mobile no. ~~and Nominee (Form SH-13)~~

You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificate etc. shall be subject to enhanced due diligence by the Company.

We would like to request you to kindly take necessary steps to convert equity shares of said company held by you in demat mode. ISIN of company is given in this letter for your ready reference.

In case if you have any queries or need any assistance in this regard, please contact;

Registrar and Transfer Agent :Adroit Corporate Services Private Limited

17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai 400059, India.
Tel: +91 (0)22 42270400 email: info@adroitcorporate.com

Thanking you,

Yours faithfully,

For Adroit Corporate Services Private Limited

Sd/

Authorised Signatory.

FORM FOR FURNISHING PAN AND BANK DETAILS

To,
Adroit Corporate Services Private Limited
17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road,
Marol Naka, Andheri (E), Mumbai 400059, India.

Dear Sir/Madam,

Unit: MAHAN INDUSTRIES LIMITED

I/we hereby furnish our PAN and Bank mandate details for update in your records. I/we are enclosing herewith:

- 1) Self-attested copies of PAN cards of all the shareholders,
- 2) Original personalized cancelled cheque leaf/First page of attested bank pass book showing name of the account holder and
- 3) Address proof viz., Aadhaar card as required for updation of the details:

Folio No.												
Name of Shareholder											
Bank Account Details : (for electronic credit of dividends)												
Name of the Bank												
Name of the Branch												
Account Number (as appearing in your cheque book)												
Account Type (Please tick as applicable)	Saving			Current			Cash Credit					
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification												
11 Digit IFSC Code												
Mobile No./Telephone No.												
E-Mail id												

	Name	PAN	Signature
First Holder :			
JointHolder1 :			
JointHolder2 :			

Date:

Place:

NB: The above details will not be updated if the supporting documents are not attached and not duly signed by all the shareholders.

Note: Kindly send the above information to Registrar and Transfer Agent Adroit Corporate Services Private Limited, 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai 400059

Book-Post

If undelivered please return to
MAHAN INDUSTRIES LIMITED
3RD FLOOR D K House,
Nr. Mithakhali Underbridge ,
Mithakhali ,
Ahmedabad-380006, Gujarat