



KILBURN ENGINEERING LTD.

Annual Report | 2017-18





ROTARY DRYER SECTION-I



BI-CARBONATE FEEDER



FM VAULT COOLER



PADDLE DRYER



FLUID BED DRYER



PUMP ROOM COOLER



KILBURN ENGINEERING LTD.



A Williamson Magor Group Enterprise

Website: www.kilburnengg.com

Email: cs@kilburnengg.com

CIN : L24232WB1987PLC042956

A part of the Williamson Magor Group

Founded in 1860, Williamson Magor Group has successfully diversified its business interest into consumer goods, engineering and construction, emerging as a multi-business enterprise with over Rs.5,000 crore turnover.

BOARD OF DIRECTORS	BOARD COMMITTEES	STATUTORY AUDITORS
<p>Chairman (Non-Executive) Mr. Aditya Khaitan</p> <p>Managing Director Mr. Supriya Mukherjee (upto 31-03-2018)</p> <p>Mr. Subir Chaki (w.e.f. 01-04-2018)</p> <p>Other Directors Mr. Amritanshu Khaitan Mr. Subir Rajan Dasgupta Mr. Manmohan Singh Mr. Padam Kumar Khaitan Mr. Gobind Saraf Mrs. Priya Saran Chaudhri</p>	<p>AUDIT COMMITTEE Mr. Gobind Saraf (Chairman) Mr. Subir Rajan Dasgupta Mr. Supriya Mukherjee (upto 31-03-2018) Mr. Subir Chaki (w.e.f. 01-04-2018) Mr. Manmohan Singh</p> <p>STAKEHOLDERS RELATIONSHIP COMMITTEE Mr. Padam Kumar Khaitan (Chairman) Mr. Gobind Saraf Mr. Manmohan Singh</p> <p>NOMINATION AND REMUNERATION COMMITTEE Mr. Manmohan Singh (Chairman) Mr. Gobind Saraf Mr. Subir Rajan Dasgupta</p> <p>CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE Mr. Manmohan Singh (Chairman) Mr. Gobind Saraf Mr. Supriya Mukherjee (upto 31-03-2018) Mr. Subir Chaki (w.e.f. 01-04-2018)</p>	<p>M/s S R B C & Co LLP</p>
		COST AUDITORS
		M/s. D. Sabyasachi & Co.
		SECRETARIAL AUDITOR
		M/s. Dhrumil M. Shah & Co.
		REGISTERED OFFICE
		Four Mangoe Lane Surendra Mohan Ghosh Sarani, Kolkata-700 001 Tel. No.- (033) 2231 3337/3450 Fax No.- (033) 2231 4768
		CORPORATE OFFICE
		Plot no. 6, MIDC – Saravali, Taluka Bhiwandi, Kalyan - Bhiwandi Road, Thane 421 311 Maharashtra Tel. No. - (02522) 663800 Fax No. - (02522) 281026
CHIEF FINANCIAL OFFICER		
Mr. Suresh Shenoi		
COMPANY SECRETARY		
Mr. Arvind Bajoria		
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KILBURN ENGINEERING LTD.

REGD. OFFICE : Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.

Website : www.kilburnengg.com (A Williamson Magor Group Enterprise)

CIN : L24232WB1987PLC042956

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Company will be held on Friday, 28th September, 2018 at 11:00 a.m. at ICC Auditorium 10th Floor, ICC Towers, Indian Chamber of Commerce (ICC), 4, India Exchange Place, Kolkata - 700 001 to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31st March, 2018 and Report of Directors and Auditors' Report thereon.
2. To declare dividend for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Amritanshu Khaitan (holding DIN 00213413), who retires by rotation and being eligible, offers himself for reappointment.

Special Business

To consider and, if thought fit, to pass the following Resolutions:-

4. As an Ordinary Resolution – appointment of Mr. Subir Chaki as director of the Company :

"RESOLVED that Mr. Subir Chaki (DIN: 05174555) who was appointed as an Additional Director of the Company on 13th November, 2017 and holds office up to this Annual General Meeting of the Company in terms of Section 161 of The Companies Act, 2013 and in respect of whom the Company has received a notice in writing pursuant to section 160 of The Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as a director of the Company liable to retire by rotation."

5. As an Ordinary Resolution - appointment of Mr. Subir Chaki as Whole Time Director

"RESOLVED that consent of the Members be and is hereby accorded to the appointment of Mr. Subir Chaki as Whole Time Director of the Company, pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (Act) and any other applicable provisions of the Act and the Rules made thereunder read with Schedule V to the Act and/or subject to such approvals as necessary, with effect from November 13, 2017 and upto 31st March, 2018, upon the terms and

conditions including remuneration as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and as set out in the Explanatory Statement in respect of this item of business, attached herewith."

6. As Special Resolution - appointment of Mr. Subir Chaki as Managing Director :

"RESOLVED that consent of the Members be and is hereby accorded to the appointment of Mr. Subir Chaki (holding DIN: 05174555) as Managing Director of the Company, pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (Act) and any other applicable provisions of the Act and the Rules made thereunder read with Schedule V to the Act and / or subject to such approvals as necessary, for a period of two years with effect from April 1, 2018, upon the terms and conditions including remuneration as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and as set out in the Explanatory Statement in respect of this item of business, attached herewith."

"RESOLVED FURTHER THAT the Board of Directors shall have the authority to take incidental action and also to modify or amend the terms of appointment and remuneration from time to time within the limits of Schedule V and other applicable provisions of The Companies Act, 2013 ('The Act') or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of directors and Mr. Subir Chaki."

"RESOLVED FURTHER THAT so long Mr. Subir Chaki functions as Managing Director of the Company, he will not be subject to retirement by rotation and shall not be paid any fees for attending the meetings of the Board or any Committee thereof."

7. As an Ordinary Resolution - Remuneration of Cost Auditor:

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules thereof, (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment and remuneration of the Cost Auditors, M/s. D. Sabyasachi & Co., for auditing the Cost Accounts & records of the Company in respect

of the products, as may be applicable, for the year ending March 31, 2019, as approved by the Board of Directors on the recommendation of the Audit Committee and as set out in the Explanatory Statement in respect of this item of business, be and is hereby ratified."

8. To pass the following Resolution as a Special Resolution:

"RESOLVED that in accordance with the applicable regulations of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members be and is hereby accorded to Mr. Gobind Prasad Saraf (DIN: 00206447), appointed as independent director in 26th AGM held on 30-09-2014 for a tenure of 5 years, to continue as director of the Company post completion of 75 years of his age on his original terms of appointment."

By Order of the Board of Directors

Kolkata

13th August, 2018

Arvind Bajoria

Company Secretary
Membership No.: 15390

Regd. Office :

Four Mangoe Lane,

Surendra Mohan Ghosh Sarani

Kolkata – 700 001

CIN: L24232WB1987PLC042956

NOTES:

I. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE MEETING. A PROXY / PROXIES SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

II. Voting through electronic means - instructions:

In compliance with Section 108 of the Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rule, 2014, as amended, and Clause 35B of the Listing Agreement, the Company

is pleased to provide e-voting facility to its Members in respect of the business to be transacted at the Annual General Meeting (AGM). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facilities. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given in a separate sheet attached hereto forming part of the Notice.

The e-voting particulars are being communicated through the Attendance Slip cum Proxy Form.

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at arvind_bajoria@kilburnengg.com or mdpl@cal.vsnl.net.in or scrutinizeraklabh@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com before September 25, 2018 without which the vote shall not be treated as valid.
2. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agents or send mail to arvind_bajoria@kilburnengg.com or mdpl@cal.vsnl.net.in. You may also send mail to helpdesk.evoting@cdslindia.com or refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in.
3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company held on the cut-off date of 21st September, 2018.
4. Mr. A. K. Labh, Practicing Company Secretary (FCS : 4848) of M/s. A.K. Labh & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is aklabhcs@gmail.com.
5. 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.

6. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kilburnengg.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.
- III. The details of Directors seeking re-appointment at this Annual General Meeting as required under SEBI LODR Regulations, 2015 is annexed hereto.
- IV. Members holding shares in physical form are requested to notify immediately change of address, transfer, demat, ECS credit request, if any, to the Registrars and Transfer Agents of the Company i.e. M/s Maheshwari Datamatics Pvt. Ltd. at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Tel. No.: (033) 2243 5809 / 5029; 2248 2248; Fax No.: (033) 2248 4787; e-mail : mdpl@cal.vsnl.net.in or mdpldc@yahoo.com or skchaubey@mdpl.in.
- V. The Notice of the 30th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all Members whose email addresses are registered with the Company / Depository Participant(s), unless a Member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
- VI. Members may also note that the Notice of the 30th AGM and the Annual Report 2017-18 will be available on the Company's website, www.kilburnengg.com.
- VII. Members holding shares in demat mode are requested to notify any change in address, Bank Details, ECS Credit request to their respective depository participants and make sure that such changes are recorded by them.
- VIII. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive). Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrar & Share Transfer Agents before the closure of the Register of Members for registration of transfers.
- IX. The members who have not encashed their Dividend warrants or who have not received the Dividend for the FY 2010-11, FY 2015-16 and FY 2016-17 should approach the Registrars & Transfer Agents of the Company. It may be noted that the

amount of dividend remaining unclaimed for a period of Seven (7) years shall be transferred to the Investor Education and Protection Fund as per the provisions of Section 124 of the Companies Act, 2013.

- X. Members / Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the Annual General Meeting. They are also requested to bring their copies of the Annual Report (mailed separately to all the members) to the meeting.
- XI. Queries on accounts, if any, should reach the Registered Office of the Company at least seven days before the meeting.
- XII. Pursuant to provisions to section 101 read with other applicable provisions of The Companies Act, 2013, we propose to send all the documents to be sent to Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. in electronic form, to their e-mail address.
- Members holding shares in physical form are requested to intimate / update their email address to / with M/s Maheshwari Datamatics Pvt. Ltd. at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Those holding shares in demat mode are requested to intimate / update their email address to / with their depository participants. We request your whole-hearted support to this initiative by co-operating the Company in implementing this.
- XIII. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market transaction and off-market/private transaction including, transfer of shares held in physical form, deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders, transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares and transposition of shares - when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

By Order of the Board of Directors

Kolkata
13th August, 2018

Arvind Bajoria
Company Secretary
Membership No.: 15390

Regd. Office :
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata - 700 001
CIN: L24232WB1987PLC042956

Particulars of the Directors seeking Appointment / re-appointment in the Annual General Meeting as required pursuant to SEBI (LODR) Regulations, 2015:

Name of Director	Mr. Amritanshu Khaitan	Mr. Subir Chaki	Mr. Gobind Prasad Saraf
Category	Non Executive Director	Executive Director (Professional)	Independent Director
Date of Birth	07/11/1982	24/03/1960	16/08/1944
Date of Appointment	27/02/2005	13/11/2017	30/09/2014
Qualification	B. Com (Hons), MBA from London Business School	BE (Mech.), AICWA, PGCGM	B. Com
No. of Equity Shares held	Nil	Nil	NIL
Brief Resume	He hails from a renowned family of industrialists and has industry experience as a successful businessman who has an active interest in the activities of the Company.	He has over 30 years of rich experience in the Manufacturing Industry and has worked with various Companies of the group at senior positions. He has served as the Vice Chairman of Confederation of Indian Industry, West Bengal Council, and continues to be a member of the Council and the West Bengal Task Force to advise the State Government of West Bengal.	Mr. Saraf has vast experience in overall management of the Companies especially in printing industry. He is associated with Ganges Printing Company Limited since 37 years wherein he is in charge of finance, operations and its overall management.
Directorships held in other Companies (as on 31-03-2018)	Eveready Industries India Ltd. McNally Bharat Engineering Co. Ltd. Ichamati Investments Ltd. United Machine Co. Ltd. Queens Park Property Co. Ltd. Prana Lifestyle Pvt. Ltd. Williamson Magor & Co. Ltd. Williamson Financial Services Limited Mcleod Russel India Limited	Mcnally Bharat Equipments Limited Mcnally Sayaji NFLG Construction Equipment Co. Private Ltd.	Williamson Financial Services Ltd. The Ganges Printing Co. Ltd. Babcock Borsig Limited The Standard Batteries Ltd. D1 Williamson Magor Bio Fuel Limited Woodside Parks Limited Varun Tradelink Pvt. Limited Vikas Jute Pvt. Limited Jet Converters Pvt. Limited Easy Pack Private Limited Sunshine Marketing Pvt. Ltd.
Particulars of Committee Chairmanship / Membership held in other Companies	Eveready Industries India Ltd. Chairman CSR Committee	Nil	The Standard Batteries Ltd. Member Audit Committee Nomination and Remuneration Committee Woodside Parks Ltd. Member Audit Committee Nomination and Remuneration Committee
Relationship with other directors / KMPs	None	None	None

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

Item Nos. 4 to 6

The Board of Directors at its meeting held on November 13, 2017, resolved to appoint Mr. Subir Chaki as Additional Director of the Company. Taking into view, rich experience of Mr. Subir Chaki, Board also resolved to appoint Mr. Subir Chaki as Whole Time Director of the Company with effect from November 13, 2017 on the following principal terms and conditions pursuant to the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act and subject to the approval of the shareholders in a General Meeting and/or the Central Government approval (as may be necessary).

Salary (Basic) : ₹ 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) per month with such revision as the Board may approve from time to time in the salary grade of ₹ 3,00,000 – ₹ 50,000 – ₹ 5,00,000.

Performance Bonus : Equivalent to six months' basic salary in a year, payable on half yearly basis based on performance evaluation by the management.

Perquisites :

Housing : Free furnished accommodation will be provided by the Company. In case no accommodation is provided to the whole time director, he will be paid House Rent Allowance @ ₹ 1,60,000/- monthly.

Car : Mr. Chaki will be provided with a Company car with driver. Additionally, Mr. Chaki will be provided with a car for his official and personal purposes.

Medical Insurance : Family medical insurance coverage will be provided by the Company as per the scheme applicable to the senior executive staff of the Company.

Leave Travel Concession : The Whole Time Director will be entitled to Leave Travel Assistance (LTA) once in a year. The amount of LTA per year is ₹ 3,50,000/-.

Club Fees : The Managing Director is entitled to reimbursement of Club Fees, if approved by the Board of Directors.

Other Allowances : A special pay of ₹ 1,02,850/- (Rupees One Lakh Two Thousand Eight Hundred Fifty only) per month.

Retiral Benefits : Contribution to the Company's Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.

Minimum Remuneration : In the event of loss or inadequacy of profits in any year during tenure of his office, the Whole Time Director shall be paid the remuneration as above as minimum remuneration subject to the provisions of Schedule V to the Act read with any circulars, notifications laid down by the Ministry of Corporate Affairs from time to time or any modification thereof.

Leave : The Whole Time Director will be entitled to leave on full pay, perquisites and allowances as following

Casual Leave : Casual Leave of 7 days per annum out of which 3 days' leave can be taken at a stretch. This leave is non-cumulative.

Sick Leave : On actual basis.

Leave Encashment : The Whole Time Director will be entitled to 30 days' leave per annum for each completed year of service, which may be accumulated upto a maximum of 300 days and encashed as per basic salary received at the end of tenure.

Sitting Fees : The Whole Time Director shall not be entitled to any Sitting Fees for attending the meetings of Board of Directors of the Company or Committees thereof.

The Board of Directors at its meeting held on February 14, 2018, resolved to appoint Mr. Subir Chaki as Managing Director of the Company w.e.f. April 1, 2018 on the same existing terms and conditions pursuant to the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act and subject to the approval of the shareholders in a General Meeting and/or the Central Government approval as may be necessary., Since Mr. Supriya Mukherjee, the present Managing Director of the Company will retire from 1st April, 2018.

Thereafter, Board of Directors at its meeting held on August 13, 2018, resolved to restructure the remuneration of Mr. Subir Chaki w.e.f. 13th November, 2017, as per the recommendation of Nomination and Remuneration Committee, as following.

RESTRUCTURED REMUNERATION

Mr Subir Chaki (Monthly Remuneration)

	Previous	Revised
Basic Salary	350000	400000
HRA	160000	200000
Sp. Pay	102850	119316
S.A.F. Contribution 15%	52500	60000
LTE	29167	33333
Performance Bonus (Note 4 below)	175000	200000

Other Perquisites :

1. Family Medical insurance coverage for hospitalization as per Co Scheme
2. Domiciliary medical expenses will not be reimbursed.
3. Leave encashment : Unavailed Privilege Leave (UPL) can be encashed on completion of tenure and Basic Salary will be paid for number of un-availed PL subject to maximum of 300 days as per rules of the company.

4. Mr. Chaki will be entitled to performance bonus equivalent to six months basic salary payable half yearly based on performance evaluation by the Management.
5. Contribution to the Company's Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.

The aforementioned appointment of Mr. Chaki and the terms as to remuneration requires the approval of the Members in general meeting. The above terms of revised remuneration have been approved by the Nomination and Remuneration Committee of the Board In the meeting held on 13th August, 2018.

The Resolution(s) set out in Item No. 4 to 6 is accordingly proposed to be passed by way of Ordinary / Special Resolution and the Board recommends the same for approval of the Members.

Except Mr. Chaki, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 to 6.

INFORMATION IN TERMS OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information:

Nature of Industry : Engineering

Date of commencement of Commercial production : The Company was incorporated in 1987 and had already commenced production

Financial performance based on given indicators:

(For the year ended March 31, 2018)

Particulars	₹ In Lacs
Sales and other Income	13142
Gross Profit before interest, finance charges and depreciation	2639
Interest & Finance Charges	1722
Depreciation	433
Profit before Tax	484
Tax Expenses	149
Profit after Tax	335
O.C.I. (Other Comprehensive Income)	72
Total Comprehensive Income	407

Export Performance and net foreign exchange earnings:

	Export (FOB value)	Net Foreign Exchange Earnings
	₹ Crores	₹ Crores
2017 - 2018	23.50	23.89
2016 - 2017	27.16	27.45
2015 - 2016	29.19	30.34

Foreign Investments : Foreign Collaborators are as or collaborators, if any following :

- i. M/s. Nara Machinery Co. Ltd. (Japan)
- ii. M/s. Carrier Vibrating Equipment Inc (USA)

Investment in subsidiaries during 2017-18 - Nil

Investment in Share Capital by Foreign Companies - Nil

II. Information about the appointee/director

Background Details

Name of Director : Mr. Subir Chaki

Age : 58 years

Qualification : B.E (Mech.), AICWA, PGCGM

Expertise and Experience in specific functional areas:

Mr. Subir Chaki (58) is a Mechanical Engineer from IIT, Kharagpur, Qualified Cost Accountant and PGCGM from IIM, Calcutta. He has over 28 years of rich experience in the Manufacturing Industry. He joined McNally Sayaji Engineering Limited as President - Operations from October 1, 2011. He also served as the President (Manufacturing), Executive Vice President (Manufacturing), Vice President (Flashlight Business) and other various capacity with Eveready Industries India Limited for more than 25 years before joining McNally Sayaji Engineering Limited as Whole Time Director. He has served as the Vice Chairman of Confederation of Indian Industry, West Bengal Council, and continues to be a member of the Council and the West Bengal Task Force to advise the State Government. He has also been a member of the Governing Council at Kalyani University, Chairman of Teacher's Training Institute and has been advising several Engineering colleges in West Bengal.

Past remuneration:

In his last employment as Whole Time Director of Mcnally Sayaji Engineering Ltd., Mr. Chaki had been receiving basic salary @ ₹ 3,50,000/- per month and other allowances and perquisites as approved by the Members, as following :

Mr Subir Chaki (Monthly Remuneration)

	Previous
Basic Salary	350000
HRA	160000
Sp. Pay	102850
S.A.F. Contribution 15%	52500
LTE	29167
Performance Bonus (Note 4 below)	175000

Other Perquisites :

1. Family Medical insurance coverage for hospitalization as per Co Scheme
2. Domiciliary medical expenses will not be reimbursed.
3. Leave encashment : Unavailed Privilege Leave (UPL) can be encashed on completion of tenure and Basic Salary will be paid for number of un-availed PL subject to rules of the company.
4. Mr. Chaki was entitled to performance bonus equivalent to six months basic salary payable half yearly based on performance evaluation by the Management.
5. Contribution to the Company’s Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month’s salary for each completed year of service.

Job profile and his suitability:

Mr. Chaki was the Whole Time Director of Mcnally Sayaji Engineering Limited, responsible for the overall operational management of the Company. The Board is of the opinion that Mr. Chaki has the requisite qualifications, expertise and experience for the job he is holding.

Remuneration proposed:

Already given in the Explanatory Statement.

Pecuniary and other relationships:

Except for receiving remuneration as a Managing Director, Mr. Chaki has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

Comparative remuneration profile with respect to industry, size of the Company, profile of position and person :

Mr. Chaki’s proposed remuneration matches his background, proven capabilities and vast experience in Industries. His remuneration is commensurate with the norms in the industry having regard to the size, complexities of this Company and the job responsibilities.

III. Other Information

Reasons of loss or inadequate profits:

The company had a net total comprehensive income of ₹ 4.07 Crores during the year 2017-18 as compared to ₹ 6.68 Crores in the previous year. Due to lesser order inflow during the year 2017-18, the profitability was lower. In the current year, prospects in capital goods sector had shown improvement.

Presently, the economy is showing signs of revival with a stable business environment; company expects to have a good top line and bottom line in the coming years.

IV. Disclosures

Information on the remuneration package of the managerial personnel:

The shareholders are notified of the remuneration package through explanatory statements annexed to the Notice of Meetings in which proposals for their appointments are placed before the shareholders.

Disclosures on remuneration package and other terms of Directors under ‘Corporate Governance’ Report:

The Corporate Governance Report forms a part of the Annual Report for the year and the remuneration package and other terms applicable to the Directors have been disclosed therein.

Memorandum of Interest:

Except Mr. Chaki, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 to 6.

Item No. 7

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s. D. Sabyasachi & Company, Cost Accountants, as Cost Auditors of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to any products as may be applicable for the financial year 2018 - 19 at a remuneration of ₹ 40,000/- and service tax at the applicable rate and

reimbursement of out of pocket expenses at actuals. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out at Item No. 10 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10.

Item No. 8

At the 26th Annual General Meeting of the Company, held on 30-09-2014, the Members had approved the re-appointment of Mr. Gobind Prasad Saraf, Director of the Company in accordance with Section 152 of the Companies Act, 2013 and Article 86(1) of the Articles of Association of the Company.

In terms of Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 and effective from April 1, 2019, consent of the Members by way of a Special Resolution is required for continuing the directorship of a Non-Executive Director who has attained the age of seventy five years.

Mr. Gobind P. Saraf, Non-Executive Director of the Company will attend the age of seventy five years on 16.08.2019. Mr. Saraf is a renowned Businessman and has been on the Board of the Company w.e.f. 30.03.2009. The Board considers that Mr. Saraf's continued association as Non-Executive Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set out at Item No. 8 by way of a Special Resolution for approval of the Members.

Except Mr. Gobind P. Saraf, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

By Order of the Board of Directors

Kolkata
13th August, 2018

Arvind Bajoria
Company Secretary
Membership No. :15390

Regd. Office :
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Kolkata – 700 001
CIN: L24232WB1987PLC042956

Route Map of the Venue of 30th Annual General Meeting



REPORT OF THE DIRECTORS**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

The Directors of your Company are pleased to present the 30th Annual Report and Audited Statement of Accounts for the financial year ended 31st March, 2018.

FINANCIAL RESULTS**(₹ In Lac)**

	Year ended 31st March, 2018	Year ended 31 st March, 2017
Total Revenue	13,142	15,711
Total Expenses (excluding finance cost & depreciation)	10,503	12,729
Earnings Before Finance Costs & Depreciation (EBIDTA)	2,639	2,982
Finance Costs	1,722	1,196
Depreciation & Amortization Expenses	433	435
Profit Before Tax	484	1,351
Tax Expenses	149	418
Profit for the Year	335	933

DIVIDEND

Despite the depressed results; the Board of Directors have recommended a dividend of ₹ 10% i.e. ₹ 1/- per Equity Shares of ₹ 10 each.

REVIEW OF RESULTS - 2017-18

Detailed overview of the company's operations during the year under review and a discussion on the future outlook has been covered in the "Management discussion and analysis" attached as Annexure – I to this report.

FUTURE OUTLOOK

Your company is primarily engaged in Designing, Manufacturing, & Commissioning Customized / Critical Equipments/Systems for critical equipments across a wide range of various industries.

A. Process Equipments (PE) : The Company started with an opening order book of ₹ 69 Cr. The Company's order booking is mainly dependent on replacement, demand and capacity increase plans of user industries. Since the product caters to diverse industrial sectors, the demand is never consistent over the years. During the second half year, most of the user industries deferred their CAPEX Plans resulting in a delay in receipt of orders from customers both domestic and international.

PE Developments till 31.03.2018: The Company Received ₹ 34 Cr. orders during the 2nd half year out of which ₹ 19 Cr. were received in February / March 2018. The delayed receipt of orders left no scope for achieving significant progress in execution of the order under Percentage Completion Method of Accounting. This resulted in a substantial drop in the top line in the 3rd & 4th quarter and the unexecuted orders at the end of the year.

B. i) Food Processing Equipments: Your Company which operates mainly in Tea industry started with an order book of ₹ 4 Cr. as at 01.04.2017. The progress of orders was slow due to draught and stagnation in the tea industry but resurgence of the domestic tea industry from second quarter of financial the year resulted in making up the order book. As on 31.03.2018 the unexecuted orders in hand was ₹ 18 Cr.

ii) Continuous Withering System (CWS) : As you are aware your Company developed and commissioned a Continuous Withering System (CWS) in one of the group companies last year. During the year under review the Company received an order for CWS from an overseas group company. The order received during 2016-17 was successfully commissioned during the year under review. The projects involve redesign of certain key equipments in our existing system (due to difference in the quality of the Tea caused by climatic conditions abroad). Your Company successfully completed supply / erection and commissioning of this system during 2017-18.

Successful working of our CWS in the African region will give definite marketing advantage to your Company. Further orders for our dryers along with CWS are expected during the year from Africa. It is to be stated that your Company has been able to give better quality and cost effective solution for withering and drying of Tea in the African market.

Your Company is also taking necessary steps to re-establish itself in Coconut Dryer Segment both in India and abroad. The results are encouraging.

AUDITORS

- a) **Statutory Auditors** : At the AGM on 25.09.2017, M/s. S R B C & CO LLP, Chartered Accountants (Firm's Registration no. : 324982E / E300003) were appointed as Statutory Auditors as per the provisions of Section 139(2) of the Companies Act, 2013 and the rules framed thereunder, upto the conclusion of Annual General Meeting to be held in 2022.
- b) **Internal Auditors** : M/s. SPAN & Associates, Chartered Accountants were appointed as internal auditors by the Board of directors for 2017 - 18 and they have conducted internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by the Statutory Auditors and the Audit Committee. Their reappointment is for year 2018-19 has been proposed.
- c) **Cost Auditors** : Your Company appointed M/s. D. Sabyasachi & Co. (FRN : 00369) Cost Accountants as Cost Auditors of the Company for the Financial Year 2017-18 and their appointment is proposed for 2018 - 19 at the remuneration set out in the notice of AGM and explanatory statement thereto.
- d) **Secretarial Auditors** : M/s. Dhrumil M. Shah, Mumbai were appointed as secretarial auditor of the Company for the Financial Year 2017-18, as required under section 204 of The Companies Act, 2013 read with the applicable rules. The Secretarial Audit Report for 2017 - 18 forms part of the Annual Report as Annexure - VII.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 134 (5) of the Companies Act, 2013, the Board of Directors of your Company hereby confirms :

- 1) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- 2) that 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 as at the end of the financial year and of the Profit and Loss of the Company for the period;

- 3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) that the Directors have prepared the annual accounts on a going concern basis.
- 5) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 6) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Report on Corporate Governance has been attached herewith as Annexure - II pursuant to the provisions of Regulation 34(3) and 53(f) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management discussion and Analysis report which outlines the salient points in the company's performance human resources and other salient points is attached as Annexure - I.

EMPLOYEE RELATIONS

Employees' relations were cordial throughout the year (there was some unrest in the second half). Several HR, IR initiatives including several training programs to improve employee relations and commitments have been initiated during the year and have been well accepted.

The tripartite long term agreement with the bargainable employees of your Company has expired during the year. Keeping in mind the long-term vision of the Company and its sustainability, the management has worked out a strategy of maximum outreach to all the employees by regular communication of the business plans and delivery requirements. Along with this, a well thought fall back plan has been put in place to maintain continuity at cost.

Both these together has ensured that relations remained cordial throughout the year and the strategy of the Company has been well accepted.

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

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with The

Companies (Accounts) Rules, 2014, as amended, is appended to this Annual Report as Annexure "VIII" and forms part of this Directors' Report.

ADEQUACY OF INTERNAL CONTROL SYSTEM WITH RESPECT TO THE FINANCIAL STATEMENTS

The Company has a comprehensive system of internal control which is being strengthened. The internal control system is also subject to review by auditors.

The Company has appointed a firm of auditors for conducting internal audit on a half yearly basis and the report is considered by the Audit Committee of the Board headed by a Non-executive Independent Director.

DIRECTORS

Mr. Supriya Mukherjee continued as Managing Director of the Company during the year, as per terms of appointment approved by members. Board of directors had reappointed Mr. Mukherjee as Managing Director for a tenure of one year since 01.04.2017 at the same terms of remuneration, which was approved by members of the Company at AGM on 25th September, 2017.

Mr. Subir Chaki was appointed as an additional director by the Board in their meeting held on 13th November, 2017. In view of the rich experience of Mr. Subir Chaki, he was designated as Whole Time Director (Operations) w.e.f. 13th November, 2017. In their meeting held on 14th February, 2018, Board resolved to appoint Mr. Subir Chaki as Managing Director w.e.f 01-04-2018 consequent to the retirement of Mr. Supriya Mukherjee on 31-03-2018 on completion of his tenure, subject to the approval of the members.

Mr. Amritanshu Khaitan, director retires by rotation pursuant to Section 152 of The Companies Act, 2013 at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

DECLARATIONS BY INDEPENDENT DIRECTORS

Necessary declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed, have been received.

KEY MANAGERIAL PERSONNEL

During the year 2017 - 18, following officials continued as Key Managerial Personnel, pursuant to section 203 of The Companies Act, 2013 :

- i. Mr. Supriya Mukherjee, Managing Director
- ii. Mr. Subir Chaki , Whole Time Director
- iii. Mr. Suresh Shenoji (A. Suresh), Chief Financial Officer
- iv. Mr. Arvind Bajoria, Company Secretary

KILBURN ENGINEERING LTD.

BOARD EVALUATION

Securities Exchange Board of India (SEBI) vide its circular no. SEBI /HO /CFD /CMD /CIR /P /2017/004 dated 5th January, 2017 had issued a guidance note on Board Evaluation which inter alia contains indicative criterion for evaluation of the Board of Directors, its Committees and the individual members of the Board.

Pursuant to the new Evaluation Framework adopted by the Board, the Board evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2017 - 18. After the evaluation process was complete, the Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the Listing Regulations and at the same time supported as well as coordinated with the Board to help in its decision making. The individual Directors' performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the Listing Regulations and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Your Company has no holding or subsidiary company. Williamson Magor & Company Limited is holding 4319043 equity shares constituting 32.58% of total shareholding of the Company, so it is an associate company within the meaning of section 2 (6) of The Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Board has developed and approved a Related Party Transactions Policy for purposes of identification and monitoring of related party transactions and the same has been displayed on the Company's website at <http://www.kilburnengg.com/company-policy-main>.

The Statement in Form AOC -2 containing the details of the Related Party Transactions pertaining to contracts with Related Parties forms a part of this Report as Annexure - IX.

MANAGERIAL REMUNERATION

Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as per annexure - X.

Mr. Supriya Mukherjee, Managing Director and Mr. Subir Chaki Whole Time Director were two Executive Directors in receipt of remuneration, and remuneration details are available in the corporate governance details attached to this directors' report.

VIGIL MECHANISM

The Company has formulated a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The VIGIL MECHANISM is available on the website of Company and can be accessed at <http://www.kilburnengg.com/company-policy-main>.

REMUNERATION POLICY

The Company has formulated a Remuneration Policy for Directors, Key Managerial Personnel and employees of the Company to ensure that adequate remuneration paid to attract, retain and motivate the senior management employees to run the company successfully. The Policy is available on the website of the Company at <http://www.kilburnengg.com/company-policy-main/> and also annexed herewith as Annexure - V.

RISK MANAGEMENT

Directors have adopted risk management policy to identify the risks involved in all activities of the Company. The main objective of this policy is to ensure sustainable business growth and to promote a pro-active approach in identifying, reporting, evaluating and mitigating risks associated with the business. The policy guides the board in identification of various business risks and to take appropriate steps to mitigate the same.

The Company has constituted Corporate Social Responsibility (CSR) Committee in 2016-17 in compliance with provisions of Section 135 of the Companies Act 2013 and SEBI Listing Regulations, with Mr. Manmohan Singh (Chairman), Mr. Gobind Saraf (Member) and Mr. Supriya Mukherjee (Member). The CSR Committee laid down the CSR policy of the Company which can be accessed at <http://www.kilburnengg.com/company-policy-main/>. The Company made a total CSR

expenditure amounting to ₹ 18.60 Lac (through various implementing agencies) during the FY : 2017-18. The details of said expenditure are given in Annual Report on CSR Activities, attached herewith as Annexure - IV in the form prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9, as per annexure - VI forms part of the Board's report.

OTHER DISCLOSURES

During the year under review:

- a. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- b. Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
- c. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

COLLABORATORS

The Directors place on record its sincere appreciation to all its Collaborators for extending their valuable support and co-operation.

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to their Customers, Bankers, Dealers, Suppliers, Stock Exchanges, Government and all other Stakeholders for the excellent assistance and cooperation. The Directors' also thank all the employees of the Company for their valuable service and support during the year.

For and on behalf of the Board

Place : Kolkata
Date : 13th August, 2018

Aditya Khaitan
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FUTURE OUTLOOK

Your Company is engaged in design and manufacturing of special purpose process equipment and systems for critical applications primarily in the chemical, petrochemical and nuclear power sector.

1. INDUSTRY STRUCTURE, DEVELOPMENT & OUTLOOK

- A. Process Equipment (PE):** The previous year of 2016-17 did not witness any major project in the sectors that your Company operates in and the company relied on steady inflow of smaller orders. Since these were of shorter delivery times, the carry-over was limited and the opening order book at the end of year 2017-18 was restricted to ₹ 60 crores.

Such cyclical downturns are not uncommon and the demand is never consistent in the industries that your Company operates. Your Company did well to manage this downturn and limited opening order book by strongly pursuing replacement orders and working on tighter delivery times.

Process Equipment developments:

Certain sectors of the chemical industry buoyed by a strong revival of the construction sector, showed strong demand in the closing months of the financial year under review. The Company received more than ₹ 34 crores in the last few months of the FY 17-18. While this is indeed encouraging as we move ahead, the percentage completion accounting method adopted by the Company did not give much scope to report higher top line in the 3rd and 4th quarter.

The closing order book has shown marginal improvement due to inflow of the orders in the last quarter. Several enquiries for large projects have been received in the sectors showing revival and the subsequent year is expected to be better in terms of order flow.

With the tightening of environment norms and pressure of land, several traditionally polluting industries are showing eagerness to implement solid waste handling plants. Your Company has been quick to realise this potential and has

employed dedicated resources to propagate our capability by presenting papers in seminars and personal visit.

- B. Food Processing Equipment:** Your Company offers dryers for the tea industry and the dryers are reputed world-wide for their ability to produce superior quality tea. The tea industry witnessed a severe price and demand pressures resulting in limited order inflow in the last two years. The opening order book for the tea dryer was a mere ₹ 4 crores.

However, during the latter part of the FY 17-18, there was a strong resurgence of demand for the tea dryers both in the tea gardens and the bought leaf plants in the domestic sector.

On the exports front, the Bangladesh market is in particular witnessing a strong growth and your Company has done well to exploit this potential by dedicating resources who have been continuously visiting the gardens. The market of Africa also shows potential and a renewed focus has been given to enter the market. As a result of this multi region effort, there has been steady order inflows, resulting in significant improvement in the closing order book of ₹ 18 crores.

Continuous Withering System (CWS):

As you are aware, your Company developed a Continuous Withering System and commissioned it in the gardens of one of our group companies the previous year. During the year under review, your Company received an order for a CWS from a group company overseas. This was a special development and required significant changes in the design to suit the crop and the climatic conditions of the region. This system was successfully developed, manufactured and commissioned during the year.

The successful installation of the CWS in Africa opens up an opportunity for the Company to offer similar systems in the markets of Uganda, Kenya, South Africa and Rwanda. Moving forward, these markets will require attention and focus and significant potential exists in developing them.

2. INDUSTRY OVERVIEW

Your Company continued its leadership in the traditional product lines like Rotary Dryers for Soda Ash, Carbon Black etc. notwithstanding the competition from China and the local players. However, to achieve sustained growth continuously the Company needs to be establish new customers in existing applications and new products for existing customers. Your Company is taking the challenge to achieve the above to continue sustainability.

3. BUSINESS OVERVIEW

Markets are increasingly getting flooded with new aggressive competitors, both Indian and foreign. Your Company is taking action in terms of strengthening internal capabilities improving cost competitiveness, diversifying in to new geographies, venturing into new product lines and

forging strategic alliances with overseas technology providers as also large manufacturing companies both in India and abroad. However, inadequate order inflow of process equipment coupled with higher input cost, thin margin on sales price could adversely affect the Company’s revenues and margins.

4. FINANCIAL PERFORMANCE

Financial performance has been separately dealt with under the Director’s Report.

Segment-wise or Product-wise Performance

The Company is primarily engaged in designing and manufacture of drying systems for diverse applications. The Company’s current and future performance in respect of these business groups has been outlined in the Directors Report.

5. RISKS CHALLENGES AND THREATS :

Risks	Mitigation
➤ Infringement Intellectual property Rights. (IPR)	a) Constant innovation of the Company’s products to deter copying of the product by unscrupulous competitors. b) Your Company is providing a total system to customers against products by some competitors which mitigate the risk from competition to an extent
➤ Business Risk	The primary risk faced by your Company comes from increased competition in various segments due to entry of large number of domestic and international players.
➤ Long execution periods expose your Company to the risk of price variations.	At the time of quotation your Company executes Suitable contracts with vendors where price & credit period are matched with the buyers terms.
➤ As significant portion of the Company’s sales is export the Company also faces the risk of currency fluctuations.	Your Company has a policy of hedging currency exposures to optimum levels.
➤ As the Company’s products are capital goods in nature, cyclical dip in sales is an inherent risk in its business.	Your Company is continuously developing several new products and expanding geographically which helps to bridge dip in sales if any of established products.
➤ As some of the applications are entirely new and designed & manufactured for 1 st time there may be some shortfall in the product performance.	Technological vetting of designs is done at the highest levels to ensure the product meets customer requirements.
➤ Due to changing economic environment Customers delaying i) Payments ii) Taking Delivery of the manufactured product on committed date	The Company insists Letter of Credit (LC) terms with new and overseas customers. However, there remains a risk about the customers asking for postponing delivery when Company’s manufacture is completed. Such demands re settled through negotiations.

For and on behalf of the Board

Place : Kolkata
Date : 13th August, 2018

Aditya Khaitan
Chairman

REPORT ON CORPORATE GOVERNANCE

(Pursuant to applicable provisions of the SEBI (LODR) Regulations, 2015)

I. Company's Philosophy

Corporate Governance is very important for an organization as it shows the effectiveness of governance, the strength and standard of the Company. Your Company always follows principles and standards, ethical practices and remains transparent when it deals with stake holders.

The Company has adopted Code of Conduct for its employees including Executive and Non-Executive Directors. Human resource policy of the Company is also modified from time to time keeping the principles and culture of work in the interest of the employees and growth of the Company and its stakeholders.

The Company has strong legacy of fair, transparent and ethical governance practices. Compliance of all the provisions, rules and regulations is regularly audited to fulfill the demand of regulators and stakeholders and to give worth to their money, time, effort and investment.

II. Composition of Board of Directors

- i) As on 31st March 2018, the Company has nine directors including a Non-Executive Chairman. The Board consists of optimum numbers of Non-Executive and Independent Directors as per Regulation 17 of the SEBI (LODR) Regulations, 2015 with ultimate responsibility & substantial powers of management. There are two Non-Executive Directors and four Independent Directors out of total nine Directors in the Board.
- ii) None of the Directors hold membership in more than ten committees and chairmanship in more than five committees. The names and categories of the Directors on the Board, their attendance at the Board Meetings and last Annual General Meeting, Directorship held in other Companies, Committee Chairmanship / Membership held in other Companies as at 31st March, 2018 is given below :

Sr. No.	Names of the Directors	Category	No. of Board Meetings during the year 2017-18		Attendance at the last AGM held on 25.09.2017	Directorship in other public Companies ¹	Committee position held in other public Companies ²	
			Held	Attended			Chairman	Member
1	Mr. Aditya Khaitan, Chairman	Non-Executive	4	4	No	9	1	2
2	Mr. Supriya Mukherjee, Managing Director	Executive	4	4	Yes	-	-	-
3	Mr. Subir Chaki Whole Time Director ³	Executive	4	1	NA			
4	Mr. Subir Ranjan Dasgupta	Independent	4	3	Yes	3	1	3
5	Mr. Amritanshu Khaitan	Non-Executive	4	4	Yes	9	-	-
6	Mr. Manmohan Singh	Independent	4	3	No	-	-	-
7	Mr. Padam Kumar Khaitan	Independent	4	3	No	8	3	6
8	Mr. Gobind Saraf	Independent	4	4	Yes	2	-	-
9	Mrs. Priya Saran Chaudhri	Non-Executive	4	2	No	1	-	1

¹ Directorship held in Private Companies, Not for profit Companies and Foreign Companies and alternate directorship is not included.

² Only Audit Committee and Stakeholders' Relationship Committee are taken into consideration as per the provisions of SEBI (LODR) Regulations, 2015.

³ Mr. Subir Chaki was appointed as Additional director and designated as Whole Time Director in the Board Meeting held on 13th November, 2017. He

was appointed as Managing Director, consequent to the retirement of Mr. Supriya Mukherjee, Managing Director on the end of his tenure on 31st March, 2018.

The Company's Chairman is a Non-Executive Director and as at March 31, 2018, Independent Directors comprise one-half of the Board strength. Composition of Board has not changed since the last report.

- iii) The fees / compensation, if any, paid to the Non-Executive Directors has been disclosed hereafter in this Report. None of the Non-Executive Directors of the Company has any pecuniary relationship and / or transaction with the Company.
- iv) Board has met from time to time as detailed hereafter taking into consideration the compliance reports of all applicable laws. The information as specified in Part A of Schedule II to SEBI (LODR) Regulations, 2015 is provided to the Board as and when applicable and material.
- v) The Board has adopted "Code of Conduct for Board Members and Senior Management of the Company". All the Board Members and Senior Management have affirmed the compliance with the said Code of Conduct during the year 2017 - 18. A declaration to this effect signed by Managing Director is appended to this Report of Corporate Governance. The Code of Conduct is available on the website of the Company i.e., www.kilburnengg.com

III. Board Meetings

The Board of Directors of the Company regularly meets as per the provisions of the Companies Act, 2013 and other rules, regulations and agreement

- ii) Details of remuneration and sitting fees to Directors (for attending meetings of Board of Directors, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee) for the year 2017-18 are as under:

(Amount in ₹)

Names of Directors	Designation	Sitting Fees	Salary & Perquisites **	Commission	Total
Mr. Aditya Khaitan	Non-Executive	40,000	NA	NA	40,000
Mr. Supriya Mukherjee (upto 31-3-2018)	Executive	NA	₹ 157.90 Lacs**	Nil	₹ 157.90 Lacs**
Mr. Subir Chaki (w.e.f. 13-11-2017)	Executive	NA	₹ 52.35 Lacs**	Nil	₹ 52.35 Lacs**
Mr. Subir Ranjan Dasgupta	Independent	80,000	NA	NA	80,000
Mr. Amritanshu Khaitan	Non-Executive	40,000	NA	NA	40,000
Mr. Manmohan Singh	Independent	1,10,000	NA	NA	1,10,000
Mr. Padam Kumar Khaitan	Independent	70,000	NA	NA	70,000
Mr. Gobind Saraf	Independent	1,40,000	NA	NA	1,40,000
Mrs. Priya Saran Chaudhri	Independent	20,000	NA	NA	20,000

** Includes salary, house rent allowance, contribution to provident / gratuity / superannuation funds. Directors have not been granted any stock options during the year.

Shareholding of Non-Executive Directors

Details of the equity shares held by Non-Executive Directors as on 31st March, 2018 are as under:

Names of Directors	Nature of Directorship	No. of Equity shares held
Mr. Amritanshu Khaitan	Non-Executive	NIL
Mr. Aditya Khaitan	Non-Executive	NIL
Mr. Subir Ranjan Dasgupta	Independent Director	NIL
Mr. Manmohan Singh	Independent Director	NIL
Mr. Padam Kumar Khaitan	Independent Director	NIL
Mr. Gobind Saraf	Independent Director	NIL
Mrs. Priya Saran Chaudhri	Non-Executive Director	NIL

IV. Audit Committee**i) Members of the Audit Committee:**

All members of the Audit Committee are financially literate and have acquired financial, accounting and legal expertise. The Chairman of the Audit Committee is a Non-Executive Independent Director. The Audit Committee is constituted as per regulation 18 of SEBI (LODR) Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement entered into with Stock Exchanges) read with Section 177 of the Companies Act, 2013 has following members:

Names of the Members	Position Held	Category
Mr. Gobind Saraf	Chairman	Non-Executive Independent Director
Mr. Supriya Mukherjee	Member	Managing Director
Mr. Manmohan Singh	Member	Non-Executive Independent Director
Mr. Subir Ranjan Dasgupta	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

ii) Details of the meetings of the Audit Committee during the year 2017-18 and its objectives:-

During the year 2017-18, four meetings of the Audit Committee were held and attended by the members as per the details given below;

Sr. No.	Name of Members	Meetings / Attendance			
		29/5/2017	10/8/2017	13/11/2017	14/02/2018
1	Mr. Gobind Saraf	Present	Present	Present	Present
2	Mr. Subir Ranjan Dasgupta	Present	Absent	Present	Present
3	Mr. Supriya Mukherjee	Present	Present	Present	Present
4	Mr. Manmohan Singh	Present	Present	Present	Absent

Chief Financial Officer of the Company and Statutory Auditors are invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

The Audit Committee after approving minutes of its Meetings has forwarded to the Board of Directors of the Company for their noting at the Board meeting.

iii) Terms of reference

The terms of reference of Audit Committee cover the matters specified under regulation 18 of SEBI (LODR) Regulations, 2015 as well as section Section 177 of the Companies Act, 2013 and broadly following functions are performed by it:

- a) Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law requirements and to ensure that the financial statements are correct and credible.
- b) Review of quarterly, half yearly and annual financial statements before submission to the Board for approval.

- c) Review of Management Discussion & Analysis of financial condition and results of operations, statement of significant related party transactions.
- d) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and Internal Auditors and the fixation of audit fees.
- e) Review of the adequacy of internal control systems, 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 and further recommending to the Internal Auditors regarding the nature and scope of internal audit.
- f) Review of reports of Statutory and Internal Auditors and replies of the management thereof.
- g) Disclosure of any related party transactions, approval or any subsequent modification of transactions of the company with related parties.

- h) Scrutiny of inter-corporate loans and investments.
- i) Valuation of undertakings or assets of the Company, wherever it is necessary.
- j) Review of 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.
- k) Review of the annual financial statements with the management before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (5) of Section 134 of the Companies Act, 2013.
 - Changes, if any, in the accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment of the management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Qualifications in the draft audit report.
- l) Review of management representation letters to be issued to the Statutory Auditors.
- m) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- n) Reviewing compliances as regards the Company's Whistle Blower Policy.
- o) Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate.

V. Nomination and Remuneration Committee

- i) The Nomination and Remuneration Committee consisted of the following members during the year 2017 - 18:

Names of Members	Position Held	Category
Mr. Manmohan Singh	Chairman	Non-Executive Independent Director
Mr. Subir Ranjan Dasgupta	Member	Non-Executive Independent Director
Mr. Gobind Saraf	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

Two meetings of Nomination and Remuneration Committee were held during the financial year 2017 - 18 on 29th May, 2017 and 13th November, 2017. In the meeting dated 13th November, the members reviewed the performance of senior management personnel and approved the appointment and terms of remuneration of Whole Time Director, Mr. Subir Chaki w.e.f. 13th November, 2017 and approved his appointment as Managing Director w.e.f. 1st April, 2018.

- ii) Terms of reference:
- a) To determine and set forth, in consultation with the Board, the Remuneration package of Executive Directors of the Company;
 - b) To determine and approve the remuneration and commission / incentive payable to the Managing Director of the Company for each financial year;
 - c) To approve the sitting fees / commission payable to the Non-Executive Directors of the Company;
 - d) To approve, in the event of loss or inadequacy of profits in any given financial year, the minimum remuneration payable to the Managing Director and Whole-time Directors within the limits as specified in Schedule V of the Companies Act, 2013.
- iii) Employee Stock Option Scheme:
The Company does not have any Employee Stock Option Scheme in place.
- iv) Remuneration Policy:
During the year 2017 - 18, Nomination and Remuneration Committee reviewed the remuneration of senior management personnel in view of the remuneration policy of the Company for Directors and Key Managerial Personnel u/s 178(3) of The Companies Act, 2013.

During the year 2017 – 18, Mr. Supriya Mukherjee, Managing Director was paid ₹ 54 Lacs as Salary, ₹ 27 Lacs as Bonus, ₹ 43.19 Lacs as perquisites and ₹ 20.18 Lacs was contributed to his retirement funds. He does not hold any equity shares in the Company as on 31st March, 2018. His tenure as per the agreement was from 01st April, 2017 till 31st March, 2018 was approved by shareholders at their meeting held on 25th September, 2017. His remuneration during the past two years was as following:

Particulars	2017-18 (₹)	2016-17 (₹)
Salary	54,00,000	54,00,000
Perquisite	94,615	2,45,849
Commission, bonus and allowances	65,40,000	65,40,000
Others Including retiral benefits	37,95,450	20,17,462

During the year 2017 – 18, Mr. Subir Chaki was appointed as Whole Time Director w.e.f. 13th November, 2017. He Joined the company w.e.f. 1st October, 2017 as Chief Operating Officer (COO). He was paid ₹ 21.00 Lacs as Salary, ₹ 10.50 Lacs as Bonus, ₹ 0.18 Lacs as perquisites and ₹ 3.15 Lacs was contributed to his retirement funds. He does not hold any equity shares in the Company as on 31st March, 2018. His tenure as per the agreement is from 13th November, 2017 till 31st March, 2020, subject to the approval of shareholders. His remuneration during the past two years was as following:

Particulars	2017-18 (₹)	2016-17 (₹)
Salary	21,00,000	N.A.
Perquisite	18,080	N.A.
Commission, bonus and allowances	31,17,100	N.A.
Others Including retiral benefits	3,15,000	N.A.

Board of Directors at its meeting held on August 13, 2018, resolved to restructure the remuneration of Mr. Subir Chaki w.e.f. 13th November, 2017, as per the recommendation of Nomination and Remuneration Committee, as following.

RESTRUCTURED REMUNERATION

Mr Subir Chaki (Monthly Remuneration)

	Annual	Per Month
Basic	4800000	400000
HRA	2400000	200000
Sp. Pay	1432000	119316
S.A.F. Contribution 15%	720000	60000
Co.'s Contribution to PF 12%	576000	48000
Gratuity Contribution	230880	19240
LTE	400000	33333
Performance Bonus (Note 4 below)	2400000	200000
Total	12958880	1079890

Other Perquisites :

6. Family Medical insurance coverage for hospitalization as per Co Scheme
7. Domiciliary medical expenses will not be reimbursed.
8. Leave encashment : Unavailed Privilege Leave (UPL) can be encashed on completion of tenure and Basic Salary will be paid for number of un-availed PL subject to rules of the company.
9. Mr. Chaki will be entitled to performance bonus equivalent to six months basic salary payable half yearly based on performance evaluation by the Management.

The aforementioned appointment of Mr. Chaki and the terms as to remuneration requires the approval of the Members in general meeting. The above terms of revised remuneration have been approved by the Nomination and Remuneration Committee of the Board In the meeting held on 13th August, 2018.

Remuneration of Non Executive Directors :

The details of relationship between Directors inter-se, sitting fees paid to Non-Executive Directors during the year 2017 - 18 (for attending the meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee) and the number of equity shares held by them is as follows:

Names of Directors	Relationship between Directors inter-se	Sitting fees paid for Board Meetings and Committee Meetings (in ₹)	Number of Equity Shares held in KEL as on 31st March, 2017
Mr. Aditya Khaitan	Uncle of Mr. Amritanshu Khaitan	40,000	NIL
Mr. Amritanshu Khaitan	Nephew of Mr. Aditya Khaitan	40,000	NIL
Mr. Subir Ranjan Dasgupta	-	80,000	NIL
Mr. Manmohan Singh	-	1,10,000	NIL
Mr. Padam Kumar Khaitan	-	70,000	NIL
Mr. Gobind Saraf	-	1,40,000	NIL
Mrs. Priya Saran Chaudhri	-	20,000	NIL

The Non-Executive Directors were paid sitting fees of ₹ 10,000/- for each meeting of the Board and of Committee thereof (other than Corporate Social Responsibility Committee) attended by them. Except for sitting fees, Non-Executive Directors are not paid any remuneration and / or commission.

v) **Board Evaluation :**

The Board has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination & Remuneration Committee and approved by the Board.

The process for performance evaluation is as under:

- The Board evaluates the performance of the Directors excluding the Director being evaluated.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non- Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and of the Board as a whole.
- Performances of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated.

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia include:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

VI. Stakeholders' Relationship Committee

- i) During 2017- 18, the Company had a Stakeholders' Relationship Committee pursuant to section 178 (5) of The Companies Act, 2013 for effective redressal of shareholders' complaints like transfer of shares, non-receipt of Annual Report, non- receipt of declared dividend etc. and reporting of the same to the Board periodically. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.
- ii) The Committee as on 31st March, 2018 comprised of following members:

Names of the Members	Position Held	Category
Mr. Padam Kumar Khaitan	Chairman	Non-Executive Independent Director
Mr. Manmohan Singh	Member	Non-Executive Independent Director
Mr. Gobind Saraf	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

- iii) Procedure for approval and details of meetings and attendance during the year 2017 - 2018:

During the year 2017 - 2018, four meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Members	Meetings / Attendance			
		29/5/2017	10/8/2017	13/11/2017	14/02/2018
1	Mr. Padam Kumar Khaitan	Present	Present	Present	Present
2	Mr. Gobind Saraf	Present	Present	Present	Present
3	Mr. Manmohan Singh	Present	Present	Present	Absent

The power to approve the share transfer / transmission and dematerialization and / or rematerialisation has been delegated severally to Chief Financial Officer and Company Secretary. The request for share transfer/transmission, dematerialization / rematerialisation and issue of new share certificates in lieu of old/worn-out/lost/defaced/split/consolidation etc. is processed and attended at least once in a fortnight in co-ordination with Maheshwari Datamatics Private Limited, Registrars & Transfer Agents of the Company.

All the above requests processed during a quarter are then taken into record for approval of Shareholders / Investors' Grievance cum Share Transfer Committee.

- iv) Name, Designation and Contact details of Compliance Officer:

Mr. Arvind Bajoria
 Company Secretary & Compliance Officer
 Plot No. 6, MIDC Industrial Area, Kalyan Bhiwandi Road,
 Saravali, Thane 421 311, Maharashtra – India.
 Phone: 91 2522 241800 / 91 2522 662200
 Fax: 91 2522 281026 / 91 2522 280166
 E-mail: cs@kilburnengg.com

- v) Details of Investors' Complaints/Grievances and their status:

The details of Investors' Complaints received and redressed by the Company and its registrars Maheshwari Datamatics Pvt. Ltd. during the year 2017 - 18 is as follows:

Nature of Complaints	Number of Complaints Received	Number of Complaints Resolved
Non-receipt of Declared Dividend	4	4
Non-receipt of Share Certificates	1	1
Non-receipt of Annual Reports	5	5
Shares not dematerialized / rematerialized	NIL	NIL
Others	NIL	NIL
Total	10	10

VII. Subsidiary Companies

The Company does not have any subsidiary companies.

VIII. General Body Meetings

i) Details of last three Annual General Meetings (AGM):

Financial year	AGM No.	Day & Date	Venue	Time
2016-2017	29 th	Monday, 25 th September, 2017	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhash Road, Kolkata - 700 001	10.00 a.m.
2015-2016	28 th	Monday, 22 nd September, 2016	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhash Road, Kolkata - 700 001	10.00 a.m.
2014-2015	27 th	Monday, 28 th September, 2015	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhash Road, Kolkata - 700 001	10.30 a.m.

ii) Details of Special resolutions passed in last three Annual General Meetings (AGM):

AGM No.	No. of Special resolutions passed	Particulars of Special resolutions
29 th	1 (One)	1. Re-appointment of Mr. Supriya Mukherjee as Managing Director of the Company for a period of One year w.e.f. 01 st April, 2017;
28 th	NIL	N.A.
27 th	2 (Two)	1. Waiver of Recovery of excess remuneration paid to Managing Director during 2014- 15; 2. Authorisation for payment of remuneration to Managing Director exceeding the limit for remuneration allowed u/s 197 of The Companies Act, 2013

iv) Details of resolutions passed through Postal Ballot in the past three years:

No resolutions were passed through Postal Ballot in the past three years

IX. Disclosures

i) Related party transactions:

Related party transactions have been disclosed under Note 36 of Audited Accounts in accordance with "Accounting Standard 18". A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

No material transactions are entered with related parties in conflict with the interest of the Company's business. All the transactions with related parties are entered at arm's length price. The Disclosure of interest in any of the transaction is made to the Board every year by the Directors as and when they become interested. Further, interested Directors neither participate nor vote in the transaction wherein they have potential interest.

ii) Disclosure of Accounting treatment:

The financial statements of the Company for the year ended 31st March, 2018 are prepared in conformity with the Accounting Standards. From the current year, for project orders, which are executed over a period of time, the company has adopted progress method of accounting for better presentation of financial statements.

iii) Risk Assessment:

The Company has an effective and efficient Risk Assessment and Management System to track, analyze and mitigate the risks associated with the Company. The Board of Directors periodically reviews the procedure of Risk Assessment and Management and thereby frame a properly defined network with help of which executive management can control risks. The details of risks associated with the Company and the ways to mitigate those risks are discussed in Management

- Discussion & Analysis Report annexed to the Directors' Report.
- iv) Proceeds from public issues, rights issues, preferential issues, etc.:
- During the year under review, the Company has not raised any proceeds through public issues, rights issues, preferential issues, etc.
- v) Remuneration of Directors:
- Already disclosed in Clause V which is "Nomination and Remuneration committee" section.
- vi) Management:
- a) Management Discussion & Analysis report is attached as annexure "I" to Directors' Report.
- b) There were no material financial and commercial transactions by Senior Management as defined in SEBI (LODR) Regulations, 2015 where they have personal interest that may have a potential conflict with the interests of the Company at large.
- vii) Shareholders:
- The brief profile and other information pertaining to Directorship held in other Companies, shareholding etc. of the Directors proposed to be re-appointed at the ensuing Annual General Meeting of the Company are attached to the Notice of Annual General Meeting.
- viii) Compliances:
- a) During the last three years ending on 31st March, 2018, there were no non-compliances, penalties, strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets.
- b) The Company has fully complied with all the statutory requirements of Listing Agreement entered into with Stock Exchanges including mandatory requirements of SEBI (LODR) Requirements, 2015.
- c) The details of compliance with non-mandatory requirements of SEBI (LODR) Requirements, 2015.
- i) Whistle Blower Policy:
- The Company has established a mechanism for employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguard to the victimized employees and spreads the way to curb those practices being followed in the office premises. None of the personnel of the Company has been denied access to the Audit Committee.
- ix) Means of Communication:
- Kilburn's commitment to the principles of transparency in all its dealings is the foundation of its continuous endeavour to create sustainable value for all its stakeholders. In this pursuit, the Company places highest emphasis on communicating information to its stakeholders.
- In line with SEBI (LODR) Requirements, 2015, Company has maintained a functional website at www.kilburnengg.com containing basic information about the Company, financial information, shareholding pattern, Notices, compliance with corporate governance, contact information of the Compliance Officer, Investor Relation Officer and Registrar and Transfer Agent of the Company for investor grievances. The contents of the said website are updated from time to time.
- a) Financial results
- The quarterly, half yearly and annual results of the Company in the format prescribed under regulation 33 of the SEBI (LODR) Regulations, 2015 are published in prominent dailies such as Free Press Journal (English) and Duranto Barta (Bengali) and also posted on the website of the Company i.e., www.kilburnengg.com
- b) Other information
- Important official news and presentation made to institutional investors or to the analysts is also posted on the Company's website www.kilburnengg.com, as and when released.
- x) CEO / CFO Certificate:
- The CEO/CFO Certificate for the year ended 31st March, 2018 as required under SEBI Listing Regulations, 2015 was placed and taken on record at the Board Meeting of the Company held on 13th Aug, 2018.
- xi) Certificate of compliance:
- The Certificate of a Practising Company Secretary confirming compliance with all

requirements of the SEBI (LODR) Regulations for the year ended 31st March, 2018 is appended to this report.

xii) Insider Trading Code:
The Company has adopted Code of Conduct for Prevention of Insider Trading in line with provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct elaborates ways and measures to deal with unpublished price sensitive information and restricts the insider trading by any of the Directors and Senior Management personnel of the Company.

xiii) General Shareholders Information:

a) Annual General Meeting

Date : Friday, 28th September, 2018
Time : 11:00 a.m.
Venue : ICC Auditorium 10th Floor,
ICC Towers, Indian Chamber
of Commerce (ICC), 4, India
Exchange Place,
Kolkata - 700 001

b) Financial year 2018-2019 (tentative schedule)

Quarter Results
Ending on June : Second week of August 2018
30, 2018

Ending on : Second week of November
September 30, 2018

Ending on : Second week of February 2019
December 31, 2018

Year ended March : In the month of May 2019
31, 2019
AGM is proposed to be held in
Aug. / September 2019.

c) Date of Book Closure : 22nd September, 2018 to
28th September, 2018
(Both days inclusive)

d) Listing on Stock Exchanges : BSE Limited (BSE), Mumbai
The Calcutta Stock Exchange
Association Limited (CSE),
Kolkata

The Annual Listing fees for the
year 2017-2018 has been paid.

e) Stock Code
BSE Ltd : 522101
The Calcutta : 21022
Stock Exchange
Association Ltd.

f) Corporate Identification Number : L24232WB1987PLC042956

g) ISIN number : INE338F01015

h) Stock Market Price Data

Performance of share price of the Company in comparison to BSE Sensex, for FY : 2017 - 18 was as following:

Month & Year	Share Price of KEL on BSE			
	Month's High (₹)	Month's Low (₹)	Month's Closing Price (₹)	Volume of shares traded (In no.)
Apr-17	69.5	60	64.15	8,34,026
May-17	68.7	58.5	59.35	3,56,555
Jun-17	61.5	53.8	56.65	2,53,868
Jul-17	64.6	55.15	60.6	4,12,275
Aug-17	78.5	54.5	75.1	11,91,525
Sep-17	93.5	72.15	77.05	14,71,114
Oct-17	91.8	73.6	87.75	5,06,845
Nov-17	89.9	73	83	3,93,554
Dec-17	114.8	78.1	111.95	10,03,945
Jan-18	116.4	87.55	91.55	7,72,379
Feb-18	97	77.4	83.5	3,20,824
Mar-18	84.6	71.8	74.15	2,11,646

- i) Registrars and Transfer Agents : Maheshwari Datamatics Private Limited
5th Floor,
23, R. N. Mukherjee Road,
Kolkata – 700 001.
Tel No.: (033) 2243 5809 / 5029; 2248 2248
Fax No.: (033) 2248 4787
E-mail: mdpldc@yahoo.com

- j) Share Transfer System:

The physical transfer of shares is processed and approved by the Company in co-ordination with Maheshwari Datamatics Private Limited, at least once in every fortnight. The Share Certificates after effecting transfer are dispatched to the shareholders within 15 days from the date of receipt of transfer request, if the transfer documents are found technically in order and complete in all respects. The transfer of shares held in Demat mode is processed electronically by Maheshwari Datamatics Private Limited within 15 days from the date of receipt of the request.

The Shares of the Company are compulsorily traded in dematerialized form.

- k) Distribution of shareholding as on 31st March, 2018:

No. of Equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
UPTO - 500	7600	85.9631	1173952	8.8562
501 - 1000	610	6.8997	509349	3.8425
1001 - 2000	295	3.3367	459597	3.4671
2001 - 3000	105	1.1876	269755	2.0350
3001 - 4000	46	0.5203	163013	1.2298
4001 - 5000	43	0.4864	204791	1.5449
5001 - 10000	67	0.7578	524249	3.9549
10001 and above	75	0.8483	9951062	75.0697
TOTAL	8841	100.0000	13255768	100.0000

Shareholding pattern as on 31st March, 2018:

	Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding
A	Promoters' Holding			
1	Promoters			
	Indian	12	8005038	60.39
	Foreign	-	-	-
B	Public Shareholding			
2	Institutional Investors	-		
	a. Mutual Funds and UTI	2	900	0.01
	b. Banks, Financial Institutions	-	-	-
	c. Insurance Companies	-	-	-
	d. Foreign Institutional Investors	-	-	-
3	Others			
	a. Bodies Corporate	99	275744	2.08
	b. Indian Public	8413	4673397	35.26
	c. NRIs / OCBs	70	59933	0.45
	d. IEPF	1	111099	0.84
	e. Others	49	129657	0.97
	Total (1+2+3)	8646	13255768	100.00

None of the shares have been pledged or are otherwise encumbered.l) Dematerialization of shares and liquidity: **Details of Shares in Physical & Electronic Mode as on 31st March 2018**

The Company's Shares are traded in Stock Exchange in dematerialized form and are available for trading in both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2018 the data are as follows.

Particulars	No. of Shares	Percentage of Total Shares
Physical Segment	3,12,573	2.36 %
NSDL	1,06,76,857	80.55 %
CDSL	22,66,338	17.09 %
Grand Total	1,32,55,768	100.00 %

ISIN No. of the Company's Equity Shares is: INE338F01015

m) **Dividend**

Dividend History

Financial Year	Type	Dividend		
		Per share	Face Value	% on face value
2016-2017	Equity	₹ 2/-	₹ 10/-	20%
2015-2016	Equity	₹ 2/-	₹ 10/-	20%
2014-2015	No dividend declared during 2014-15.			
2013-2014	No dividend declared during 2013-14.			

n) **Transfer of Unpaid / Unclaimed dividend and the shares to Investor Education and Protection Fund (IEPF).**

Section 124 of the Companies Act, 2013, mandates that the companies transfer dividend that has been unclaimed for a period of 7 years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned below, if unclaimed within a period of seven years, will be transferred to IEPF.

Financial Year	Unclaimed dividend amount as on 31.03.2018 (₹)	Date of Declaration	Dividend Payment Date	Due date for transfer to IEPF
2010-2011 Final	484612.50	24 th September, 2011	07 th October, 2011	06 th October, 2018
2015-2016 Final	551628.00	22 nd September, 2016	10 th October, 2016	9 th October, 2023
2016-2017 Final	558170.00	25 th September, 2017	10 th October, 2017	9 th October, 2024

Unpaid dividend amounting to ₹ 329497.00 for the financial year 2009-10 was transferred to IEPF during the year 2017.

Transfer of Shares to IEPF

Pursuant to the provisions of Section 124(6) of The Companies Act, 2013 read alongwith the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ("The Rules") notified by the Ministry of Corporate Affairs, New Delhi, transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years was made to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, individual communication was sent to those shareholders whose shares were liable to

be transferred to IEPF under the said Rules at their latest available address alongwith the notice in the newspaper and thereafter the shares were transferred in 2017

o) INVESTORS SAFEGUARDS:

● **Dematerialization of Shares and Liquidity**

Shareholders are requested to convert their physical holding to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

● **Update Address Details and Bank Details**

To receive all communications/corporate actions promptly, shareholders holding shares in dematerialized form are requested to please update their address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

● **National Electronic Clearing Service (NECS) / Electronic Clearing Services (ECS) mandate for Dividend**

NECS/ECS facility ensures timely remittance of dividend without possible loss/delay in postal transit. Shareholders/Members holding shares in electronic form may register their NECS/ECS details with the respective DPs and Shareholders/Members holding shares in physical form may register their NECS/ECS details with the Registrars and Share Transfer Agent, **M/s. Maheshwari Datamatics Pvt. Ltd., 5th Floor, 23, R.N. Mukherjee Road, Kolkata – 700 001** to receive dividends, if declared, via the NECS / ECS mode.

● **Register Nomination(s)**

Members holding shares in physical form are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed Form 2B from/with the Registrars & Share Transfer Agents. Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

● **Register E-mail Address**

As you all may be aware, Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, whereby Companies are permitted to send Notices/documents including Annual Report comprising Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report etc. in electronic mode (hereinafter referred to as 'documents'), provided the Company has obtained email addresses of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email address and changes therein from time to time with the Company. Accordingly, shareholders holding shares in physical form are requested to register their email addresses and changes therein from time to time, by directly sending the relevant email address along with details such as name, address, folio no., no. of shares held to the Registrars and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. In respect of shares held in electronic form, the email address along with DP ID/Client ID and other shareholder details as mentioned above should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company proposes to send notices and documents, in electronic form, to such shareholders.

p) Outstanding GDRs /ADRs /Warrants or
any Convertible instruments, conversion
date and likely impact on equity

: NIL

q) Plant Location

: Kilburn Engineering Limited
Plot No. 6, MIDC Industrial Area,
Kalyan Bhiwandi Road, Saravali,
Thane 421 311, Maharashtra.

r) Address for Correspondence

: Registered Office

Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001.

Tel. No. : 033 22313337/3450

Fax No. : 033 22314768

E-mail: investors@kilburnengg.com

Corporate Office

Plot No. 6, MIDC Industrial Area, Kalyan Bhiwandi Road, Saravali, Thane 421 311, Maharashtra.

Phone: 91 2522 241800 / 91 2522 662200

Fax: 91 2522 281026 / 91 2522 280166

E-mail: investors@kilburnengg.com

Registrars & Transfer Agents

M/s Maheshwari Datamatics Pvt. Ltd.,

5th Floor, 23, R.N. Mukherjee Road,

Kolkata – 700 001.

Tel No.: (033) 2243 5809 / 5029; 2248 2248

Fax No.: (033) 2248 4787

E-mail: mdpl@cal.vsnl.net.in

For and on behalf of the Board

Place: Kolkata

Date: 13th August, 2018

Subir Chaki

Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
KILBURN ENGINEERING LIMITED

I have examined all the relevant records of KILBURN ENGINEERING LTD ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended 31st March, 2018

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

I 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 Dhrumil M. Shah & Co.

Dhrumil M. Shah

Place: Mumbai
Date: 13th August, 2018

Practicing Company Secretary
CP 8978; FCS 8021

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Subir Chaki, Managing Director of the Company do hereby give this declaration pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has laid down code of conduct for all Board Members and Senior Management of the Company and the same is posted on the website of the Company i.e., www.kilburnengg.com. All the Board Members and Senior Management personnel have affirmed compliances with the code for the year ended 31st March, 2018.

Place: Kolkata
Date: 13th August, 2018

Subir Chaki
Managing Director

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. In alignment with the vision of the Company, KEL, through its CSR initiatives, strives to create and enhance value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons.

The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for the Company to undertake and fulfil its Corporate Social Responsibility. The Policy functions as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms. In brief, the Policy provides inter alia, the following:

- a. CSR Activities identified are related to the activities included in the Companies Act, 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programmes or activities that benefit only the employees of the Company and their families.
- b. CSR Activities may be through a registered Trust or a registered society or a Company established under section 8 of the Act, subject to provisions in the Act and the CSR Rules.
- c. The Company may also collaborate with other Companies for undertaking projects or programmes for CSR activities in such manner as provided.

- d. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to CSR activities but does not include any expenditure on an item not in conformity with the CSR Policy.
- e. CSR expenditure of at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of CSR Policy.
- f. CSR expenditure excludes any amount contributed, directly or indirectly to any political party u/s 182 of the Act.
- g. Any surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company.

Being aware of its CSR, the Company continues to be associated with a unique sustainable initiative-purpose of eradication of hunger and poverty and promotion of education, special education for differently abled, promotion of sports and education for rural development, details of which are provided below

The Policy is available on the Company's website at <http://www.kilburnengg.com/company-policy-main/>

2. The Composition of the CSR Committee:

As on March 31, 2018, the Corporate Social Responsibility (CSR) Committee of the Board comprises of Mr. Manmohan Singh (Chairman), Mr. Supriya Mukherjee and Mr. Gobind Saraf.

3. Average net profit of the Company for the last three financial years: ₹ 887.43 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 17.75 Lakhs

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: Prescribed amount
- (b) Amount unspent, if any: Not Applicable

(c) Manner in which the amount spent during the financial year is detailed below :

S. no.	CSR Project or activity identified	Sector in which the Project is covered (vide Schedule VII to The Companies Act, 2013)	Projects or programs (i) Local area or other (ii) Name of the state and district where projects or programs will be undertaken	Amount of outlay (budget of the Company) project or program wise (Rs. Lakhs)	Amount spent on the projects or programs (₹ Lakhs)	Cumulative CSR expenditure upto the reporting period (₹ Lakhs)	Amount spent : Direct or through Implementing Agency
1	Providing Food and Education for Street Children	Sch. VII Item (i), (ii) and (iii)	(i) Local Area (ii) Howrah, Hooghly and Kolkata, where the Company has its regd. office	6.00	4.50	4.50	Implementing Agency : MCKS FOUNDATION, KOLKATA
2	Education and support of underprivileged children	Sch. VII Item (i), (ii) and (iii)	(i) Local Area (ii) Thane district, where the Company has its Corporate Office and works	0.50	0.50	0.50	Implementing Agency : MAGIC BUS INDIA FOUNDATION
3	Education and development of children with hearing disabilities	Sch. VII Item (ii)	(i) Local Area (ii) Village Saravali (Thane distt.), where the Company has its corporate office and works	5.00	5.00	5.00	Implementing Agency : SHREE BHAIKAV SEVA SAMITI, BHIWANDI, DISTT. THANE, FOR RUNNING
4	Health care of underprivileged people	Sch. VII Item (i) & (iii)	(i) Local Area (ii) Howrah, Hooghly and Kolkata, where the Company has its regd. Office	3.00	3.00	3.00	Implementing Agency : SAROJ GUPTA CANCER CENTRE AND RESEARCH INSTITUTE, KOLKATA
5	Health care of underprivileged people	Sch. VII Item (i) and (iii)	(i) Local Area (ii) Thane district, where the Company has its regd. office	0.50	0.50	0.50	Implementing Agency : MSF India
6	livelihood support for Orphan Girls and Women.	Sch. VII Item (i), (ii) and (iii)	(i) Local Area (ii) Thane district, where the Company has its Corporate Office and works	2.00	2.00	2.00	Implementing Agency : SHREE GAURANGA GAUDIYA MISSION SEVASHRAM, KOLKATA
7	livelihood support for children with disabilities.	Sch. VII Item (i), (ii) and (iii)	(i) Local Area (ii) Thane district, where the Company has its Corporate Office and works	1.00	1.00	1.00	Implementing Agency : YASH CHARITABLE TRUST, MUMBAI
8	Health care of underprivileged people	Sch. VII Item (i) and (iii)	(i) Local Area (ii) Thane district, where the Company has its Corporate Office and works	2.00	2.00	2.00	Implementing Agency : Rotary Club

* The Company's CSR projects and programmes are carried out mainly through implementing agencies such as eminent NGOs and Trusts such as MCKS Food for Hungry Foundation, Shree Bhairav Seva Samiti, Magic Bus India Foundation.

- Reasons for failing to spend the two per cent of the average net profit of the last three financial years or any part thereof : Not Applicable
- The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

Kolkata
13th August, 2018

Manmohan Singh
Chairman (CSR Committee of the Board)

REMUNERATION POLICY

The Remuneration Policy of Kilburn Engineering Ltd (the “Company”) is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company’s objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Remuneration Policy applies to the Company’s senior management, including its Key Managerial Persons (KMPs) and Board of Directors

GUIDING PRINCIPLES

The Guiding Principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

- The Remuneration Policy for executives reflects the overriding remuneration philosophy and principles of the Kilburn. When determining the remuneration policy and arrangements for Whole time Directors / KMPs, the Nomination and Remuneration Committee, constituted in accordance with Section 178 of the Companies Act, 2013, considers parity with peers and employment conditions elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

- The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

- The Nomination and Remuneration Committee while considering a remuneration package must ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the company and its goals.

- The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Remuneration policy is guided by a common reward framework and set of principles and objectives as envisaged under section 178 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 inter-alia principles pertaining to determining qualifications, positive attributes and independence of the Directors, integrity, etc. The main objectives are –

Attract and retain: Remuneration packages are designed to attract high-calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Motivate and reward: Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful short and long-term targets.

The principal terms of non-monetary benefits: The Executives will also be entitled to customary non-monetary benefits such as Company Cars, Telephones/ Mobiles, Health care facilities, etc. In addition thereto, in specific cases, particularly at the Unit levels, company may also provide housing and other benefits.

EXECUTIVE REMUNERATION – SENIOR MANAGEMENT

Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors and further by the shareholders and central Government as per legal requirements. Executive remuneration is evaluated annually against performance and a benchmark of international companies, which are similar to Kilburn in size and complexity.

Benchmarking is done with the help of reports generated by/through internationally recognized compensation service consultancies. In determining remuneration packages, the Committee may consult with the Chairman / Managing Director and Independent Directors as well, as appropriate. Total remuneration shall include of following:

- **A fixed base salary**, set at a level aimed at attracting and retaining executives with professional and personal competencies required to drive the Company’s performance.

- **Other allowances / incentives**, based on the work profile / achievement of individuals as per business targets, duly approved by the Managing Director.

- **Pension / ESI contributions**, made in accordance with applicable laws and employment agreements.

- **Loyalty / Belongingness to Company**, to be achieved by aligning the rewards and recognitions for longer association of the employees with the organization and encouraging Referrals as one of the sources of recruitment to strengthen the company workforce. Necessary steps to be taken to introduce it in the Company.

- **Working Atmosphere at the workplace**, company committed to provide good working atmosphere conducive to efficient and effective functioning of the employees with excellent culture and good inter-personal relationship within the organization as well as with external business associates.

- **Female employees, HR policy** of the company gives fair chance to males as well as females in employment and prefers to maintain the reasonable balance. It also provides requisite protection to female employees

through effective implementation of HR Policies to safeguard against Sexual Harassment, etc.

- **Severance payments** in accordance with termination clauses in employment agreements. Severance payments shall comply with the legal framework.

DISCLOSURE OF INFORMATION

Information on the total remuneration of members of the Company's Board of Directors, Executive Board of Management and senior management may be disclosed in the Company's annual financial statements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

APPROVAL OF THE REMUNERATION POLICY

This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Person and Board of Directors.

The Remuneration Policy is binding for the Board of Directors. In other respects, the Remuneration Policy shall be of guidance for the Board and shall be modified /revised with the consent of the Nomination and Remuneration committee and Board of Directors of the company from time to time as may be required. Any departure from the policy shall be recorded and reasoned in the Board's minutes.

DISSEMINATION

The Company's Remuneration Policy shall be published on its website.

For and on behalf of the Board

Kolkata

Date: 13th August, 2018

Aditya Khaitan

Chairman

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

- i) CIN : L24232WB1987PLC042956
- ii) Registration Date : 07-09-1987
- iii) Name of the Company : Kilburn Engineering Limited
- iv) Category / Sub-Category of the Company : Public Company / Limited by shares
- v) Address of the Registered office and contact details : 3rd Floor, Four Mangoe Lane,
Surendra Mohan Ghosh Sarani,
Kolkata – 700 001
Tel: +91 -33- 2231 3337
Fax: +91 -33- 2231 4768
- vi) Whether listed company : Yes (Listed on BSE & CSE)
- vii) Name, Address and Contact details of Registrar and : Maheshwari Datamatics Private Limited,
Transfer Agent, if any : 6, Mangoe Lane, 2nd Floor,
Surendra Mohan Ghosh Sarani,
Kolkata – 700 001
Tel. : +91 -33- 2243 5809 / 5029
Fax: +91 -33- 2248 4787

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

Sl. no.	Name and Description of Main Products/ Services	NIC Code of the Product / Service	%age to total turnover
1	Industrial Machinery / Dryer / Cooler	84193900	94.37%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Holding Company	:	Nil
Subsidiary Company	:	Nil
Associate Company	:	Williamson Magor & Company Limited (holding 32.58% of total share capital of Kilburn Engineering Limited)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [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 Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	17000	201	17201	0.13	454501	0	454501	3.43	3.30
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	7550537	0	7550537	56.96	7550537	0	7550537	56.96	0.00
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	7567537	201	7567738	57.09	8005038	0	8005038	60.39	3.30
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	7567537	201	7567738	57.09	8005038	0	8005038	60.39	3.30
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	900	900	0.0068	0	900	900	0.0068	0.0000
b) Banks/FI	200	700	900	0.0068	0	0	0	0.00	-0.0068
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	0	900	900	0.0068	0	900	900	0.0068	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	920532	4000	924532	6.9746	272644	3100	275744	2.0802	4.8944
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2733723	423271	3156994	23.8160	2739287	308173	3047460	22.9897	0.8263
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1289588	0	1289588	9.7285	1625937	0	1625937	12.2659	2.5374

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 Shares	Demat	Physical	Total	% of Total Shares	
c) Others (Specify)									
Non Resident Indians	42775	500	43275	0.3265	59533	400	59933	0.4521	0.1256
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	192641	0	192641	1.4533	59272	0	59272	0.4471	1.0062
Trusts	10000	0	10000	0.0754	0	0	0	0.0000	0.0754
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	69200	0	69200	0.522	70385	0	70385	0.5310	0.0090
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority	0.00	0.00	0.00	0.00	111099	0	111099	0.8381	0.8381
Sub-total(B)(2):-	5258459	427771	5686230	42.8963	4938157	311673	5249830	39.6041	3.2922
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5258659	429371	5688030	42.9099	4938157	312573	5250730	39.6109	3.2990
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	12826397	429371	13255768	100	12943195	312573	13255768	100.0000	0.0000

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2017]			Shareholding at the end of the year [As on 31/03/2018]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	WILLIAMSON MAGOR & CO LIMITED	4319043	32.58	0.00	4319043	32.58	0.00	0.00
2	BISHNAUTH INVESTMENTS LIMITED	1454200	10.97	0.00	1454200	10.97	0.00	0.00
3	UNITED MACHINE CO LTD	929126	7.01	0.00	929126	7.01	0.00	0.00
4	MCLEOD RUSSEL INDIA LIMITED	848168	6.40	0.00	848168	6.40	0.00	0.00
5	B M KHAITAN	15600	0.12	0.00	16000	0.12	0.00	2.56
6	SHANTI KHAITAN	400	0.00	0.00	0	0.00	0.00	-100.00
7	YASHODHARA KHAITAN	601	0.00	0.00	57901	0.44	0.00	9534.24
8	ADITYA KHAITAN	0	0.00	0.00	150000	1.13	0.00	100.00
9	AMRITANSHU KHAITAN	0	0.00	0.00	130000	0.98	0.00	100.00
10	ADITYA KHAITAN (HUF)	0	0.00	0.00	50000	0.37	0.00	100.00
11	KAVITA KHAITAN	0	0.00	0.00	20000	0.15	0.00	100.00
12	ISHA KHAITAN	0	0.00	0.00	20000	0.15	0.00	100.00
13	VANYA KHAITAN	600	0.00	0.00	20600	0.16	0.00	3333.33
	TOTAL	7567738	57.09	0.00	8005038	60.38	0.00	5.78

iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MCLEOD RUSSEL INDIA LIMITED				
	01-04-2017	848168	6.3985		
	31-03-2018	848168	6.3985	848168	6.3985
2	UNITED MACHINE CO LTD				
	01-04-2017	929126	7.0092		
	31-03-2018	929126	7.0092	929126	7.0092
3	WILLIAMSON MAGOR & CO LIMITED				
	01-04-2017	4319043	32.5824		
	31-03-2018	4319043	32.5824	4319043	32.5824
4	BISHNAUTH INVESTMENTS LIMITED				
	01-04-2017	1454200	10.9703		
	31-03-2018	1454200	10.9703	1454200	10.9703
5	ADITYA KHAITAN (HUF)				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	50000	0.3772	50000	0.3772
	31-03-2018	50000	0.3772	50000	0.3772
6	SHANTI KHAITAN				
	01-04-2017	400	0.0030		
	30/09/2017 - Transfer	-400	0.0030	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
7	YASHODHARA KHAITAN				
	01-04-2017	601	0.0045		
	18/08/2017 - Transfer	20599	0.1554	21200	0.1599
	25/08/2017 - Transfer	36701	0.2769	57901	0.4368
	31-03-2018	57901	0.4368	57901	0.4368
8	ADITYA KHAITAN				
	01-04-2017	0	0.0000		
	25/08/2017 - Transfer	150000	1.1316	150000	1.1316
	31-03-2018	150000	1.1316	150000	1.1316
9	KAVITA KHAITAN				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	20000	0.1509	20000	0.1509
	31-03-2018	20000	0.1509	20000	0.1509
10	B M KHAITAN				
	01-04-2017	15600	0.1177		
	30/09/2017 - Transfer	400	0.0030	16000	0.1207
	31-03-2018	16000	0.1207	16000	0.1207
11	AMRITANSHU KHAITAN				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	130000	0.9807	130000	0.9807
	31-03-2018	130000	0.9807	130000	0.9807

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	ISHA KHAITAN				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	10000	0.0754	10000	0.0754
	31-03-2018	10000	0.0754	10000	0.0754
13	VANYA KHAITAN				
	01-04-2017	600	0.0045		
	18/08/2017 - Transfer	10000	0.0754	10600	0.0800
	25/08/2017 - Transfer	10000	0.0754	20600	0.1554
	31-03-2018	20600	0.1554	20600	0.1554

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PRAGYA SECURITIES PVT. LTD - CASH MARKET CLIENTS ₹ MARGIN A/C #				
	01-04-2017	75564	0.5700		
	07/04/2017 - Transfer	-8346	0.0630	67218	0.5071
	14/04/2017 - Transfer	-2239	0.0169	64979	0.4902
	21/04/2017 - Transfer	180	0.0014	65159	0.4916
	28/04/2017 - Transfer	-572	0.0043	64587	0.4872
	05/05/2017 - Transfer	-100	0.0008	64487	0.4865
	12/05/2017 - Transfer	-807	0.0061	63680	0.4804
	19/05/2017 - Transfer	-10658	0.0804	53022	0.4000
	26/05/2017 - Transfer	-2647	0.0200	50375	0.3800
	02/06/2017 - Transfer	-761	0.0057	49614	0.3743
	09/06/2017 - Transfer	1899	0.0143	51513	0.3886
	16/06/2017 - Transfer	-1290	0.0097	50223	0.3789
	23/06/2017 - Transfer	-2850	0.0215	47373	0.3574
	30/06/2017 - Transfer	398	0.0030	47771	0.3604
	07/07/2017 - Transfer	-21562	0.1627	26209	0.1977
	14/07/2017 - Transfer	-20709	0.1562	5500	0.0415
	21/07/2017 - Transfer	-5500	0.0492	0	0.0000
	28/07/2017 - Transfer	2259	0.0170	2259	0.0170
	04/08/2017 - Transfer	180	0.0014	2439	0.0184
	11/08/2017 - Transfer	-275	0.0021	2164	0.0163
	18/08/2017 - Transfer	-1164	0.0088	1000	0.0075

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	25/08/2017 - Transfer	7080	0.0534	8080	0.0610
	01/09/2017 - Transfer	8020	0.0605	16100	0.1215
	08/09/2017 - Transfer	-15100	0.1139	1000	0.0075
	15/09/2017 - Transfer	6359	0.0480	7359	0.0555
	22/09/2017 - Transfer	-1461	0.0110	5898	0.0445
	30/09/2017 - Transfer	5818	0.0439	11716	0.0884
	06/10/2017 - Transfer	3984	0.0301	15700	0.1184
	13/10/2017 - Transfer	2150	0.0162	17850	0.1347
	20/10/2017 - Transfer	2500	0.0189	20350	0.1535
	27/10/2017 - Transfer	-550	0.0041	19800	0.1494
	03/11/2017 - Transfer	-2475	0.0187	17325	0.1307
	10/11/2017 - Transfer	-5800	0.0438	11525	0.0869
	17/11/2017 - Transfer	1575	0.0119	13100	0.0988
	24/11/2017 - Transfer	-3000	0.0226	10100	0.0762
	08/12/2017 - Transfer	2099	0.0158	12199	0.0920
	15/12/2017 - Transfer	7801	0.0588	20000	0.1509
	22/12/2017 - Transfer	-9550	0.0720	10450	0.0788
	29/12/2017 - Transfer	-3100	0.0234	7350	0.0554
	05/01/2018 - Transfer	2350	0.0177	9700	0.0732
	12/01/2018 - Transfer	-2500	0.0189	7200	0.0543
	26/01/2018 - Transfer	2500	0.0189	9700	0.0732
	02/02/2018 - Transfer	-2700	0.0204	7000	0.0528
	31-03-2018	7000	0.0528	7000	0.0528
2	SMC GLOBAL SECURITIES LIMITED				
	01-04-2017	51225	0.3864		
	07/04/2017 - Transfer	-5730	0.0432	45495	0.3432
	14/04/2017 - Transfer	-1935	0.0146	43560	0.3286
	21/04/2017 - Transfer	-450	0.0034	43110	0.3252
	28/04/2017 - Transfer	600	0.0045	43710	0.3297
	05/05/2017 - Transfer	-1085	0.0082	42625	0.3216
	12/05/2017 - Transfer	-335	0.0025	42290	0.3190
	19/05/2017 - Transfer	1415	0.0107	43705	0.3297
	26/05/2017 - Transfer	-1050	0.0079	42655	0.3218
	02/06/2017 - Transfer	-490	0.0037	42165	0.3181
	16/06/2017 - Transfer	-2975	0.0224	39190	0.2956
	23/06/2017 - Transfer	5500	0.0415	44690	0.3371
	30/06/2017 - Transfer	-90	0.0007	44600	0.3365
	07/07/2017 - Transfer	-4507	0.0340	40093	0.3025

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	14/07/2017 - Transfer	-913	0.0069	39180	0.2956
	04/08/2017 - Transfer	4855	0.0366	44035	0.3322
	11/08/2017 - Transfer	-2000	0.0151	42035	0.3171
	18/08/2017 - Transfer	-2855	0.0215	39180	0.2956
	25/08/2017 - Transfer	5400	0.0407	44580	0.3363
	01/09/2017 - Transfer	6500	0.0490	51080	0.3853
	08/09/2017 - Transfer	-3046	0.0230	48034	0.3624
	15/09/2017 - Transfer	-25164	0.1898	22870	0.1725
	22/09/2017 - Transfer	446	0.0034	23316	0.1759
	30/09/2017 - Transfer	-2464	0.0186	20852	0.1573
	06/10/2017 - Transfer	895	0.0068	21747	0.1641
	13/10/2017 - Transfer	-11000	0.0830	10747	0.0811
	20/10/2017 - Transfer	1	0.0000	10748	0.0811
	27/10/2017 - Transfer	-3246	0.0245	7502	0.0566
	03/11/2017 - Transfer	-591	0.0045	6911	0.0521
	10/11/2017 - Transfer	-3900	0.0294	3011	0.0227
	17/11/2017 - Transfer	398	0.0030	3409	0.0257
	24/11/2017 - Transfer	-74	0.0006	3335	0.0252
	01/12/2017 - Transfer	-635	0.0048	2700	0.0202
	08/12/2017 - Transfer	321	0.0024	3021	0.0228
	15/12/2017 - Transfer	-100	0.0008	2921	0.0220
	22/12/2017 - Transfer	2155	0.0163	5076	0.0383
	29/12/2017 - Transfer	1234	0.0093	6310	0.0476
	30/12/2017 - Transfer	-4000	0.0302	2310	0.0174
	05/01/2018 - Transfer	3931	0.0297	6241	0.0471
	12/01/2018 - Transfer	-1400	0.0106	4841	0.0365
	19/01/2018 - Transfer	-226	0.0017	4615	0.0348
	26/01/2018 - Transfer	-674	0.0051	3941	0.0297
	09/02/2018 - Transfer	400	0.0030	4341	0.0327
	16/02/2018 - Transfer	-1050	0.0079	3291	0.0248
	23/02/2018 - Transfer	100	0.0008	3391	0.0256
	02/03/2018 - Transfer	-600	0.0045	2791	0.0211
	09/03/2018 - Transfer	107	0.0008	2898	0.0219
	16/03/2018 - Transfer	-727	0.0055	2171	0.0164
	23/03/2018 - Transfer	100	0.0008	2271	0.0171
	31-03-2018	2271	0.0171	2271	0.0171

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	SUSHIL FINANCIAL SERVICES PRIVATE LTD (BEN A/C) #				
	01-04-2017	102400	0.7725		
	07/04/2017 - Transfer	-100	0.0008	102300	0.7717
	14/04/2017 - Transfer	10400	0.0785	112700	0.8502
	21/04/2017 - Transfer	-8300	0.0626	104400	0.7876
	28/04/2017 - Transfer	-700	0.0053	103700	0.7823
	05/05/2017 - Transfer	-100	0.0008	103600	0.7815
	12/05/2017 - Transfer	-300	0.0023	103300	0.7793
	19/05/2017 - Transfer	350	0.0026	103650	0.7819
	26/05/2017 - Transfer	-400	0.0030	103250	0.7789
	02/06/2017 - Transfer	-150	0.0011	103100	0.7778
	09/06/2017 - Transfer	-6670	0.0503	96430	0.7275
	16/06/2017 - Transfer	-4730	0.0357	91700	0.6918
	23/06/2017 - Transfer	-1200	0.0091	90500	0.6827
	07/07/2017 - Transfer	-3230	0.0244	87270	0.6584
	14/07/2017 - Transfer	-7200	0.0543	80070	0.6040
	21/07/2017 - Transfer	-80070	0.7169	0	0.0000
	28/07/2017 - Transfer	81370	0.6138	81370	0.6138
	04/08/2017 - Transfer	-23648	0.1784	57722	0.4354
	11/08/2017 - Transfer	-5702	0.0430	52020	0.3924
	18/08/2017 - Transfer	-16150	0.1218	35870	0.2706
	25/08/2017 - Transfer	-31520	0.2378	4350	0.0328
	01/09/2017 - Transfer	-4050	0.0306	300	0.0023
	08/09/2017 - Transfer	800	0.0060	1100	0.0083
	15/09/2017 - Transfer	-550	0.0041	550	0.0041
	22/09/2017 - Transfer	8	0.0001	558	0.0042
	30/09/2017 - Transfer	-58	0.0004	500	0.0038
	06/10/2017 - Transfer	450	0.0034	950	0.0072
	13/10/2017 - Transfer	50	0.0004	1000	0.0075
	20/10/2017 - Transfer	-600	0.0045	400	0.0030
	27/10/2017 - Transfer	-101	0.0008	299	0.0023
	03/11/2017 - Transfer	401	0.0030	700	0.0053
	10/11/2017 - Transfer	-321	0.0024	379	0.0029
	17/11/2017 - Transfer	921	0.0069	1300	0.0098
	24/11/2017 - Transfer	-1300	0.0098	0	0.0000
	01/12/2017 - Transfer	3392	0.0254	3392	0.0254
	08/12/2017 - Transfer	200	0.0015	3592	0.0271

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	15/12/2017 - Transfer	-3592	0.0271	0	0.0000
	29/12/2017 - Transfer	1050	0.0079	1050	0.0079
	05/01/2018 - Transfer	231	0.0017	1281	0.0097
	12/01/2018 - Transfer	369	0.0028	1650	0.0124
	19/01/2018 - Transfer	-1600	0.0121	50	0.0004
	26/01/2018 - Transfer	211	0.0016	261	0.0020
	02/02/2018 - Transfer	739	0.0056	1000	0.0075
	09/02/2018 - Transfer	-1000	0.0075	0	0.0000
	16/02/2018 - Transfer	2000	0.0151	2000	0.0151
	09/03/2018 - Transfer	300	0.0023	2300	0.0174
	16/03/2018 - Transfer	-2300	0.0174	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
4	VCK SHARE AND STOCK BROKING SERVICES LTD.				
	01-04-2017	315	0.0024		
	09/06/2017 - Transfer	-315	0.0024	0	0.0000
	25/08/2017 - Transfer	70000	0.5281	70000	0.5281
	01/09/2017 - Transfer	-70000	0.5281	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
5	YORK FINANCIAL SERVICES PVT. LTD.				
	01-04-2017	43180	0.3257		
	14/07/2017 - Transfer	15320	0.1156	58500	0.4413
	18/08/2017 - Transfer	-9000	0.0679	49500	0.3734
	25/08/2017 - Transfer	-49500	0.3734	0	0.0000
	01/09/2017 - Transfer	5000	0.0377	5000	0.0377
	22/09/2017 - Transfer	-5000	0.0377	0	0.0000
	06/10/2017 - Transfer	11511	0.0868	11511	0.0868
	13/10/2017 - Transfer	-1299	0.0098	10212	0.0770
	20/10/2017 - Transfer	-10212	0.0770	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
6	G. SUNDAR				
	01-04-2017	178101	1.3436		
	21/07/2017 - Transfer	-148101	1.3260	30000	0.2686
	28/07/2017 - Transfer	148101	1.1173	178101	1.3436
	31-03-2018	178101	1.3436	178101	1.3436
7	ANUSHIKHA INVESTMENTS PVT LTD #				
	01-04-2017	781	0.0059		
	07/04/2017 - Transfer	195	0.0015	976	0.0074

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	14/04/2017 - Transfer	3749	0.0283	4725	0.0356
	21/04/2017 - Transfer	4401	0.0332	9126	0.0688
	28/04/2017 - Transfer	-1130	0.0085	7996	0.0603
	05/05/2017 - Transfer	3035	0.0229	11031	0.0832
	12/05/2017 - Transfer	-5	0.0000	11026	0.0832
	19/05/2017 - Transfer	-1091	0.0082	9935	0.0749
	26/05/2017 - Transfer	-8813	0.0665	1122	0.0085
	02/06/2017 - Transfer	-250	0.0019	872	0.0066
	09/06/2017 - Transfer	610	0.0046	1482	0.0112
	16/06/2017 - Transfer	-300	0.0023	1182	0.0089
	23/06/2017 - Transfer	128	0.0010	1310	0.0099
	30/06/2017 - Transfer	-168	0.0013	1142	0.0086
	07/07/2017 - Transfer	1	0.0000	1143	0.0086
	14/07/2017 - Transfer	-375	0.0028	768	0.0058
	21/07/2017 - Transfer	-100	0.0009	668	0.0060
	11/08/2017 - Transfer	100	0.0008	768	0.0058
	18/08/2017 - Transfer	-220	0.0017	548	0.0041
	25/08/2017 - Transfer	6668	0.0503	7216	0.0544
	01/09/2017 - Transfer	1384	0.0104	8600	0.0649
	08/09/2017 - Transfer	3550	0.0268	12150	0.0917
	15/09/2017 - Transfer	4616	0.0348	16766	0.1265
	22/09/2017 - Transfer	13835	0.1044	30601	0.2309
	30/09/2017 - Transfer	-2	0.0000	30599	0.2308
	06/10/2017 - Transfer	635	0.0048	31234	0.2356
	13/10/2017 - Transfer	2410	0.0182	33644	0.2538
	27/10/2017 - Transfer	-379	0.0029	33265	0.2509
	03/11/2017 - Transfer	-1553	0.0117	31712	0.2392
	10/11/2017 - Transfer	-4126	0.0311	27586	0.2081
	17/11/2017 - Transfer	-5677	0.0428	21909	0.1653
	24/11/2017 - Transfer	-13935	0.1051	7974	0.0602
	01/12/2017 - Transfer	-1151	0.0086	6823	0.0511
	08/12/2017 - Transfer	600	0.0045	7423	0.0560
	15/12/2017 - Transfer	-1400	0.0106	6023	0.0454
	22/12/2017 - Transfer	8288	0.0625	14311	0.1080
	29/12/2017 - Transfer	14389	0.1085	28700	0.2165
	05/01/2018 - Transfer	16765	0.1265	45465	0.3430
	12/01/2018 - Transfer	3890	0.0293	49355	0.3723
	19/01/2018 - Transfer	-756	0.0057	48599	0.3666

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	26/01/2018 - Transfer	-1025	0.0077	47574	0.3589
	02/02/2018 - Transfer	2313	0.0174	49887	0.3763
	09/02/2018 - Transfer	-11393	0.0859	38494	0.2904
	16/02/2018 - Transfer	2189	0.0165	40683	0.3069
	23/02/2018 - Transfer	-35761	0.2698	4922	0.0371
	02/03/2018 - Transfer	-3112	0.0235	1810	0.0137
	09/03/2018 - Transfer	12688	0.0957	14498	0.1094
	16/03/2018 - Transfer	-14448	0.1090	50	0.0004
	23/03/2018 - Transfer	480	0.0036	530	0.0040
	30/03/2018 - Transfer	165	0.0012	695	0.0052
	31-03-2018	695	0.0052	695	0.0052
8	RADHIKA TRADERS & INVESTORS LTD				
	01-04-2017	69200	0.5220		
	31-03-2018	69200	0.5220	69200	0.5220
9	KASHI PRASAD JHUNJHUNWALA #				
	01-04-2017	86030	0.6490		
	18/08/2017 - Transfer	493	0.0037	86523	0.6527
	01/09/2017 - Transfer	-33416	0.2521	53107	0.4006
	08/09/2017 - Transfer	-53107	0.4006	0	0.0000
	09/02/2018 - Transfer	5751	0.0434	5751	0.0434
	16/02/2018 - Transfer	-5751	0.0434	0	0.0000
	02/03/2018 - Transfer	10417	0.0786	10417	0.0786
	09/03/2018 - Transfer	5068	0.0382	15485	0.1168
	31-03-2018	15485	0.1168	15485	0.1168
10	YARLAGADDA SVRPC PRABHAKARA PRASAD				
	01-04-2017	73946	0.5578		
	16/02/2018 - Transfer	-11577	0.0873	62369	0.4705
	31-03-2018	62369	0.4705	62369	0.4705
11	RAJEEV MANILAL SANGOI HUF				
	01-04-2017	38704	0.2920		
	21/07/2017 - Transfer	-38704	0.3465	0	0.0000
	28/07/2017 - Transfer	38704	0.2920	38704	0.2920
	08/12/2017 - Transfer	-5000	0.0377	33704	0.2543
	31-03-2018	33704	0.2543	33704	0.2543
12	ARYAV SECURITIES PRIVATE LIMITED #				
	01-04-2017	193481	1.4596		
	09/06/2017 - Transfer	1000	0.0075	194481	1.4671
	28/07/2017 - Transfer	-1000	0.0075	193481	1.4596

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	11/08/2017 - Transfer	5000	0.0377	198481	1.4973
	18/08/2017 - Transfer	-14999	0.1132	183482	1.3842
	25/08/2017 - Transfer	-70000	0.5281	113482	0.8561
	01/09/2017 - Transfer	-36498	0.2753	76984	0.5808
	08/09/2017 - Transfer	-8216	0.0620	68768	0.5188
	22/09/2017 - Transfer	-41899	0.3161	26869	0.2027
	31-03-2018	26869	0.2027	26869	0.2027
13	MADHU GUPTA*				
	01-04-2017	0	0.0000		
	08/09/2017 - Transfer	10000	0.0754	10000	0.0754
	15/09/2017 - Transfer	15000	0.1132	25000	0.1886
	13/10/2017 - Transfer	5000	0.0377	30000	0.2263
	20/10/2017 - Transfer	37000	0.2791	67000	0.5054
	27/10/2017 - Transfer	10000	0.0754	77000	0.5809
	17/11/2017 - Transfer	5000	0.0377	82000	0.6186
	23/03/2018 - Transfer	5000	0.0377	87000	0.6563
	31-03-2018	87000	0.6563	87000	0.6563
14	RENU KABRA *				
	01-04-2017	54522	0.4113		
	16/06/2017 - Transfer	2836	0.0214	57358	0.4327
	23/06/2017 - Transfer	7296	0.0550	64654	0.4877
	21/07/2017 - Transfer	-3300	0.0295	61354	0.5493
	28/07/2017 - Transfer	9400	0.0709	70754	0.5338
	04/08/2017 - Transfer	7816	0.0590	78570	0.5927
	26/01/2018 - Transfer	789	0.0060	79359	0.5987
	09/02/2018 - Transfer	2154	0.0162	81513	0.6149
	31-03-2018	81513	0.6149	81513	0.6149
15	RITABEN BHAVESHBHAI VAKHARIA				
	01-04-2017	37101	0.2799		
	07/04/2017 - Transfer	300	0.0023	37401	0.2821
	14/04/2017 - Transfer	-200	0.0015	37201	0.2806
	21/07/2017 - Transfer	-850	0.0076	36351	0.3255
	28/07/2017 - Transfer	850	0.0064	37201	0.2806
	01/09/2017 - Transfer	500	0.0038	37701	0.2844
	15/09/2017 - Transfer	1000	0.0075	38701	0.2920
	13/10/2017 - Transfer	900	0.0068	39601	0.2987
	27/10/2017 - Transfer	844	0.0064	40445	0.3051
	03/11/2017 - Transfer	500	0.0038	40945	0.3089

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	10/11/2017 - Transfer	1500	0.0113	42445	0.3202
	17/11/2017 - Transfer	720	0.0054	43165	0.3256
	24/11/2017 - Transfer	550	0.0041	43715	0.3298
	01/12/2017 - Transfer	-100	0.0007	43615	0.3264
	08/12/2017 - Transfer	-200	0.0015	43415	0.3275
	29/12/2017 - Transfer	-351	0.0026	43064	0.3249
	23/02/2018 - Transfer	-100	0.0008	42964	0.3241
	02/03/2018 - Transfer	-75	0.0006	42889	0.3235
	31-03-2018	42889	0.3235	42889	0.3235
16	RISEWELL HOUSING LLP#				
	01-04-2017	165457	1.2482		
	14/04/2017 - Transfer	-104065	0.7851	61392	0.4631
	11/08/2017 - Transfer	10740	0.0810	72132	0.5442
	25/08/2017 - Transfer	-25000	0.1886	47132	0.3556
	01/09/2017 - Transfer	-10000	0.0754	37132	0.2801
	22/09/2017 - Transfer	-37132	0.2801	0	0.0000
	06/10/2017 - Transfer	6000	0.0453	6000	0.0453
	03/11/2017 - Transfer	-6000	0.0453	0	0.0000
	16/03/2018 - Transfer	10000	0.0754	10000	0.0754
	31-03-2018	10000	0.0754	10000	0.0754
17	SUBHASH HASTIMAL LODHA *				
	01-04-2017	0	0.0000		
	29/12/2017 - Transfer	19780	0.1492	19780	0.1492
	12/01/2018 - Transfer	26464	0.1996	46244	0.3489
	19/01/2018 - Transfer	3756	0.0283	50000	0.3772
	16/02/2018 - Transfer	44943	0.3390	94943	0.7162
	31-03-2018	94943	0.7162	94943	0.7162
18	BHAVNA VIPUL TRIVEDI				
	01-04-2017	30000	0.2263		
	12/05/2017 - Transfer	10000	0.0754	40000	0.3018
	21/07/2017 - Transfer	-40000	0.3581	0	0.0000
	28/07/2017 - Transfer	40000	0.3018	40000	0.3018
	12/01/2018 - Transfer	-5000	0.0377	35000	0.2640
	09/02/2018 - Transfer	-6000	0.0453	29000	0.2188
	16/02/2018 - Transfer	-5000	0.0377	24000	0.1811
	31-03-2018	24000	0.1811	24000	0.1811

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/ end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
19	SKYBRIDGE REAL ESTATES LLP #				
	01-04-2017	133902	1.0101		
	07/04/2017 - Transfer	-15426	0.1164	118476	0.8938
	07/07/2017 - Transfer	-26591	0.2006	91885	0.6932
	18/08/2017 - Transfer	-2450	0.0185	89435	0.6747
	25/08/2017 - Transfer	-50000	0.3772	39435	0.2975
	22/09/2017 - Transfer	-8000	0.0604	31435	0.2371
	03/11/2017 - Transfer	-9500	0.0717	21935	0.1655
	22/12/2017 - Transfer	-2650	0.0200	19285	0.1455
	29/12/2017 - Transfer	-19285	0.1455	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
20	LINCOLN P COELHO *				
	01-04-2017	50000	0.3772		
	31-03-2018	50000	0.3772	50000	0.3772
21	CHOITHANI RAJESH ASHOK *				
	01-04-2017	0	0.0000		
	29/12/2017 - Transfer	16000	0.1207	16000	0.1207
	05/01/2018 - Transfer	14000	0.1056	30000	0.2263
	12/01/2018 - Transfer	10000	0.0754	40000	0.3018
	19/01/2018 - Transfer	5250	0.0396	45250	0.3414
	31-03-2018	45250	0.3414	45250	0.3414
22	BHAGIRATH PASARI				
	01-04-2017	194100	1.4643		
	31-03-2018	194100	1.4643	194100	1.4643
23	ADITYA KHAITAN *				
	01-04-2017	0	0.0000		
	18/08/2017 - Transfer	20000	0.1509	20000	0.1509
	25/08/2017 - Transfer	130000	0.9807	150000	1.1316
	31-03-2018	150000	1.1316	150000	1.1316
24	ANURAG JHUNJHUNWALA				
	01-04-2017	12500	0.0943		
	14/07/2017 - Transfer	21345	0.1610	33845	0.2553
	21/07/2017 - Transfer	10000	0.0895	43845	0.3926
	04/08/2017 - Transfer	30109	0.2271	73954	0.5579
	25/08/2017 - Transfer	-12500	0.0943	61454	0.4636
	01/09/2017 - Transfer	-10000	0.0754	51454	0.3882

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	08/09/2017 - Transfer	-26454	0.1996	25000	0.1886
	06/10/2017 - Transfer	-4830	0.0364	20170	0.1522
	08/12/2017 - Transfer	25954	0.1958	46124	0.3480
	29/12/2017 - Transfer	-46124	0.3480	0	0.0000
	31-03-2018	0	0.0000	0	0.0000
25	NEHA SANJAY SHAH				
	01-04-2017	38610	0.2913		
	21/07/2017 - Transfer	-38610	0.3457	0	0.0000
	28/07/2017 - Transfer	38610	0.2913	38610	0.2913
	31-03-2018	38610	0.2913	38610	0.2913
26	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS *				
	01-04-2017	0	0.0000		
	01/12/2017 - Transfer	111073	0.8312	111073	0.8312
	08/12/2017 - Transfer	26	0.0002	111099	0.8381
	31-03-2018	111099	0.8381	111099	0.8381

* Not in the list of top ten shareholders as on 01/04/2017, but was one of the top ten shareholders on 31/03/2018.

Ceased to be in the list of top ten shareholders as on 31/03/2018, but was one of the top ten shareholders on 01/04/2017

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ADITYA KHAITAN				
	01-04-2017	0	0.0000		
	25/08/2017 - Transfer	150000	1.1316	150000	1.1316
	31-03-2018	150000	1.1316	150000	1.1316
2	ADITYA KHAITAN (HUF)				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	50000	0.3772	50000	0.3772
	31-03-2018	50000	0.3772	50000	0.3772
3	AMRITANSHU KHAITAN				
	01-04-2017	0	0.0000		
	01/09/2017 - Transfer	130000	0.9807	130000	0.9807
	31-03-2018	130000	0.9807	130000	0.9807

Sl. No.	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	VANYA KHAITAN MR. AMRITANSHU KHAITAN IS LEGAL GUARDIAN OF HIS MINOR DAUGHTER VANYA KHAITAN				
	01-04-2017	600	0.0045		
	18/08/2017 - Transfer	10000	0.0754	10600	0.0800
	25/08/2017 - Transfer	10000	0.0754	20600	0.1554
	31-03-2018	20600	0.1554	20600	0.1554
5	ARVIND BAJORIA				
	01-04-2017	5	0.0000		
	31-03-2018	5	0.0000	5	0.0000

V. INDEBTEDNESS

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

(₹ Lakhs)

Sl. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of financial year				
i.	Principal Amount	13454.62			13454.62
ii.	Interest due but not paid	-	-	-	-
iii.	Interest accrued but not due	4.47	-	-	4.47
	Total (i+ii+iii)	13459.09	-	-	13459.09
	Change in Indebtedness during the financial year				
	• Addition	8094.71	-	-	8094.71
	• Reduction	9707.55	-	-	9707.55
	Net Change	(1612.84)	-	-	(1612.84)
	Indebtedness at the end of the financial year				
i.	Principal Amount	11443.62	-	-	11443.62
ii.	Interest due but not paid	-	-	-	-
iii.	Interest accrued but not due	402.63	-	-	402.63
	Total (i + ii + iii)	11846.25	-	-	11846.25

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

(₹ Lakhs)

Sl. No.	Particulars	Remuneration to Managing Director (Mr. Supriya Mukherjee)	Remuneration to Whole Time Director (Mr. Subir Chaki)
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	135.15	36.77
b.	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	9.37	3.15
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify ...	-	-
5	Others, please specify	-	-
	Total	144.52	39.92

B. Remuneration to other directors

Names of Directors	Sitting Fees (₹/-)	Commission	Others	Total
Mr. Aditya Khaitan	40,000	0.00	0.00	40,000
Mr. Subir Ranjan Dasgupta	80,000	0.00	0.00	80,000
Mr. Amritanshu Khaitan	40,000	0.00	0.00	40,000
Mr. Manmohan Singh	1,10,000	0.00	0.00	1,10,000
Mr. Padam Kumar Khaitan	70,000	0.00	0.00	70,000
Mr. Gobind Saraf	1,40,000	0.00	0.00	1,40,000
Mrs. Priya Saran Chaudhri	20,000	0.00	0.00	20,000

C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

(₹ Lakhs)

Sl. No.	Particulars	Remuneration to C.F.O.	Remuneration to C.S.
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	40.68	12.17
b.	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	3.17	-
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify ...	-	-
5	Others, please specify	-	-
	Total	43.85	12.17

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offenses for the year ended March 31, 2016.

Place : Kolkata

Date : 13th August, 2018**For and on behalf of the Board****Aditya Khaitan**

Chairman

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

KILBURN ENGINEERING LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KILBURN ENGINEERING 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 company's 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 **March 31, 2018** generally 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 **March 31, 2018** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment and overseas Direct Investment.
- 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, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not Applicable**
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **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; - **Not Applicable**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not applicable** and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Other applicable laws to the Company.

I have also examined compliance of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent Directors and Woman 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.

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

All the decisions have been taken unanimously and no dissent recorded in Board Meetings.

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

For **Dhrumil M Shah & Co.**

Place: Mumbai
Date: 13th August, 2018

Dhrumil M Shah
Practicing Company Secretary
CP 8978; FCS 8021

This Report is to be read with my letter of even date which is annexed as Annexure- I and forms an integral part of this report.

ANNEXURE I
(To the Secretarial Audit Report)

To,
The Members,
KILBURN ENGINEERING LIMITED

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhrumil M Shah & Co.**

Place: Mumbai

Date: 13th August, 2018

Dhrumil M Shah

Practicing Company Secretary
CP 8978; FCS 8021

Annexure - "VIII"

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018.

A. CONSERVATION OF ENERGY-

a) steps taken or impact on conservation of energy :

- i. Purchase of 10 nos. inverter based welding machines to reduce the energy consumption by replacement of conventional welding machines.
- ii. Replacement of old CFL Lamps in entire Factory and Office premises with energy efficient LED Lamps

b) Steps taken by company for utilizing alternate sources of energy:

Nil

c) Capital investment on energy conservation equipments :

₹ 9.75 Lakhs was spent on inverter based welding machines. Purchase of LED Lamps was made for ₹ 42.50 Lacs (approx.).

B. TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption:-

- A. We have developed a technology for drying of Cobalt Hydroxide using indirect mode of heat transfer. At present, spin flash dryers are used which are highly energy intensive. Successful pilot plant trials reveals that minimum 40% energy can be saved using indirect mode of heat transfer system design confirms very compact with results considerably reduction in space and civil cost.
- B. Company in collaboration with M/s. Komline Sanderson USA will be entering into a field to dry sewage treatment plant. Existing paddle drying technology will be upgraded for drying and dried waste can be used for fertilizer.
- C. Development of continuous withering in total automation. All critical parameters are controlled to ensure uniform quantity of withered green tea leaf with minimum manpower requirement.

2. Benefits derived like product improvement, cost reduction, product development or import substitution.

- a) Using indirect mode of heat transfer system is very efficient in terms of energy consumption. System is very compact using this mode results lesser area requirement and reduction in civil cost.
- b) Automation in continuous withering system results basically reduced manual intervention and give quality of green tea leafs with minimum manpower requirement.

3. Information regarding imported technology (Three Years)

Paddle Dryer Technology has been fully absorbed and research is in progress to improve the technology further with more applications.

- a) For drying of Sodium Bi Carbonate (food grade) Using Vibratory Fluidized Bed System from M/s. Carrier Vibrating Equipment Inc. USA
- b) Paddle Dryer Technology developed by M/s. Nara Machinery Company will be used for differential application. We have done work to dry human waste using paddle dryer technology in 'Swachh Bharat Abhiyan'.
- c) Whether the technology been fully absorbed – Yes.
- d) If not fully absorbed, areas where absorption has not taken placed, and the reasons thereof – N/A.

4. Expenditure incurred on Research and Development:

Expenditure on R&D:

- a) Capital
- b) Recurring ₹ 70.23 Lacs
- c) Total ₹ 70.23 Lacs
- d) Total R&D expenditure as a percentage of total turnover 0.53

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans:

The Company's executives visited prospective customers overseas. The Company also actively participated in international trade fairs to explore available opportunities.

- b) Total foreign exchange used and earned:

Total foreign exchange used ₹ 1127.03 Lacs

Total foreign exchange earned ₹ 2389.23 Lacs

For and on behalf of the Board

Place: Kolkata
Date: 13th August, 2018

Aditya Khaitan
Chairman

FORM NO. AOC-2**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto**

(Pursuant to Section 134 (3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis during the year ended 31st March, 2018 – As following

The agreement was approved by Audit Committee and Board for two years w.e.f. 1st April, 2017 in the meeting held on 13th February, 2017.

Name of Party	Relationship	Nature of transaction	Duration	Salient terms including value (₹ Lakhs)
Williamson Magor and Company Limited	Associate company	Payment of corporate consultancy charges	April 1, 2017 to March 31, 2018	24.00

2. Details of contract or arrangements or transactions at arm's length basis during the year ended 31st March 2018:

The Omnibus approval was given by Audit Committee and Board in the meeting held on 29th May 2017.

However, the transactions of ICD were entered with the prior approval at the meeting of Audit Committee and Board as mentioned below.

Name of Party	Relationship	Nature of transaction and date of approval of audit committee	Date / Duration	Salient terms including value (₹ Lakhs)
Babcock Borsig Limited	Company in which directors are interested	Inter Corporate Deposit (ICD) returned	5 th August, 2017	4000.00
Babcock Borsig Limited	Company in which directors are interested	Placement of ICD (approved by Audit Committee on 10 th August, 2017)	22 nd Sept., 2017	4000.00
Babcock Borsig Limited	Company in which directors are interested	Inter Corporate Deposit (ICD) returned	3 rd October, 2017	4850.00
Babcock Borsig Limited	Company in which directors are interested	Interest Income on ICD	April 1, 2017 to March 31, 2018	1129.87
Williamson Magor and Company Limited	Company in which directors are interested	Placement of ICD (approved by Audit Committee on 10 th August, 2017)	7 th October, 2017	4000.00
Williamson Magor and Company Limited	Company in which directors are interested	Inter Corporate Deposit (ICD) returned	22 September 2017	55.00
Williamson Magor and Company Limited	Company in which directors are interested	Interest Income on ICD	April 1, 2017 to March 31, 2018	325.38
Eveready Industries India Limited	Company in which directors are interested	Purchase of LED Lights and fittings (approved by Audit comm. on 10 th Aug 2017)	October 1, 2017 to Dec. 31, 2017	42.68
Manor Travels Private Limited	Company in which directors are interested	Payment of Flight Ticket Booking charges.	April 1, 2017 to March 31, 2018	9.54
Mrs. Isha Khaitan	Spouse of Director (Mr. Amritanshu Khaitan)	Payment of consultancy fees	April 1, 2017 to March 31, 2018	14.40

There were no material contracts or arrangements or transactions entered into by the Company with related parties which may have a potential conflict with the interests of the Company at large. Disclosure of other Directors' remuneration has been made in the Directors Report.

For and on behalf of the Board

Place: Kolkata

Date: 13th August, 2018

Aditya Khaitan

Chairman

REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 (the Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees and other details in terms of Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. no.	Requirements	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	<p><u>Managing Director</u></p> <p>Mr. Supriya Mukherjee 55.38 : 1</p> <p><u>Whole Time Director</u></p> <p>Mr. Subir Chaki 34.11 : 1</p> <p><u>Non Executive Directors</u></p> <p>Mr. Aditya Khaitan 2.23 : 1</p> <p>Mr. Amritanshu Khaitan 2.23 : 1</p> <p>Mr. Manmohan Singh 6.12 : 1</p> <p>Mr. Subir Ranjan Dasgupta 4.45 : 1</p> <p>Mr. Padam Kumar Khaitan 3.90 : 1</p> <p>Mr. Gobind Saraf 7.79 : 1</p> <p>Mrs. Priya Saran Chaudhri 1.11 : 1</p>
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	No increment was made in the salary of any director, CS or CFO during the year 2017 - 18. Salary of Mr. Subir Chaki was restructured w.e.f. 13th Nov., 2017 in the Board meeting held on 13th August, 2018, and the details are mentioned in the notice of AGM.
3	The percentage increase in the median remuneration of employees in the financial year	There was no increase in the remuneration of employees during 2017 - 18.
4	The number of permanent employees on the rolls of the Company	317 employees were on the rolls of company as on March 31, 2018.
5	The explanation on the relationship between average increase in remuneration and Company performance	<p>During 2017-18, Profit Before Tax (PBT) of Company decreased by 64% (approx).</p> <p>So, there was no increase in remuneration of managerial personnel and wages of workmen.</p>
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total remuneration of Key Managerial Personnel is 55.19% of the Profit Before Tax (PBT) for the year 2017 - 18.
7	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current FY and previous FY and 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	The Market capitalization of the Company has increased from Rs. 80.20 crores as on March 31, 2017 to Rs. 98.29 crores as of March 31, 2018. Over the same period, the price to earnings ratio moved from 8.59 to 29.31. The stock price of the Company as at March 31, 2018 has increased by 196% to Rs. 74.15 over the last offering of equivalent equity shares of Rs. 10/- each on rights basis in March, 2006 at an issue price of Rs. 25/- share.

Sr. no.	Requirements	Disclosure
8	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 in the managerial remuneration and justification thereof.	There was no increase in the salary of workmen and there was no increase in the remuneration of managerial personnel during the year 2017 - 18, due to lower profitability
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration of Key Managerial Personnel was 55.19% of the Profit Before Tax (PBT) for the year 2017 - 18. MD (10.56%), WTD (10.81%), CFO(9.06%) and CS (2.70%)
10	The key parameters for any variable component of remuneration availed by the directors.	There is no variable component of remuneration of directors.
11	The ratio of the remuneration of the highest paid directors to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No employee in the company is paid remuneration higher than the Managing Director.
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, affirmed

For and on behalf of the Board

Place: Kolkata

Date: 13th August, 2018**Aditya Khaitan**

Chairman

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KILBURN ENGINEERING LTD.

Report on the Ind AS financial statements

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

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

Opinion

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

Emphasis of Matter

We draw attention to Note 5b to the Ind AS financial statements regarding loans from bank which have not been utilised for the purpose for which these loans have been taken. Our opinion is not modified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the

year ended March 31, 2017 and March 31, 2016 dated May 29, 2017 and May 23, 2016 respectively expressed a modified opinion, regarding partial provision made by the Company for diminution in value of long term investment on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 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 purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2018 and 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report dated May 30, 2018 in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 35.a to the Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. Further, the Company does not have any long term derivative contracts. Refer Note 19 to the Ind AS financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra
Partner
Membership Number: 110759

Place of Signature: Mumbai
Date : May 30, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF KILBURN ENGINEERING LTD.

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loan to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the Company's interest.
- (b) The Company has granted loan that are re-payable on demand, to companies covered in the register maintained under section 189 of the Companies Act, 2013.
Repayment of loan and interest is made as and when the demand is made by the Company.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested are not applicable to the Company and provisions of section 186 of the Companies Act, 2013 in respect of loans and advances given and investments made are complied with by the Company. The Company has not provided any guarantees.
- (v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of Process Equipments and Tea Dryer, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues applicable to it.

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

- (b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Amount (₹ in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Non-production of declaration forms	13.85	FY 2008-09	Jt. Comm. of Sales Tax (Appeals)

Name of Statute	Nature of Dues	Amount (₹ in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of CENVAT credit on shifting of factory on account on non-compliance with procedures	49.06	FY 2013-14	CESTAT
Income Tax Act, 1961	Disallowance u/s 14A, Disallowance of unabsorbed depreciation, Disallowance of employees' contribution to PF and ESIC, Disallowance of foreign tour allowance and expenses and Disallowance of donation and contribution	33.10	AY 2008-09, AY 2013-14 and AY 2014-15	ITAT, Comm. of Income Tax (Appeals)

* net of advances

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. The Company has not taken any loan or borrowing from financial institution, government or debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not utilised term loans for the purpose for which these loans have been taken as on March 31, 2018. The term loans of ₹ 10,300 lakhs net of processing fees of ₹ 370 lakhs have been deployed as inter-corporate deposits of ₹ 9,930 lakhs to Group Companies. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting to this extent under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, 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, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra

Partner

Membership Number: 110759

Place of Signature: Mumbai

Date : May 30, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KILBURN ENGINEERING LTD

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

We have audited the internal financial controls over financial reporting of Kilburn Engineering Ltd. ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Place of Signature: Mumbai
Date : May 30, 2018

per Anil Jobanputra
Partner
Membership Number: 110759

BALANCE SHEET

AS AT 31ST MARCH, 2018

Particulars	Notes	As at 31 March 2018 INR in lacs	As at 31 March 2017 INR in lacs	As at 1 April 2016 INR in lacs
A. Assets				
1. Non-Current Assets				
Property, plant and equipment	3	5,623.03	5,858.10	6,156.58
Capital work-in-progress	3	-	0.16	-
Intangible assets	4	40.00	24.32	34.60
Financial assets				
- Investments	5a	1,608.52	1,264.46	1,400.87
- Loans	5b	22.32	17.14	18.05
- Other financial assets	5c	30.68	24.90	11.70
Income tax assets (net)	12	331.47	277.78	206.53
Deferred tax assets (net)		311.84	284.26	398.06
Other non-current assets	10	47.62	149.85	149.85
Total Non-Current Assets		8,015.48	7,900.97	8,376.24
2. Current Assets				
Inventories	11	1,262.15	929.17	1,335.92
Financial assets				
- Trade receivables	6	3,451.74	3,024.22	3,672.75
- Cash and cash equivalents	7	483.24	291.21	38.92
- Bank balance other than included in Cash and cash equivalents above	8	612.49	710.48	633.98
- Loans	5b	10,325.00	11,230.00	750.00
- Other financial assets	5c	2,799.43	5,745.25	4,575.99
Other current assets	12	1,157.61	820.87	1,208.61
Total Current Assets		20,091.66	22,751.20	12,216.17
Total Assets		28,107.14	30,652.17	20,592.41
B. Equity and Liabilities				
1. Equity				
Equity Share Capital	13	1,325.58	1,325.58	1,325.58
Other Equity	14	9,303.36	9,215.03	8,866.64
Total Equity		10,628.94	10,540.61	10,192.22
2. Non-Current Liabilities				
Financial liabilities				
- Borrowings	16	77.62	22.65	30.90
Total Non-Current Liabilities		77.62	22.65	30.90
3. Current Liabilities				
Financial liabilities				
- Borrowings	16	9,028.58	10,238.48	1,610.06
- Trade payables	17	2,027.18	2,319.55	3,137.56
- Other financial liabilities	18	3,347.28	3,396.43	32.55
Other current liabilities	20	2,685.79	3,584.77	4,947.36
Provisions	19	311.75	423.46	399.74
Current tax liabilities (net)	21	-	126.22	242.02
Total Current Liabilities		17,400.58	20,088.91	10,369.29
Total Equity and Liabilities		28,107.14	30,652.17	20,592.41
Summary of significant accounting policies	1 & 2			

The accompanying notes are an integral part of the financials statement.
As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra

Partner

Membership Number : 110759

Aditya Khaitan

Chairman

(DIN - 00023788)

Suresh Shenoj

VP-Finance & Chief Financial Officer

Place : Kolkata

Date : 30 May 2018

For and on behalf of the Board of Directors

Subir Chaki

Managing Director

(DIN : 05174555)

Arvind Kumar Bajoria

Company Secretary

Place : Mumbai

Date : 30 May 2018

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Notes	Year ended 31 March 2018 INR in lacs	Year ended 31 March 2017 INR in lacs
Income			
Revenue from operations	23	10,895.82	14,837.82
Other income	24	<u>2,246.35</u>	<u>873.40</u>
Total Income (I)		13,142.17	15,711.22
Expenses			
Cost of materials consumed	25	5,181.76	4,937.66
Subcontracting charges	26	1,108.84	1,317.88
Changes in inventories of finished goods and work-in-progress	27	(172.24)	271.22
Excise duty on sale of goods		385.79	1,239.78
Employee benefits expenses	28	1,942.92	1,939.91
Finance costs	29	1,722.26	1,196.33
Depreciation and amortisation expenses	30	432.45	435.06
Other expenses	31	<u>2,056.28</u>	<u>3,022.33</u>
Total Expenses (II)		12,658.06	14,360.17
Profit before tax (III=I - II)		484.11	1,351.05
Tax expenses	22		
Current tax		91.94	458.99
Adjustment of tax relating to earlier periods		-	(53.69)
Deferred tax charge		56.50	12.26
Income tax expense		<u>148.44</u>	<u>417.56</u>
Profit for the year		335.67	933.49
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefit plan		10.96	(17.30)
Income tax charge / (credit) on above	22	3.62	(5.99)
Net gain/(loss) on equity investments at fair value through other comprehensive income		344.06	(136.41)
Income tax charge / (credit) on above	22	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		351.40	(147.72)
Items that will be reclassified to profit or loss			
Net gain/(loss) on cash flow hedges		(380.53)	(180.89)
Income tax charge / (credit) on above	22	(100.88)	(62.60)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(279.65)	(118.29)
Other comprehensive income for the year, net of tax		<u>71.75</u>	<u>(266.01)</u>
Total Comprehensive Income for the year, net of tax		<u>407.42</u>	<u>667.48</u>
Earnings per share	32		
Basic earnings per share (INR)		2.53	7.04
Diluted earnings per share (INR)		2.53	7.04
Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financials statement.
As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra

Partner

Membership Number : 110759

Aditya Khaitan

Chairman

(DIN - 00023788)

Suresh Shenoj

VP-Finance & Chief Financial Officer

Place : Kolkata

Date : 30 May 2018

For and on behalf of the Board of Directors

Subir Chaki

Managing Director

(DIN : 05174555)

Arvind Kumar Bajoria

Company Secretary

Place : Mumbai

Date : 30 May 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	INR in lacs
At 1 April 2016	13,255,768	1,325.58
Changes in equity share capital during 2016-17 (Note 13)	-	-
At 31 March 2017	13,255,768	1,325.58
Changes in equity share capital during 2017-18 (Note 13)	-	-
At 31 March 2018	13,255,768	1,325.58

b. Other Equity:

For the year ended 31 March 2018

Particulars	Reserves & Surplus						FVOCI		Total other equity
	Capital Redemption Reserve	Securities premium account	Capital Reserve	General reserve	Retained earnings	Net gain/(loss) on cash flow hedges	Net gain/(loss) on equity investments at fair value through other comprehensive income	INR in lacs	
	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs		
As at 1 April 2017	24.00	1,811.18	0.09	843.10	6,791.36	(118.29)	(136.41)	9,215.03	
Net Profit for the period	-	-	-	-	335.67	-	-	335.67	
Other comprehensive income	-	-	-	-	7.34	(279.65)	344.06	71.75	
Total comprehensive income	-	-	-	-	343.00	(279.65)	344.06	407.42	
Dividends including dividend distribution tax	-	-	-	-	(319.09)	-	-	(319.09)	
As at 31 March 2018	24.00	1,811.18	0.09	843.10	6,815.28	(397.95)	207.65	9,303.36	

For the year ended 31 March 2017

Particulars	Reserves & Surplus				FVOCI		Total other equity
	Capital Redemption Reserve	Securities premium account	Capital Reserve	General reserve	Net gain/(loss) on cash flow hedges	Net gain/(loss) on equity investments at fair value through other comprehensive income	
	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	Note 14 INR in lacs	
As at 1st April 2016	24.00	1,811.18	0.09	843.10	-	-	8,866.64
Net Profit for the period	-	-	933.49	-	-	-	933.49
Other comprehensive income	-	-	(11.31)	(118.29)	(118.29)	(136.41)	(266.01)
Total comprehensive income	-	-	922.18	-	(118.29)	(136.41)	667.48
Dividends including dividend distribution tax	-	-	(319.09)	-	-	-	(319.09)
As at 31 March 2017	24.00	1,811.18	0.09	843.10	(118.29)	(136.41)	9,215.03

Summary of significant accounting policies

1 & 2

 The accompanying notes are an integral part of the financials statement.
 As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E3000003

per Anil Jobanputra

Partner

Membership Number : 110759

For and on behalf of the Board of Directors
Aditya Khaitan

 Chairman
 (DIN - 00023788)

Subir Chaki

 Managing Director
 (DIN : 05174555)

Suresh Shenoi

VP-Finance & Chief Financial Officer

Place : Kolkata

Date : 30 May 2018

Arvind Kumar Bajoria

Company Secretary

Place : Mumbai

Date : 30 May 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2018

	Notes	31 March 2018 INR in lacs	31 March 2017 INR in lacs
Cash Flows from Operating Activities :			
Profit before tax		484.11	1,351.05
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of property, plant and equipment		421.65	424.66
Amortisation of intangible assets		10.80	10.40
Net foreign exchange differences		(15.22)	(72.83)
Loss /(profit) on disposal of property, plant and equipment		5.41	-
Finance costs		1,722.26	1,196.33
Liquidated damages, warranties and rebates (net)		93.80	686.17
Provision for loss allowance		-	16.57
Bad debts / advances written off		95.42	83.66
Debit / credit balances written off		20.14	134.26
Duty drawback claim written off		-	95.50
Provision for duty drawback claim receivable		-	36.29
Liabilities / provisions no longer required written back		(472.12)	(99.21)
Dividend Income		(0.17)	(4.05)
Interest Income		(1,531.59)	(719.11)
Operating profit before working capital changes		834.49	3,139.69
<i>Working capital adjustments:</i>			
Increase /(decrease) in other financial assets		2,982.86	(1,221.53)
(Increase)/decrease in trade receivables		(267.45)	(61.11)
(Increase)/decrease in inventories		(332.98)	406.75
(Increase)/decrease in other current and non-current assets		(247.50)	309.45
(Increase)/decrease in long term and short term loans		(5.18)	0.92
Increase /(decrease) in trade payables		(287.92)	(809.90)
Increase /(decrease) in provisions		(15.72)	10.53
Increase /(decrease) in other current and non-current liabilities		(898.98)	(1,318.85)
Cash generated from / (used in) operations		1,761.62	455.95
Income tax paid (net of refunds)		(258.58)	(422.32)
Net cash flows from / (used in) operating activities (A)		1,503.04	33.63
Cash Flows from Investing Activities :			
Proceeds from sale of property, plant and equipment		3.00	-
Purchase of property, plant and equipment (including capital work in progress and intangible assets)		(221.47)	(126.46)
Net bank balances not considered as cash and cash equivalents		92.21	(89.70)
Inter-corporate deposit given		(8,000.00)	(14,460.00)
Inter-corporate deposit received back		8,905.00	3,980.00
Dividend received		0.17	4.05
Interest received		1,536.08	623.02
Net cash flows from / (used in) investing activities (B)		2,314.99	(10,069.11)

	Notes	31 March 2018 INR in lacs	31 March 2017 INR in lacs
Cash Flows from Financing Activities :			
Interest paid		(1,324.99)	(1,200.43)
Proceeds from long term borrowings		94.70	3,000.00
Repayment of long term borrowings		(710.57)	(7.50)
Proceeds from short term borrowings		8,000.00	8,000.00
Repayment of short term borrowings		(8,000.00)	-
Increase / (decrease) in working capital borrowings		(1,404.25)	859.05
Payment of dividend		(262.90)	(263.99)
Payment of dividend distribution tax		(53.97)	(53.97)
Net cash flows from / (used in) financing activities (C)		(3,661.98)	10,333.16
Net increase / (decrease) in cash and cash equivalents (A+B+C)		156.05	297.68
Cash & cash equivalent at the beginning of the year		202.87	(94.81)
Cash & cash equivalent at the end of the year		358.92	202.87
Components of cash and cash equivalents :			
Balances with banks			
- On current accounts		481.52	290.65
- Cash on hand		1.72	0.56
Less : Bank overdraft (Note 16)		124.32	88.34
Total Cash and cash equivalents at the end of the year (Note 7)		358.92	202.87
Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financials statement.
As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/
E300003**per Anil Jobanputra**

Partner

Membership Number : 110759

Place : Mumbai

Date : 30 May 2018

For and on behalf of the Board of Directors**Aditya Khaitan**

Chairman

(DIN - 00023788)

Suresh Sheno

VP-Finance & Chief Financial Officer

Place : Kolkata

Date : 30 May 2018

Subir Chaki

Managing Director

(DIN : 05174555)

Arvind Kumar Bajoria

Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 3: Property, plant and equipment**

	Leasehold land		Buildings		Plant & equipments		Vehicles		Furniture & fixtures		Office equipments		Capital Work in Progress		Total	
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Cost or deemed cost																
(gross carrying amount)																
At 1 April 2016	1,000.19	3,638.55	1,137.56	84.90	262.81	32.57	6,156.58	-	6,156.58	-	-	-	-	-	-	6,156.58
Additions	-	31.01	59.45	-	10.08	25.64	126.34	-	126.34	0.16	-	-	-	-	-	126.34
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2017	1,000.19	3,669.56	1,197.01	84.90	272.89	58.21	6,282.76	0.16	6,282.92	(0.16)	-	194.83	(41.82)	-	-	6,282.92
Additions	-	-	30.48	120.47	0.95	43.09	194.99	-	194.99	-	-	-	-	-	-	194.83
Disposals	-	-	(41.82)	-	-	-	(41.82)	-	(41.82)	-	-	-	-	-	-	(41.82)
At 31 March 2018	1,000.19	3,669.56	1,185.67	205.37	273.84	101.30	6,435.93	-	6,435.93	-	-	194.83	(41.82)	-	-	6,435.93
Accumulated depreciation, amortisation and impairment losses																
At 1 April 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation charge for the year	21.86	165.87	140.50	22.10	56.87	17.46	424.66	-	424.66	-	-	-	-	-	-	424.66
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2017	21.86	165.87	140.50	22.10	56.87	17.46	424.66	-	424.66	-	-	424.66	-	-	-	424.66
Depreciation and amortisation charge for the year	21.86	161.50	140.41	23.63	56.53	17.72	421.65	-	421.65	-	-	-	-	-	-	421.65
Disposals	-	-	(33.41)	-	-	-	(33.41)	-	(33.41)	-	-	-	-	-	-	(33.41)
At 31 March 2018	43.72	327.37	247.50	45.73	113.40	35.18	812.90	-	812.90	-	-	424.66	(33.41)	-	-	812.90
Net Book Value																
At 31 March 2018	956.47	3,342.19	938.17	159.64	160.44	66.12	5,623.03	-	5,623.03	-	-	424.66	(33.41)	-	-	5,623.03
At 31 March 2017	978.33	3,503.69	1,056.51	62.80	216.02	40.75	5,858.10	0.16	5,858.26	-	-	424.66	(33.41)	-	-	5,858.26
At 1 April 2016	1,000.19	3,638.55	1,137.56	84.90	262.81	32.57	6,156.58	-	6,156.58	-	-	424.66	(33.41)	-	-	6,156.58

Notes:

- Land and buildings
Land and buildings with a carrying amount of INR 4,298.66 lacs (31 March 2017: INR 4,482.02 lacs, 1 April 2016: INR 4,638.74 lacs) are subject to a first charge to secure Company's cash credit facilities.
The Company has obtained land on leasehold basis from Maharashtra Industrial Development Corporation for a period of 52 years commencing from 17 November 2009. The lease can be further renewed for 95 years on mutually agreed terms. As per the terms of the agreement, the Company is required to use the leasehold land for the purpose of setting up and operating an engineering factory only and for no other purpose. The Company has classified the leasehold land as finance lease as the Company can hold the land for the major part of the economic life of the asset even if title is not transferred and residual interest in the land after the completion of the lease term when measured at inception is not significant and present value of minimum lease payments is substantially equal to fair value of the asset.
- Plant & equipments
Plant & equipments with a carrying amount of INR 938.17 lacs (31 March 2017: INR 1,056.51 lacs, 1 April 2016: INR 1,137.56 lacs) have been hypothecated for Company's cash credit facilities & working capital term loans.
- In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed the carrying amounts of its Property, plant & equipment and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realisable value.
- For Property, plant and equipment existing as on 1 April 2016 i.e., the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 4: Intangible assets**

	Computer - Software INR in lacs
Cost or deemed cost (gross carrying amount)	
At 1 April 2016	34.60
Additions	0.12
Disposals	-
At 31 March 2017	34.72
Additions	26.48
Disposals	-
At 31 March 2018	61.20
Accumulated amortization and impairment losses	
At 1 April 2016	-
Amortisation	10.40
Disposals	-
At 31 March 2017	10.40
Amortisation	10.80
Disposals	-
At 31 March 2018	21.20
Net Book Value	
At 31 March 2018	40.00
At 31 March 2017	24.32
At 1 April 2016	34.60

Notes:

- In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed the carrying amount of its Intangible assets and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realisable value.
- For Intangible Assets existing as on 1 April 2016 i.e., the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost.

Note 5: Financial assets**Note 5a. Investments**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Non-Current Investments- Quoted Investments at fair value through OCI (fully paid)			
Investments in Equity Instruments	-	-	-
a) 2,71,337 (31 March 2017: 2,71,337, 1 April 2016: 2,71,337) fully paid up equity shares of INR 5 each in Eveready Industries Limited	1,009.64	712.12	627.87
b) 66,666 (31 March 2017: 66,666, 1 April 2016: 66,666) fully paid up equity shares of INR 5 each in Mcleod Russel India Limited	95.27	110.67	123.73
c) 8,54,300 (31 March 2017: 8,54,300, 1 April 2016: 8,54,300) fully paid up equity shares of INR 10 each in Mcnally Bharat Engineering Company Ltd.	503.61	441.67	649.27
Total FVTOCI Investments	1,608.52	1,264.46	1,400.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Aggregate book value of quoted investments	1,608.52	1,264.46	1,400.87
Aggregate market value of quoted investments (refer Note 38 & 39)	1,608.52	1,264.46	1,400.87

Investments at fair value through OCI (fully paid) reflect investment in quoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding.

Note 5b. Loans

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Unsecured, considered good, unless otherwise stated			
Security deposits	22.32	17.14	18.05
Inter-corporate deposits given to Related Party	-	-	300.00
Inter-corporate deposits given to Others**	10,325.00	11,230.00	450.00
Total Loans	10,347.32	11,247.14	768.05
Current	10,325.00	11,230.00	750.00
Non-Current	22.32	17.14	18.05
	10,347.32	11,247.14	768.05

** The Company has availed working capital loan from bank aggregating to INR 10,300 lacs as at 31 March 2018 (31 March 2017: INR 11,000 lacs, 1 April 2016: INR NIL). However, pending utilisation of the monies for the aforesaid, the Company has placed INR 9,930 lacs (31 March 2017: INR 10,480 lacs, 1 April 2016: INR NIL) with group companies as Inter-Corporate Deposit (included in Inter-corporate deposits given to Others shown above).

Inter-corporate deposits are repayable on demand.

Inter-corporate deposits given to Related Parties include :

Williamson Magor & Co Ltd	-	-	300.00
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Maximum amount outstanding during the year INR Nil
(31 March 2017 : INR 300 lacs, 1 April 2016 : INR 300 lacs)

Inter-corporate deposits given to others (enterprise in which a director is interested) include :

Williamson Financial Services Ltd	4,295.00	350.00	350.00
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Maximum amount outstanding during the year INR 4,295 lacs (31 March 2017 : INR 350 lacs, 1 April 2016: INR 350 lacs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 5c. Other Financial Assets**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Unsecured, considered good, unless otherwise stated			
Non-current			
Bank deposits with maturity more than 12 months***	30.68	24.90	11.70
Current			
Unbilled revenue:			
Project Revenue	2,795.08	5,898.21	4,656.23
Less : Impairment allowance	(236.97)	(269.87)	(252.95)
Net project revenue	2,558.11	5,628.34	4,403.28
Interest accrued on Fixed Deposits and Inter-corporate deposits	99.75	104.25	8.15
Derivatives not designated as hedges			
- Foreign exchange forward contracts	8.63	-	13.00
Export Incentives Receivable	43.85	48.95	151.56
Less : Provision for Export Incentives Receivable	(36.29)	(36.29)	-
Net export incentives receivable	7.56	12.66	151.56
Recovery of roll over charges from group companies	125.38	-	-
Total Other Financial Assets	2,830.11	5,770.15	4,587.69
Current	2,799.43	5,745.25	4,575.99
Non-current	30.68	24.90	11.70
	2,830.11	5,770.15	4,587.69

***Bank deposits with maturity more than 12 months includes balances with banks held as margin money of INR 30.68 lacs (31 March 2017: INR 24.90 lacs, 1 April 2016 : INR 11.70 lacs) having residual maturity of more than 12 months.

Derivative instruments at fair value through profit or loss includes foreign exchange forward contracts entered into by the Company with the intention of reducing the foreign exchange risk of trade receivables. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Note 6: Trade receivables

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Unsecured and current			
Considered good	3,451.74	3,024.22	3,672.75
Considered doubtful	226.70	217.97	218.32
Less: Provision for impairment allowance	(226.70)	(217.97)	(218.32)
Total Trade receivables	3,451.74	3,024.22	3,672.75

1. No trade receivables are due from directors or other persons in whom directors are interested.
2. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 7: Cash and cash equivalents**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Cash and cash equivalent			
Cash on hand	1.72	0.56	1.93
Balances with banks			
In current accounts	481.52	290.65	36.99
Total Cash and cash equivalent	483.24	291.21	38.92

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Balances with banks:			
- On current accounts	481.52	290.65	36.99
Cash on hand	1.72	0.56	1.93
	483.24	291.21	38.92
Less - Bank overdraft (note 16)	124.32	88.34	133.73
	358.92	202.87	(94.81)

Changes in liabilities arising from financing activities:

Particulars	As at 1 April 2017	Cash Flows	Reclassification	Effect of changes in foreign exchange rates	As at 31 March 2018
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Non-Current Liabilities					
Financial Liabilities					
- Borrowings	22.65	92.39	(37.42)	-	77.62
Current Liabilities					
Financial Liabilities					
- Borrowings	10,238.49	(1,368.28)	-	158.36	9,028.57
Other Financial Liabilities					
- Current maturities of long term debt	3,008.25	(708.25)	37.42	-	2,337.42
Total liabilities from financing activities	<u>13,269.39</u>	<u>(1,984.14)</u>	<u>-</u>	<u>158.36</u>	11,443.62

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at	Cash	Reclassification	Effect of	As at 31
	1 April 2016	Flows		changes	March 2017
	INR in lacs	INR in lacs	INR in lacs	in foreign	INR in lacs
				exchange rates	
Non-Current Liabilities					
Financial Liabilities					
- Borrowings	30.90	-	(8.25)	-	22.65
Current Liabilities					
Financial Liabilities					
- Borrowings	1,610.06	8,813.66	-	(185.23)	10,238.49
Other Financial Liabilities					
- Current maturities of long term debt	7.50	2,992.50	8.25		3,008.25
Total liabilities from financing activities	<u>1,648.46</u>	<u>11,806.17</u>	<u>-</u>	<u>(185.23)</u>	<u>13,269.39</u>

Note 8: Other Bank Balances

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Margin money with banks against guarantees and other commitments	596.55	696.76	621.47
Earmarked bank balance towards unclaimed dividend	15.94	13.72	12.51
	<u>612.49</u>	<u>710.48</u>	<u>633.98</u>

Categorisation of Financial Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Financial assets carried at FVTOCI			
Investments	1,608.52	1,264.46	1,400.87
Financial assets carried at FVTPL			
- Foreign exchange forward contracts	8.63	-	13.00
Financial assets carried at Amortised cost			
Loans	10,347.32	11,247.14	768.05
Trade Receivable (Note 6)	3,451.74	3,024.22	3,672.75
Cash and cash equivalents (Note 7)	483.24	291.21	38.92
Other bank balance (Note 8)	612.49	710.48	633.98
Other financial assets (Note 5c)	2,821.48	5,770.15	4,574.70
Total financial assets	<u>19,333.42</u>	<u>22,307.66</u>	<u>11,102.27</u>

Note 9: Income tax assets (net)

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Income tax assets (net of provision)	331.47	277.78	206.53
Income tax assets (net)	<u>331.47</u>	<u>277.78</u>	<u>206.53</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 10: Other non-current assets**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Unsecured, considered good			
Balances with government authorities	47.62	149.85	149.85
Total other non-current assets	47.62	149.85	149.85

Note 11: Inventories

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Raw materials (at lower of cost and net realisable value) (INR 42.83 lacs (31 March 2017: 23.08 lacs, 1 April 2016: 0.02 lacs in transit))	800.87	656.18	766.08
Stores and spares (at lower of cost and net realisable value)	74.90	58.85	84.48
Work in progress (at lower of weighted average cost and net realisable value)	316.01	100.75	172.26
Finished goods (at lower weighted average cost and net realisable value)	70.37	113.39	313.10
Total inventories (at the lower of cost and net realisable value)	1,262.15	929.17	1,335.92

Note 12: Other current assets

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Unsecured, considered good, unless otherwise stated			
Balance with government authorities	788.55	467.41	671.81
Prepaid expenses	19.30	20.74	21.33
Gratuity contribution paid in advance	3.66	-	-
Advance to employees	11.73	11.03	12.21
Advance to Vendors :			
Considered Good	333.92	321.32	480.83
Considered Doubtful	4.27	44.72	44.72
Less - Provision for doubtful advances	(4.27)	(44.72)	(44.72)
	333.92	321.32	480.83
Others	0.45	0.37	22.43
	1,157.61	820.87	1,208.61

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 13: Share Capital****Authorised Share Capital**

	Equity shares of INR 10 each		Redeemable Preference shares of INR 10 each	
	No. of shares	INR in lacs	No. of shares	INR in lacs
At 1 April 2016	21,747,900	2,174.79	8,252,100	825.21
Increase / (decrease) during the year	-	-	-	-
At 31 March 2017	21,747,900	2,174.79	8,252,100	825.21
Increase / (decrease) during the year	-	-	-	-
At 31 March 2018	21,747,900	2,174.79	8,252,100	825.21

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	INR in lacs
At 1 April 2016	13,255,768	1,325.58
Changes during the year	-	-
At 31 March 2017	13,255,768	1,325.58
Changes during the year	-	-
At 31 March 2018	13,255,768	1,325.58

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

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares with voting rights				
Williamson Magor & Co. Ltd	4,319,043	32.58	4,319,043	32.58
Bishnauth Investments Limited	1,454,200	10.97	1,454,200	10.97
United Machine Co. Limited	929,126	7.01	929,126	7.01
Mcleod Russel India Limited	848,168	6.40	848,168	6.40

There are no shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Note 14: Other equity

Capital Redemption Reserve - The Company had made an offer of buyback of its own fully paid up equity shares through the methodology of "Open Market Purchase through Stock Exchange" pursuant to the approval of Board of Directors at their meeting held on 29 January 2009. The Company bought back 2,40,032 equity shares for an aggregate amount of INR 63.54 lacs by utilising Securities Premium Account to the extent of INR 39.53 lacs. Capital Redemption Reserve of INR 24.01 lacs has been created being the nominal value of the shares bought back.

Securities Premium Reserve - Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Premium Reserve". The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

Capital Reserve - Capital Reserve contains profit on re-issue of forfeited shares.

General Reserve - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

FVOCI - Net gain/(loss) on hedging instruments in a cash flow hedge - The Company has taken foreign exchange forward contracts and cross currency interest rate swaps to hedge foreign currency term loans taken from banks to meet the working capital requirements. The forward contracts and cross currency interest rate swaps have been taken to offset the effect of changes in interest rates and foreign exchange rates. The net gain / (loss) on these foreign exchange forward contracts and cross currency interest rate swaps have been recognised in other comprehensive income in accordance with the requirements of Ind AS.

FVOCI - Net gain/(loss) on FVOCI equity investments - As per Ind AS 109, investment in equity shares are to be initially measured at fair value and subsequently at fair value through profit and loss or other comprehensive income. At initial recognition, an entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of this Standard that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies.

The Company represents that its investments are long term strategic investments and the Company intends to hold the same for an indefinite period. Thus, the Company has decided to subsequently measure investments at fair value through other comprehensive income.

Note 15 : Distribution made and proposed

	31 March 2018	31 March 2017
	INR in lacs	INR in lacs
Cash dividends on equity shares declared and paid :		
Final Dividend for the year ended on 31 March 2017: INR 2 per share (31 March 2016: INR 2 per share)	265.12	265.12
Dividend distribution tax on final dividend	53.97	53.97
	319.09	319.09
Proposed dividend on equity shares :		
Final Cash Dividend for the year ended on 31 March 2018: INR 1 per share (31 March 2017: INR 2 per share)	132.56	265.12
Dividend distribution tax on proposed dividend	26.03	53.97
	158.59	319.09

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March.

Note 16: Borrowings

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Non-current borrowings:			
Secured			
Vehicle loan from banks (Refer Note a)	77.62	22.65	30.90
Total non-current borrowings	77.62	22.65	30.90
Current borrowings:			
Secured			
Cash Credit from banks (Refer Note b)	931.13	2,335.37	1,476.33
Overdraft under Channel Finance Scheme (Refer Note c)	124.32	88.34	133.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Working capital term loans (Refer Note d)	7,973.13	7,814.77	-
Current maturity of long term loans	2,337.42	3,008.25	7.50
Total current borrowings	11,366.00	13,246.73	1,617.56
Less: Amount clubbed under "other financial liabilities"	(2,337.42)	(3,008.25)	(7.50)
Net current borrowings	9,028.58	10,238.48	1,610.06
Total Borrowings	9,106.20	10,261.13	1,640.96
Aggregate Secured Loans	9,106.20	10,261.13	1,640.96
Aggregate Unsecured Loans	-	-	-

Notes

a. Secured by hypothecation of cars. Two loans - One loan having effective interest rate of 8.25% and payable on EMI basis up to 05 March 2021 and other loan having effective interest rate of 9.70% and payable on EMI basis up to 07 July 2020.

b. Details of security :

1. Equitable Mortgage created by way of Deposit of Title Deed on the Company's immovable property situated at Plot No.6, Kalyan Bhiwandi Industrial Area, Thane.
2. Hypothecation of present and future stocks of raw materials, semi-finished goods, finished goods and book debts by way of first charge and also by hypothecation of movable plant and machinery by way of first charge.

Outstanding loans carry an average interest rate of 11.60% to 14.50% p.a.(31 March 2017 : 13.00% to 14.50% p.a., 1 April 2016 : 13.50% to 15.80% p.a.)

c. Secured by Letter of Comfort from Steel Authority of India Ltd. This loan carries an interest rate of 10.25% p.a. (31 March 2017 : 10.25%, 1 April 2016 : 10.25% p.a.)

d. i) Payable on demand on 6 October 2018 - INR 4000 lacs, Rate of interest - 1 year LIBOR plus 321 basis points. The effective rate of interest on this loan is 15.40%. However, since there has been a breach in the condition of the covenant as per the loan agreement, the term loan has become repayable on demand. The breach has not been remediated upto the date of issue of financial statements.

Details of security :

1. Subservient charge on the current assets and movable fixed assets of the Company.
2. Board resolution backed Letter of Comfort from Mcleod Russel India Limited
3. Unconditional and irrevocable corporate guarantee of Williamson Financial Services Ltd to remain valid during the currency of loan.
4. Unconditional and irrevocable personal guarantee of Mr. Aditya Khaitan to remain valid during the currency of the loan.

ii) Payable on demand on 22 September 2018 - INR 4000 lacs, Rate of interest - 1 year LIBOR plus 350 basis points. The effective rate of interest on this loan is 15.93%. However, since there has been a breach in the condition of the covenant as per the loan agreement, the term loan has become repayable on demand. The breach has not been remediated upto the date of issue of financial statements.

Details of security :

1. Subservient charge on the current assets and movable fixed assets of the Company.
2. Board resolution backed Letter of Comfort from Mcleod Russel India Limited
3. Unconditional and irrevocable corporate guarantee of Williamson Financial Services Ltd to remain valid during the currency of loan.
4. Unconditional and irrevocable personal guarantee of Mr. Aditya Khaitan (Chairman) to remain valid during the currency of the loan.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- iii) Payable on demand on 30 September 2017 - INR 4000 lacs, Rate of interest - 6 months LIBOR + 300 basis points. The effective rate of interest on this loan is 15.40%. However, since there has been a breach in the condition of the covenant as per the loan agreement, the term loan has become repayable on demand. The breach has not been remediated upto the date of issue of financial statements.

Details of security :

1. Subservient charge on the current assets and movable fixed assets of the Company.
2. Board resolution backed Letter of Comfort from Mcleod Russel India Limited
3. Unconditional and irrevocable corporate guarantee of Williamson Financial Services Ltd to remain valid during the currency of loan.

- iv) Payable on demand on 6 August 2017 - INR 4000 lacs, Rate of interest - 10.50%. The effective rate of interest on this loan is 15.75%. However, since there has been a breach in the condition of the covenant as per the loan agreement, the term loan has become repayable on demand. The breach has not been remediated upto the date of issue of financial statements.

Details of security :

1. Subservient charge on the current assets and movable fixed assets of the Company.
2. Board resolution backed Letter of Comfort from Mcleod Russel India Limited.
3. Unconditional and irrevocable corporate guarantee of Williamson Financial Services Ltd to remain valid during the currency of loan.
4. Unconditional and irrevocable corporate guarantee of Bishnauth Investments Limited (of INR 2000 lacs).
5. Unconditional and irrevocable personal guarantee of Mr. Aditya Khaitan (Chairman).

Note 17: Trade payables

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Trade payables**	2,027.18	2,319.55	3,137.56
Trade payables to related parties	-	-	-
Total Trade payables	2,027.18	2,319.55	3,137.56

1. Trade payables are non-interest bearing and are normally settled on 60-90 day terms.
2. For explanations on the Company's credit risk management processes, refer to Note 40.

** Disclosure as required under Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 ("the Act"):

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
(a) (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	6.26	11.13	14.70
(ii) Interest due on above	-	-	-
(b) Amount of interest paid by the buyer in terms of section 16 of the Act	-	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year but without adding the interest specified under this Act)	-	-	-
(d) Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'Micro & Small Enterprises' on the basis of information available with the Company.

Note 18: Other financial liabilities

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Financial Liabilities at fair value through other comprehensive income			
Cash flow hedges :			
Foreign exchange forward contracts	588.29	-	-
Cross currency interest rate swaps	-	366.11	-
Total Financial Liabilities at fair value through other comprehensive income	588.29	366.11	-
Other financial liabilities at amortised cost			
Current maturities of long term debt**	2,337.42	3,008.25	7.50
Interest accrued but not due on borrowings	402.63	5.36	9.46
Security Deposits	3.08	3.08	3.08
Total other financial liabilities at amortised cost	2,743.13	3,016.69	20.04
Unpaid dividend (Investor Education and Protection Fund will be credited by the amount as and when due)	15.86	13.64	12.51
Total other current financial liabilities	3,347.28	3,396.44	32.55

** Includes term loan repayable to RBL Bank by way of three annual installments starting from 30 September 2017: INR 700 lacs, 30 September 2018: INR 800 lacs & 30 September 2019: INR 1500 lacs as per the loan agreement carrying an interest rate of 6 months LIBOR plus 300 basis points. The effective interest rate on this loan is 15.40%. However, since there has been a breach in the condition of the covenant as per the loan agreement, the term loan has become repayable on demand. The breach has not been remediated upto the date of issue of financial statements.

Details of security :

1. Subservient charge on the current assets and movable fixed assets of the Company.
2. Board resolution backed Letter of Comfort from group company Mcleod Russel India Limited.
3. Unconditional and irrevocable corporate guarantee of Williamson Financial Services Ltd to remain valid during the currency of loan.

Financial Liabilities at fair value through other comprehensive income

Financial Liabilities at fair value through other comprehensive income reflect the change in fair value of foreign exchange forward contracts and cross currency interest rate swaps designated as cash flow hedges to hedge foreign currency term loans taken from banks to meet the working capital requirements. The Company is exposed to changes in the rates of interest and foreign exchange rates on its foreign currency loans. The forward contracts and cross currency interest rate swaps have been taken to offset the effect of changes in interest rates and foreign exchange rates. The Company has a policy to hedge all its foreign currency loans.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Categorisation of Financial Liabilities**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Financial Liabilities carried at FVTOCI			
Foreign exchange forward contracts	588.29	-	-
Cross currency interest rate swaps	-	366.11	-
Financial Liabilities carried at Amortised cost			
Borrowings (Note 16)	9,106.20	10,261.13	1,640.96
Trade payable (Note 17)	2,027.18	2,319.55	3,137.56
Other financial liabilities (Note 18)	2,743.13	3,016.69	20.04
Total financial Liabilities	14,464.80	15,963.48	4,798.56

Note 19: Provisions

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Provision for employee benefits			
Provision for gratuity	-	16.20	14.12
Provision for compensated absences	132.43	142.91	117.15
Provision for liquidated damages	179.32	264.35	268.47
Total provisions	311.75	423.46	399.74

Provision for liquidated damages

The Company creates provision for liquidated damages on those construction contracts for which delivery has been delayed and no formal communication regarding extension of time has been received from the customers. The provision has been created on the basis of purchase order raised by the customers.

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs
At the beginning of the year	264.35	268.47
Arising during the year	79.32	73.50
Unused amounts reversed during the year	164.35	77.62
At the end of the year	179.32	264.35

Note 20: Other current liabilities

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Advances from customers	2,643.35	3,528.13	4,817.54
Due to statutory bodies	42.44	56.64	129.82
	2,685.79	3,584.77	4,947.36

Note 21: Current tax liabilities

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Current tax liabilities (net)	-	126.22	242.02
Current tax liabilities (net)	-	126.22	242.02

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 22: Income Tax**

The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

	31 March 2018	31 March 2017
	INR in lacs	INR in lacs
Profit or loss		
Current Income Tax	91.94	458.99
Adjustment of tax relating to earlier periods	-	(53.69)
Deferred tax :		
Income tax expense reported in the statement of profit or loss	56.50	12.26
Total Income Tax before OCI	148.44	417.56
OCI		
Income tax related to items recognised in OCI during the year	3.62	(5.99)
Deferred tax related to items recognised in OCI during the year	(100.88)	(62.60)
Income tax charged to OCI	(97.26)	(68.59)
Total Tax Expense (including tax impact on OCI)	51.18	348.97

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017 :

	31 March 2018	31 March 2017
	INR in lacs	INR in lacs
Profit before tax	484.11	1,351.05
Other Comprehensive Income before tax (only remeasurement of defined benefit plan)	10.96	(17.30)
Total	495.07	1,333.75
At India's statutory income tax rate of 33.06% (31 March 2017: 34.608%)	163.67	461.58
Expenses not allowed for tax purpose	17.08	15.84
Impact due to change in deferred tax rate	(28.69)	-
Incomes exempted from tax	-	(1.40)
At the effective income tax rate of 30.72% (31 March 2017: 35.69%)	152.06	476.02
Adjustment of tax relating to earlier periods	-	(53.69)
MAT Credit Entitlement of earlier periods	-	(265.00)
Deferred Tax pertaining to earlier periods	-	254.24
Deferred Tax pertaining to cash flow hedge reserve	(100.88)	(62.60)
Net income tax expense for the year	51.18	348.97
Income tax expense reported in the statement of profit and loss	148.44	417.56
Income tax effect on OCI	(97.26)	(68.59)
Net income tax expense as per Statement of Profit and Loss	51.18	348.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Deferred tax:**

Deferred tax relates to the following

	Balance Sheet			Profit or loss	
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Provision for loss allowance	188.48	280.98	160.56	(92.50)	120.42
Provisions made disallowed and allowed only on payment basis	61.66	105.17	-	(43.51)	105.17
Accelerated Depreciation for tax purposes	(423.34)	(502.85)	-	79.51	(502.85)
Cash Flow Hedge Reserve	163.48	62.60	-	100.88	62.60
Total (excluding MAT credit entitlement)	(9.72)	(54.10)	160.56	44.38	(214.66)
MAT Credit Entitlement	338.36	502.50	237.50	-	265.00
Utilisation of MAT Credit Entitlement	(16.80)	(164.14)	-	-	-
Total	311.84	284.26	398.06	44.38	50.34

Reflected in the balance sheet as follows:

	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Deferred tax assets	735.18	787.11	398.06
Deferred tax liabilities	(423.34)	(502.85)	-
Deferred tax assets, net	311.84	284.26	398.06

Reconciliation of deferred tax assets (net):

	31 March 2018	31 March 2017
	INR in lacs	INR in lacs
Opening balance as of 1 April	284.26	398.06
Tax income/(expense) during the year recognised in Profit or Loss	(56.50)	(12.26)
Tax income/(expense) during the year recognised in OCI	100.88	62.60
Utilisation of MAT Credit Entitlement	(16.80)	(164.14)
Closing balance as at 31 March	311.84	284.26

Note 23: Revenue from operations

Particulars	2017-18	2016-17
	INR in lacs	INR in lacs
Sale of manufactured products (including excise duty) **	2,435.69	2,460.00
Revenue from construction contracts (including excise duty) **	7,931.07	12,062.46
Sale of service	292.35	121.56
Other Operating Revenue		
Export Incentives	168.65	149.94
Scrap Sales	68.06	43.86
Total	10,895.82	14,837.82

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**The Government of India introduced the Goods and Service Tax (GST) with effect from 1 July 2017, GST is collected on behalf of the Government and no economic benefit flows to the Company and hence gross revenue under GST regime is presented excluding GST as per Ind AS. However, gross revenue under pre-GST regime included Excise Duty which is now subsumed in GST. Consequently, the figures for the year ended 31 March 2018 are not comparable with the year ended 31 March 2017.

Note 24: Other income

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Interest income on:		
- Inter-corporate deposits	1,484.93	677.14
- Bank deposits	46.66	41.97
Dividend income from investments in shares	0.17	4.05
Foreign exchange differences (net) (including fair value impact on financial instruments at fair value through profit or loss)	67.99	51.03
Provision no longer required written back	472.12	99.21
Other non-operating income	174.48	-
Total	2,246.35	873.40

Fair value gain on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that did not qualify for hedge accounting and embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Note 25: Cost of materials consumed

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Inventory at the beginning of the year	656.18	766.08
Add: Purchases	5,326.45	4,827.76
	5,982.63	5,593.84
Less: Inventory at the end of the year	800.87	656.18
Cost of materials consumed	5,181.76	4,937.66

Note 26: Subcontracting charges

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Subcontracting charges	1,108.84	1,317.88
Total	1,108.84	1,317.88

Note 27: Changes in inventories of finished goods and work-in-progress

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Opening Stock		
Work-in-Process	100.75	172.26
Finished Goods	113.39	313.10
Less: Closing Stock		
Work-in-Process	316.01	100.75
Finished Goods	70.37	113.39
Net (Increase) / Decrease	(172.24)	271.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 28: Employee benefits expenses**

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Salaries, wages and bonus	1,718.51	1,727.57
Contribution to provident and other funds (Refer note 34)	143.26	131.17
Gratuity expense (Refer note 34)	20.52	19.66
Staff welfare expense	60.63	61.51
Total	1,942.92	1,939.91

Note 29: Finance costs

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Interest expense on :		
- Borrowings	1,460.93	808.77
- Trade payables	0.75	19.47
Others :		
- Bank commission charges	64.76	132.68
- Bank processing charges	195.82	235.41
Total	1,722.26	1,196.33

Note 30: Depreciation and amortization expense

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Depreciation and amortization on tangible assets (Refer note 3)	421.65	424.66
Amortization on intangible assets (Refer note 4)	10.80	10.40
Total	432.45	435.06

Note 31: Other expenses

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Consumption of Stores, Spares and Loose Tools	155.48	152.73
Subcontracting Cost	89.26	32.11
Power and fuel	116.29	105.88
Repairs and maintenance :		
Plant and equipment	58.74	25.59
Building	2.39	3.13
Others	121.63	106.44
Insurance	48.68	62.92
Rent including lease rentals (Refer note 43)	27.46	28.78
Rates and taxes		
Royalty Charges	11.00	141.83
Sales commission	21.68	193.67
Liquidated Damages, Warranties and Rebates	93.80	686.17
Freight and forwarding (net)	198.37	219.94
Travelling and conveyance	363.98	333.39

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2017-18 INR in lacs	2016-17 INR in lacs
Bad debts / advances written off	95.42	83.66
Debit/credit balances written off (net)	7.13	55.97
Duty drawback claim receivable written off	-	95.50
Provision for loss allowance	-	16.57
Provision against duty drawback claim receivable	-	36.29
Bank charges	29.62	47.30
Directors' sitting fees	4.53	5.15
Legal and professional charges (auditors' fees as below)	250.31	203.91
Audit fees	28.00	29.90
CSR expenditure (refer details below)	18.60	12.35
Miscellaneous expenses	313.91	343.15
Total	2,056.28	3,022.33
Payments to the auditor:		
As auditor		
Audit fee	23.00	20.50
Other Services	-	4.50
Limited review	3.00	4.50
Reimbursement of expenses	2.00	0.40
Total	28.00	29.90

Details of CSR expenditure:

- a. Gross amount required to be spent by the Company during the year was INR 17.75 lacs (31 March 2017: INR 12.25 Lacs)
- b. Amount spent during the year

Purpose	2017-18 INR in lacs	2016-17 INR in lacs
(i) Construction/ acquisition of any assets	-	-
(ii) On purposes other than (i) above	18.60	12.35
Total	18.60	12.35

Note 32: Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs
Profit attributable to equity holders:	335.67	933.49
Weighted average number of Equity shares		
For basic EPS	13,255,768	13,255,768
For diluted EPS	13,255,768	13,255,768
Nominal value of equity shares	INR 10	INR 10
Basic earning per share	2.53	7.04
Diluted earning per share	2.53	7.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 33: Significant Accounting Estimates and Assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported values of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Project revenue and costs

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

Taxes

Significant management judgement is required to determine the amount of deferred tax assets (including MAT credit) that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Employee benefit plans

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 34.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Allowance for uncollectible trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables (including revenue in excess of billing).

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Note 34: Employee benefit disclosure

A. Defined contribution plans:

Amount of INR 118.97 lacs (31 March 2017: INR 116.08 lacs) is recognised as expenses and included in Note No. 28 "Employee benefit expense" in the Statement of Profit and Loss.

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs
Provident Fund	85.41	83.88
Superannuation Fund	33.56	32.20
Total	118.97	116.08

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk : A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**31 March 2018 : Changes in defined benefit obligation and plan assets**

(INR in lacs)

	Remeasurement gains/(losses) in other comprehensive income																												
	Gratuity cost charged to statement of profit and loss					Return on plan assets (excluding amounts included in net interest expense)					Experience adjustments					Sub-total included in OCI					Contributions by employer					31 March 2018			
1 April 2017	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 March 2018																
Gratuity																													
Defined benefit obligation	200.34	19.35	14.57	33.91	(15.52)	-	(6.35)	(2.87)	(9.21)	-	-	209.51																	
Fair value of plan assets	(184.15)	-	(13.39)	(13.39)	15.52	(1.75)	-	-	(1.75)	-	(29.42)	(213.18)																	
Benefit liability	16.19	19.35	1.18	20.52	-	(1.75)	(6.35)	(2.87)	(10.96)	(29.42)	(3.67)																		
Total benefit liability	16.19	19.35	1.18	20.52	-	(1.75)	(6.35)	(2.87)	(10.96)	(29.42)	(3.67)																		

31 March 2017: Changes in defined benefit obligation and plan assets

(INR in lacs)

	Remeasurement gains/(losses) in other comprehensive income																												
	Gratuity cost charged to statement of profit and loss					Return on plan assets (excluding amounts included in net interest expense)					Experience adjustments					Sub-total included in OCI					Contributions by employer					31 March 2017			
1 April 2016	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 March 2017																
Gratuity																													
Defined benefit obligation	167.96	18.55	13.20	31.75	(4.93)	-	6.53	(0.98)	5.56	-	-	200.34																	
Fair value of plan assets	(153.85)	-	(12.09)	(12.09)	4.93	11.74	-	-	11.74	-	11.74	(184.15)																	
Benefit liability	14.11	18.55	1.11	19.66	-	11.74	6.53	(0.98)	17.30	(34.88)	(34.88)	16.19																	
Total benefit liability	14.11	18.55	1.11	19.66	-	11.74	6.53	(0.98)	17.30	(34.88)	(34.88)	16.19																	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Insurance Fund	213.18	184.15	153.85
(%) of total plan assets	100%	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
	Discount rate	7.78%	7.27%
Future salary increase	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.78%	7.27%	7.86%
Rate of employee turnover	2.00%	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)		
		Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
		INR in lacs	INR in lacs	INR in lacs
Discount rate	1% increase	(11.24)	(10.77)	(8.85)
	1% decrease	12.88	12.40	10.15
Salary increase	1% increase	13.11	12.56	10.34
	1% decrease	(11.62)	(11.09)	(9.16)
Employee turnover	1% increase	2.57	1.88	1.92
	1% decrease	(2.89)	(2.13)	(2.19)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The following are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended 31 March 2018 INR in lacs	Year ended 31 March 2017 INR in lacs	Year ended 1 April 2016 INR in lacs
Within the next 12 months (next annual reporting period)			
Gratuity	63.61	63.09	48.49
Between 2 and 5 years			
Gratuity	56.19	49.96	52.89
Beyond 5 years and up to 10 years			
Gratuity	84.20	80.98	55.15
Total expected payments	204.00	194.03	156.52

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended 31 March 2018 Years	Year ended 31 March 2017 Years	Year ended 1 April 2016 Years
Gratuity	7	7	7

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended 31 March 2018 INR in lacs	Year ended 31 March 2017 INR in lacs	Year ended 1 April 2016 INR in lacs
Gratuity	14.51	35.54	32.67

Note 35: Contingencies and commitments**a. Contingent Liabilities**

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Contingent liabilities (to the extent not provided for)			
(a) Demand Notice from DGFT for non-fulfilling of export obligations. The Company expects no liability on this account.	137.00	137.00	137.00
(b) The Company had received an order from Joint Commissioner of Sales Tax, Mumbai for the year 2008-09 against which the Company had filed an appeal with Sale Tax Tribunal after payment of INR 1.50 lacs. In 2016, the demand was revised to INR 15.36 lacs & the Company had made a provision of INR 2.95 lacs in books of account.	12.41	12.41	12.41

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
(c) The Company had received a Demand Notice from the Maharashtra State VAT Authority for the assessment year 2005-06. During current year, the Company has received the appeal order as per which the Company has provided for and paid the liability.	-	111.98	111.98
(d) The Company had received a Demand Notice from the Central Sales Tax Authorities for the assessment year 2005-06. During current year, the Company has received the appeal order as per which the Company has provided for and paid the liability.	-	639.73	639.73
(e) The Company has received sales tax assessment order from the sales tax department disallowing certain input credits and differential tax liability payable on account of non-production of C forms. The Company has filed an appeal with the Joint Commissioner of Sales Tax (Appeals).	64.42	-	-
(f) The Company had received Demand Notice from the Income Tax Authorities disallowing certain expenses for the assessment year 2008-09. The Company had filed an appeal against the said order with Deputy Commissioner of Income Tax (Appeals). In the previous year, order giving effect was received from Deputy Commissioner of Income Tax and accordingly income tax demand of INR 18.51 lacs was raised. The Company has filed an appeal with the Income Tax Appellate Tribunal against the said order.	18.51	18.51	9.50
(g) The Company had received Demand Notice from the Income Tax Authorities disallowing certain expenses for the assessment year 2010-11. The Company has received the appeal order & the case has been closed in the current year.	-	14.15	14.15
(h) The Company had received demand notice from income tax authorities disallowing certain expenses and selling commission expenses for the assessment year 2011-12. The Company has received the appeal order & the case has been closed in the current year.	-	22.49	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
(i) The Company had received Demand Notice from the Income Tax Authorities disallowing certain expenses for the assessment year 2014-15. The Company has filed an appeal before The Commissioner of Income Tax (Appeals) - I, Kolkata against the assessment order.	14.59	-	-
(j) The Company had received Service Tax Demand Notice from Additional Commissioner of Central Excise disallowing cenvat credit taken during financial year 2011-12. During current year, the Company has received appeal order from the office of the Commissioner of Central Excise (Appeals), Mumbai - I which is in favour of the Company. However, department has filed an appeal with the Tribunal.	49.06	21.03	21.03
(k) Other claims not acknowledged as debts.	0.80	0.80	0.80

b. Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided:

At 31 March 2018, the Company had commitments of INR 6.97 lacs (31 March 2017: INR NIL, 1 April 2016: INR NIL)

Note 36: Related party transactions**A. Particulars of related party and nature of relationship :****Company having significant influence**

Williamson Magor Co Ltd

Key Management Personnel

Supriya Mukherjee (Managing Director upto 31.03.2018)

Subir Chaki (Wholetime Director till 31.03.2018, Managing Director w.e.f. 01.04.2018)

Suresh Shenoi (VP and Chief Financial Officer)

Arvind Kumar Bajoria (Company Secretary)

Non Executive and Independent Directors

Aditya Khaitan

Amritanshu Khaitan

Subir Ranjan Dasgupta

Manmohan Singh

Padam Kumar Khaitan

Gobind Saraf

Priya Saran Chaudhari

Relatives of Key Management Personnel

Anuradha Chaki

Anita Shenoi

Isha Khaitan

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Enterprises in which a Director is a member/ director /partner**

Manor Travels Pvt Ltd
 Khaitan & Co LLP
 Khaitan & Co
 Khaitan & Co (Kolkata)

B. Transactions with Related party

Nature of transactions	2017-18 INR in lacs	2016-17 INR in lacs
Williamson Magor & Co Ltd		
Service charges	24.00	24.00
Rent	16.80	16.80
Electricity expenses	5.77	6.26
ICD given	-	-
ICD repaid	-	300.00
Interest income on ICD	-	41.88
Compensation of key managerial personnel *		
Short term employee benefits	252.18	169.05
Other long term employee benefits	14.99	11.84
Sitting fees to Non Executive and Independent Directors	4.53	5.15
Total	271.70	186.04
Relatives of Key Management Personnel		
Car Hire Charges Paid	3.57	2.67
Professional Fees Paid	14.40	9.60
Other Services	26.41	14.31
Enterprises in which a Director is a member/director/ partner		
Consultancy services rendered	0.18	0.75
Agency fees	10.26	9.32
Balances written off	-	3.49

C. Balances as at the year end

Nature of transactions	31 March 2018 INR in lacs	31 March 2017 INR in lacs	1 April 2016 INR in lacs
Williamson Magor & Co. Ltd.			
Receivable against ICD	-	-	300.00
Interest income on ICD receivable	41.88	41.88	0.46
Payable against services	5.70	4.29	44.66
Key Management Personnel			
Payable against remuneration	21.29	8.61	45.82
Relatives of Key Management Personnel			
Receivable against advance paid	1.28	-	-
Enterprises in which a Director is a member/ partner			
Receivable against advance paid	-	-	2.65

* As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Directors are not included above.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Terms and conditions of transactions with related parties**

- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm 's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.
- ICD's given to related party carries interest rate of NIL (31 March 2017: 14.00% & 1 April 2016 : 14.00%)

Commitments with related parties

The company has not provided any commitments to the related party as at 31 March 2018 (31 March 2017 : Nil & 1 April 2016: Nil)

Note 37: Segment information:**A. Primary operating segment**

In line with the provision of Ind AS-108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as manufacturer of Engineering Products, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of primary operating segment information has been made.

B. Geographical information

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
a. Revenue (Sales and services)		
India	8,506.59	12,172.10
Outside India	2,389.23	2,665.72
Total	10,895.82	14,837.82

The revenue information above is based on the locations of the customers.

Revenue from two customers of the Company is INR 2,799.48 lacs (31 March 2017 : INR 7,022.68 lacs) which is more than 10 percent of the Company's total revenue for the respective years.

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
b. Non current assets*			
India	5,663.03	5,882.58	6,191.18
Outside India	-	-	-
Total	5,663.03	5,882.58	6,191.18

*Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress and intangible assets.

Note 38: Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Financial assets						
Investments measured at fair value through OCI	1,608.52	1,264.46	1,400.87	1,608.52	1,264.46	1,400.87
Loans	22.32	17.14	18.05	22.32	17.14	18.05
Other financial assets	30.68	24.90	11.70	30.68	24.90	11.70
Total	1,661.52	1,306.50	1,430.62	1,661.52	1,306.50	1,430.62

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Carrying value			Fair value		
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Financial liabilities						
Borrowings						
Non-current borrowings	77.62	22.65	30.90	77.62	22.65	30.90
Total	77.62	22.65	30.90	77.62	22.65	30.90

The management assessed that cash and cash equivalents, trade receivables, current loans given, other current financial assets, trade payables, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 39 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018					
Assets measured at fair value:					
Derivatives not designated as hedges:					
- Foreign Exchange Forward Contracts (refer note 5c)	31 March 2018	8.63	-	8.63	-
FVTOCI financial investments:					
Quoted equity shares (refer note 5a)	31 March 2018	1,608.52	1,608.52	-	-

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017					
Assets measured at fair value:					
FVTOCI financial investments:					
Quoted equity shares (refer note 5a)	31 March 2017	1,264.46	1,264.46	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Quantitative disclosures fair value measurement hierarchy for assets as at 1 April 2016			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Derivatives not designated as hedges:					
- Foreign Exchange Forward Contracts (refer note 5c)	1 April 2016	13.00	-	13.00	-
FVTOCI financial investments:					
Quoted equity shares (refer note 5a)	1 April 2016	1,400.87	1,400.87	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2018:			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value:					
Derivative financial liabilities:					
Cash Flow Hedges - Foreign Exchange Forward Contracts (refer note 18)	31 March 2018	588.29	-	588.29	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2017:			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value:					
Derivative financial liabilities:					
Cash Flow Hedges - Cross Currency Interest Rate Swaps (refer note 18)	31 March 2017	366.11	-	366.11	-

There have been no transfers between Level 1 and Level 2 during any of the above periods reported.

Note 40: Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade receivables, cash and cash equivalents, bank balances other than that included in cash and cash equivalents and other financial assets that arise directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors have adopted risk management policy to identify the risks involved in all activities of the Company. Further, the Company has a policy to hedge all foreign currency loans carrying a floating rate of interest with the help of foreign exchange forward contracts and cross currency interest rate swaps to cover foreign exchange rate and interest rate risk. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, FVTOCI financial investments, trade receivables, trade payables and derivative financial instruments.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rate movement. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency interest rate swaps to manage its exposures to foreign exchange fluctuations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company also enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon principal amount.

Interest rate sensitivity

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting on profit before tax and equity as follows:

	Increase/ decrease in basis points	Effect on profit before tax INR in lacs	Effect on equity INR in lacs
31 March 2018			
INR - Borrowings	+50	(5.85)	(3.92)
	-50	5.85	3.92
31 March 2017			
INR - Borrowings	+50	(12.27)	(8.03)
	-50	12.27	8.03

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by taking foreign exchange forward contracts and cross currency interest rate swaps.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company hedges its exposure to fluctuations on the translation into INR of its foreign operations by holding net borrowings in foreign currencies and by using cross currency interest rate swaps and forwards.

Foreign currency sensitivity

The following table demonstrates the sensitivity in the USD and Euro to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

	Change in currency exchange rate	Effect on profit before tax		Effect on pre-tax equity	
		For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
		INR in lacs	INR in lacs	INR in lacs	INR in lacs
US Dollars	+5%	(24.55)	(18.57)	(16.43)	(12.14)
	-5%	24.55	18.57	16.43	12.14
Euro	+5%	7.09	0.29	4.75	0.19
	-5%	(7.09)	(0.29)	(4.75)	(0.19)

Equity price risk

The Company's investment consists of investments in publicly traded companies held for the purpose other than trading. Such investments represents a low exposure risk for the Company and are not hedged. As at 31 March 2018, the exposure to listed equity securities at fair value was INR 1,608.52 lacs (31 March 2017: INR 1,264.46 lacs, 1 April 2016 : INR 1,400.87 lacs). A decrease / increase of 10% on the BSE market index could have an impact of approximately INR 160.85 lacs (31 March 2017: INR 126.45 lacs, 1 April 2016: INR 140.09 lacs) respectively on the OCI and equity. These changes would not have an affect on profit or loss.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Past due but not impaired		Total
		Less than 1 year	More than 1 year	
	INR in lacs	INR in lacs	INR in lacs	INR in lacs
Trade Receivables as on 31 March 2018	1,473.29	1,108.24	870.21	3,451.74
Trade Receivables as on 31 March 2017	1,808.91	533.80	681.51	3,024.22

The requirement for impairment is analysed at each reporting date. Refer Note 6 for details on the impairment of trade receivables.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only on the basis of decision taken by the Company's senior management.

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The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amounts as illustrated in Note 16, 17 & 18 except for derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in note 18 and the liquidity table below.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to make its present and future collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources for financing including debts, cash credits and overdrafts at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	<1 year	1 to 5 years	> 5 years	Total
	INR in lacs	INR in lacs	INR in lacs	INR in lacs	INR in lacs
As at 31 March 2018					
Borrowings	9,028.58	-	77.62	-	9,106.20
Other financial liabilities	2,718.49	628.79	-	-	3,347.28
Trade and other payables	-	2,027.18	-	-	2,027.18
	11,747.07	2,655.97	77.62	-	14,480.66
As at 31 March 2017					
Borrowings	10,238.48	-	22.65	-	10,261.13
Other financial liabilities	3,013.64	382.80	-	-	3,396.44
Trade and other payables	-	2,319.55	-	-	2,319.55
	13,252.12	2,702.35	22.65	-	15,977.12
As at 31 March 2016					
Borrowings	1,610.06	-	30.90	-	1,640.96
Other financial liabilities	12.51	20.04	-	-	32.55
Trade and other payables	-	3,137.56	-	-	3,137.56
	1,622.57	3,157.60	30.90	-	4,811.07

Note 41: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Gearing Ratio:

Particulars	31 March 2018	31 March 2017	1 April 2016
	INR in lacs	INR in lacs	INR in lacs
Borrowings (including current maturities of long term borrowings) (Note 16 & 18)	11,443.62	13,269.38	1,648.46
Less: cash and cash equivalents (including other bank balances) (Note 7 & 8)	(1,095.73)	(1,001.69)	(672.90)
Net debt	10,347.89	12,267.69	975.56
Equity	1,325.58	1,325.58	1,325.58
Other equity	9,303.36	9,215.03	8,866.64
Total capital	10,628.94	10,540.61	10,192.22
Capital and net debt	20,976.83	22,808.30	11,167.78
Gearing ratio	49%	54%	9%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018, 31 March 2017 and 1 April 2016.

Note 42: First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first Ind AS financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Deemed cost

Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment including capital work in progress at the transition to Ind AS at its carrying value and use that carrying value as its deemed cost at that date. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment & intangible assets including capital work in progress at previous indian GAAP carrying value on the date of transition to Ind AS and used those carrying value as deemed cost of Property, plant and equipment & Intangible assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of facts and circumstances at the date of transition to Ind AS . The Company has elected to apply this exemption.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous indian GAAP, unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 and 31 March 2017 are consistent with the estimates as at the same date made in the conformity with previous indian GAAP . The Company made estimates for the following in accordance with Ind AS at the date of transition as these were not required under previous indian GAAP:

1. Investment in equity instruments carried at FVOCI
2. Impairment of financial assets based on Expected Credit Loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

Footnotes to the reconciliation of equity as at 1 April 2016 and 31 March 2017 and profit or loss for the year ended 31 March 2017:

1. FVTOCI financial assets

Under previous Indian GAAP, the Company accounted for long term investments in quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and previous Indian GAAP carrying amount of INR 108.76 lacs has been recognised in retained earnings. Further the difference between the change in instruments fair value during the year ended 31 March 2017 and provision for other than temporary diminution in the value of investment as per previous indian GAAP of INR 63.59 lacs has been recognised in the statement of profit and loss.

2. Expected credit loss

Under previous Indian GAAP, the Company has created provision for impairment of trade receivables and unbilled revenue on project accounts on specific identification basis. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL) as per Ind AS 109. Due to ECL model, the Company impaired its trade receivables and unbilled revenue on project accounts by INR 210.98 lacs and INR 252.95 lacs respectively on 1 April 2016 which has been eliminated against retained earnings. The impact of reversal of provision of INR 0.35 lacs for trade receivables and provision of INR 16.92 lacs for unbilled revenue on project accounts for year ended 31 March 2017 has been recognized in the statement of profit and loss.

3. Derivative instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts and cross currency interest rate swaps, to hedge its foreign currency risks and interest rate risks. Under previous Indian GAAP, there is no mandatory standard that deals comprehensively with hedge accounting, which has resulted in the adoption of varying practices. The Company has designated various cash flow hedges and applied the cash flow hedge accounting principles to avoid profit or loss mismatch. All the hedges designated under previous Indian GAAP are of types which qualify for hedge accounting in accordance with Ind AS 109 also. Accordingly the Company has recognised cash flow hedge reserve of INR 185.23 lacs in the statement of profit and loss which is equivalent to the impact of exchange difference recognised on restatement of foreign currency borrowings at closing rate and INR 180.89 lacs has been recognised in other comprehensive income for the year ended 31 March 2017.

4. Proposed Dividend

Under previous Indian GAAP, proposed dividend including dividend distribution tax, are recognised as liability

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

in the period to which they relate, irrespective of when they are recommended by the Board of Directors and approved by the shareholders in a general meeting. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the Company, usually when approved by shareholders in a general meeting, or paid. Therefore, the proposed dividend including dividend distribution tax amounting to INR 319.09 lacs has been derecognised and adjusted against the retained earnings as on the date of transition.

5. Deferred Tax

The various transitional adjustments lead to temporary differences, which the Company has to account for. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax assets aggregating INR 160.56 lacs has been adjusted to retained earnings as on 1 April 2016. Further, INR 68.34 lacs has been recognised in the statement of profit and loss for the year ended 31 March 2017.

6. Revenue from Operations

Under the previous Indian GAAP, sale of goods was presented net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise Duty on sale of goods is presented separately on the face of statement of profit and loss. Thus, revenue from operations under Ind AS has increased by INR 1,239.78 lacs with excise duty on sales shown separately.

7. Defined benefit obligation

Under previous Indian GAAP, the entire cost, including actuarial gains and losses on post-employment defined benefit plan is charged to the statement of profit or loss. Under Ind-AS, remeasurements comprising of actuarial gains and losses are recognised through Other Comprehensive Income. Thus, employee benefits expense is reduced by INR 17.30 lacs (tax impact of INR 5.99 lacs has been reclassified from statement of profit and loss to other comprehensive income) and is recognised in Other Comprehensive Income during the year ended 31 March 2017.

8. Utilization of MAT Credit Entitlement

The Company has recorded entry for utilization of MAT Credit Entitlement of INR 164.04 lacs. Under previous indian GAAP, the Company had provision for tax liability of INR 108.87 lacs which was shown under short term provisions. Due to utilization of MAT Credit Entitlement of INR 164.04 lacs, the Company will now be entitled to a refund of INR 55.17 lacs which has been shown under income tax assets (net).

9. Reclassification of assets and liabilities in accordance with Ind AS

The Company has reclassified its assets and liabilities shown as per previous indian GAAP to confirm with the disclosure requirement of Ind AS and schedule III of the Companies Act 2013.

Note 43: Leases

Operating Leases :

The Company has entered into leasing arrangements for lease of premises with lease terms ranging between 2 to 3 years. The Company has the option to renew the leases upon expiry based on mutually agreed terms to be decided upon at the time of renewal of leases. Lease payments recognized in the Statement of Profit and Loss : 31 March 2018 : INR 27.46 lacs (31 March 2017 : INR 28.78 lacs)

Note 44: Research and development costs

The Company has an inhouse research and development department which concentrates on product development and developing new products. Research and development costs that are not eligible for capitalisation have been expensed out in the respective years. The total amount of research and development cost expensed out in the year ended 31 March 2018 was INR 70.23 lacs (31 March 2017: INR 63.95 lacs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 45: Disclosure in terms of Indian Accounting Standard 11 on the Accounting of Construction Contracts is as under:**

The Company has recognized unbilled revenue during the year in respect of high value, long delivery orders which are delivered in parts over the execution period. The Unbilled revenue is calculated based on percentage of completion of individual contracts.

Particulars	31-Mar-18 INR in lacs	31-Mar-17 INR in lacs
Contract revenue recognised during the year	7,931.07	12,062.46
For Contracts in Progress:		
Aggregate of contract costs incurred and recognised profits (less recognised losses) upto the reporting date	4,506.52	9,955.34
Advances received	1,687.80	1,973.62
Retention money	185.80	405.94

Note 46: Foreign currency exposure**A. Hedged by currency & interest rate swap****1. Borrowings**

Year	Purpose	FC	Amount in FCY (in lacs)	Amount (INR in lacs)
31 March 2018	Foreign Currency Term Loan	USD	157.92	10,315.55
31 March 2017		USD	104.65	6,814.77
1 April 2016		USD	-	-

2. Outstanding forward exchange contracts entered into by the Company in USD

Year		No. of contracts	Amount in FCY (in lacs)	Amount (INR in lacs)
31 March 2018	Firm Commitment	5	12.62	812.73
31 March 2017		-	-	-
1 April 2016		4	7.13	469.51

B. Unhedged

		FC	Amount in FCY (in lacs)	Amount (INR in lacs)
31 March 2018	Trade Receivables	USD	2.70	173.88
		EURO	0.08	6.71
31 March 2017		USD	15.37	989.21
		EURO	0.08	5.76
1 April 2016		USD	14.22	936.39
		EURO	1.47	109.37
31 March 2018	Advance from Customer	USD	10.20	666.04
		EURO	-	-
31 March 2017		USD	20.89	1,360.52
		EURO	-	-
1 April 2016		USD	7.53	501.61

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31 March 2018	Trade Payables	USD	0.46	30.16
		EURO	0.17	13.69
31 March 2017		USD	-	-
		EURO	-	-
1 April 2016		USD	-	-
		EURO	-	-
31 March 2018	Advance to Vendor	USD	0.48	31.14
		EURO	1.86	148.74
31 March 2017		USD	-	-
		EURO	-	-
1 April 2016		USD	-	-
		EURO	-	-

Note 47: New standards / amendments to existing standards issued but not yet adopted:

Following are the new standards / amendments to existing standards which have been issued by The Ministry of Corporate Affairs ('MCA') that are not effective for the reporting period and have not been early adopted by the Company:

a. Issue of Ind AS 115 - Revenue from Contracts with Customers:

On March 28, 2018, the Ministry of Corporate Affairs (MCA) notified the new revenue recognition standard, viz., Ind AS 115 Revenue from Contracts with Customers. Ind AS 115 is applicable to the Company for the financial years beginning on or after April 1, 2018 for all the companies who have migrated to Ind AS. The new standard establishes a five step model related to revenue recognition from contracts with customers. It permits either 'full retrospective' adoption in which the standard is applied to all of the periods presented or a 'modified retrospective' adoption.

The Company is evaluating its various contractual arrangement and the available transition methods. The Company has established a team for evaluation of the contracts with customers to implement Ind-AS 115. Reliable estimates of the quantitative impact of Ind-AS 115 on the financial statements will be possible after a detailed evaluation.

b. Amendment to existing standards:

The MCA has also carried out amendments of the following accounting standards, applicable to the Company:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates;
- ii. Ind AS 12 - Income Taxes

Application of above amendments are not expected to have any significant impact on the Company's financial statements.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/

E300003

per Anil Jobanputra

Partner

Membership Number : 110759

For and on behalf of the Board of Directors

Aditya Khaitan

Chairman

(DIN - 00023788)

Subir Chaki

Managing Director

(DIN : 05174555)

Suresh Sheno

VP-Finance & Chief Financial Officer

Arvind Kumar Bajoria

Company Secretary

Place : Mumbai

Date : 30 May 2018

Place : Kolkata

Date : 30 May 2018

ATTENDANCE SLIP
(To be presented at the entrance)

Kilburn Engineering Limited

CIN : L24232WB1987PLC042956

Registered Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001

TEL: 033-2231-3337, 3450 **FAX:** 91-33-2231-4768

E-Mail: administrator@kilburnengg.oom; **Website:** www.kilburnengg.oom

Folio No/Client ID & DP Id:

30th Annual General Meeting on Friday, 28th September, 2018 at 11:00 A.M. at ICC Auditorium 10th Floor, ICC Towers, Indian Chamber of Commerce (ICC), 4, India Exchange Place, Kolkata – 700 001

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- Please bring your copy of the Annual Report to the Meeting.

I record my presence at the 30th Annual General Meeting

Name of Proxy in BLOCK LETTERS : _____

(If the Proxy attends instead of the Member)

Signature of Member/Proxy

Form No.MGT-11
Proxy Form

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

CIN : L24232WB1987PLC042956

Name of the Company : Kilburn Engineering Limited

Registered Office : Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001

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: Signature: or failing him/her

2. Name:

Address:.....

E mail: Signature: or failing him/her

3. Name:

Address:.....

E mail: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the Company on Friday, 28th September, 2018 at 11:00 A.M. at ICC Auditorium 10th Floor, ICC Towers, Indian Chamber of Commerce (ICC), 4, India Exchange Place, Kolkata – 700 001 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution Nos.

1.	To receive, consider and adopt the Audited Financial Statement for the Financial Year ended 31 st March, 2018 and Report of Directors and Auditors thereon.
2.	To declare dividend for the financial year 2017 – 18.
3.	To appoint a Director in place of Mr. Amritanshu Khaitan (holding DIN : 00213413), who retires by rotation and being eligible, offers himself for reappointment.
4.	Appointment of Mr. Subir Chaki as director of the Company
5.	Appointment of Mr. Subir Chaki as Whole Time Director
6.	Appointment of Mr. Subir Chaki as Managing Director
7.	Ratification of remuneration of Cost Auditor.
8.	Approval of continuing appointment of Mr. Gobind P. Saraf as director, post completion of 75 years of age.

Signed this..... day of 2018

Signature of Shareholder(s)



Signature of Proxy holder(s)

Notes:

1. This form of proxy In order to be effective should be duly completed and deposited at the Registered Office of the Company at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001, not later than 48 hours before commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 30th Annual General Meeting.

Important Statutory Information for the Attention of Shareholders

1. Compulsory registration of Bank Details of shareholders with the Company :

As per SEBI circular ref. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, all the shareholders are required to register their Bank details with the Company / RTA for the purpose of payment of dividend.

2. Transfer of equity shares allowed only in demat form w.e.f. 5th December, 2018 :

Consequent to SEBI notification ref. SEBI / LAD-NRO/GN/2018/ 24 dated 8th June, 2018, there was amendment in Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which states that transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from December 5, 2018.

3. Compulsory transfer of shares to Investor Education and Protection Fund (IEPF) on which dividend is unpaid / unclaimed consecutively during the past seven years :

Since 2017, section 124(6) of The Companies Act, 2013 read alongwith the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ("The Rules") directs the transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years will be made to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Prior to 2017, only unpaid dividend for such shares was being transferred to IEPF and is still continuing.

All the shareholders are requested to take note of these statutory provisions and contact RTA for doing the needful :

Maheshwari Datamatics Private Limited

5th Floor, 23, R. N. Mukherjee Road, Kolkata – 700 001.

Tel No.: (033) 2243 5809 / 5029; 2248 2248

E-mail: mdpldc@yahoo.com

If undelivered please return to:



KILBURN ENGINEERING LTD.

Plot No.6, MIDC Industrial Area, Saravali,
Kalyan-Bhiwandi Road, Thane – 421 311.

 A Williamson Magor Group Enterprise

ROTARY CALCINER

