



KILBURN ENGINEERING LTD.



Annual Report | 2016-17



FLUID BED DRYER



FLUID BED DRYER



ROTARY DRYER SECTION-I



ROTARY DRYER SECTION-II



FM VAULT COOLER



PADDLE DRYER



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

Mr. Aditya Khaitan
Chairman (Non-Executive)
Mr. Supriya Mukherjee
Managing Director
Mr. Amritanshu Khaitan
Mr. Subir Rajan Dasgupta
Mr. Manmohan Singh
Mr. Padam Kumar Khaitan
Mr. Gobind Saraf
Mrs. Priya Saran Chaudhri

CHIEF FINANCIAL OFFICER

Mr. A. Suresh

COMPANY SECRETARY

Mr. Arvind Bajoria

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Gobind Saraf
(Chairman)
Mr. Subir Rajan Dasgupta
Mr. Supriya Mukherjee
Mr. Manmohan Singh

STAKEHOLDERS

RELATIONSHIP COMMITTEE

Mr. Padam Kumar Khaitan
(Chairman)
Mr. Gobind Saraf
Mr. Manmohan Singh

**NOMINATION AND
REMUNERATION COMMITTEE**

Mr. Manmohan Singh
(Chairman)
Mr. Gobind Saraf
Mr. Subir Rajan Dasgupta

**CORPORATE SOCIAL
RESPONSIBILITY (CSR)
COMMITTEE**

Mr. Manmohan Singh
(Chairman)
Mr. Supriya Mukherjee
Mr. Gobind Saraf

STATUTORY AUDITORS

M/s Deloitte Haskins & Sells

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

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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 Twenty-Ninth Annual General Meeting of the Company will be held on Monday, 25th September, 2017 at 10:00 A.M.. at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhash Road, Kolkata - 700 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the Financial Year ended 31st March, 2017 and Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Aditya Khaitan (holding DIN : 00023788), who retires by rotation and being eligible, offers himself for reappointment.
3. To declare dividend.
4. To consider the appointment of new Statutory Auditors – M/s. S R B C & CO LLP, Chartered Accountants (Firm's Registration no. : 324982E / E300003) 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, subject to ratification of their appointment by members at every Annual General Meeting.

Special Business

To consider and, if thought fit, to pass, with or without modification(s), the following Resolutions:-

5. As a Special Resolution - Appointment of Mr. S. Mukherjee as Mangaing Director for a tenure of one year w.e.f. April 1, 2017:

“ RESOLVED that consent of the Members be and is hereby accorded to the appointment of Mr. Supriya Mukherjee (holding DIN: 00127747) 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 one year with effect from April 1, 2017, upon the terms and

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

6. As an Ordinary Resolution - Ratification of 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 of the Company in respect of the products, as may be applicable, for the year ending March 31, 2018, 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.”

By Order of the Board of Directors

Kolkata

10th August, 2017

Arvind Bajoria

Company Secretary

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. The Statement pursuant to Section 102(1) of the Companies Act 2013 in respect of the items of Special Business is annexed hereto.
- III. The information as required to be provided in terms of Regulation 36(3) and 26(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulation") regarding the Directors who are proposed to be re-appointed is annexed.
- IV. The dividend that may be declared by the company at the Twenty Ninth Annual General Meeting will be paid on or after 29th September, 2017 (i) to those Members holding shares in physical mode whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company and its Registrars on or before 18th September, 2017. (ii) In respect of the shares held in electronic form the dividend will be paid to the 'beneficial owners' of the shares as at the end of business hours on 18th September, 2016 as per details provided by the Depositories for this purpose.
- V. Dividend in respect of shares held in dematerialized form shall be credited to the beneficial owner's bank account directly through National Electronic Clearing Services (NECS). wherever NECS facility is available subject to availability of bank account details with 9 digit MICR and 11 digit IFS Code. In case the said details have not been provided to the Concerned Depository Participant or there is any change. The Same may please be intimated to the concerned Depository Participant immediately.
- In terms of Regulation 12(a) of Listing Regulation. SEBI has mandated usage of electronic mode or issue of "payable-at-par warrants" for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchanges.
- VI. Shareholders holding shares in physical form and desirous of having NECS facility, should provide their bank details and 9 digit MICR and 11 digit IFS Code number to the Registrar and Share Transfer Agent of the Company immediately. The shareholders who have already given their bank details should furnish the same only if there is any change. Contact details of RTA: 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. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent quoting their Folio Number.
- VII. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share certificates to Meheshwari Datamatics Private Limited, for consolidation into a single folio.
- VIII. The Notice of the 29th 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.
- XI. Members may also note that the Notice of the 29th AGM and the Annual Report 2016-17 will be available on the Company's website, www.kilburnengg.com.
- X. 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.
- XI. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 19th September, 2017 to Monday, 25th September, 2017 (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.
- XII. The members who have not encashed their Dividend warrants or who have not received the Dividend for the FY 2009-10, FY 2010-11 and FY 2015-16 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, 1956.
- XIII. 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.
- XIV. Queries on accounts, if any, should reach the Registered Office of the Company at least seven days before the meeting.
- XV. 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

1. 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.

XVI. 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.

XVII. 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 21, 2017 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 18th September, 2017.
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.

By Order of the Board of Directors

Kolkata
10th August, 2017

Arvind Bajoria
Company Secretary

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. Aditya Khaitan	Mr. Supriyo Mukherjee
Type	Non Executive Director	Executive Director
Date of Birth	30-01-1968	03-02-1955
Date of Appointment	31-03-2015	Appointed as Director on 16-07-2004
Qualification	B.Com (Hons)	B.Com (Hons), FCA
Brief Resume	Mr. Khaitan 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.	Mr. Mukherjee is a fellow member of The Institute of Chartered Accountants of India and has more than 37 years post qualification experience. He has considerable experience in the overall management of Companies with particular emphasis on Finance, Commercial, HRD, Factory Operations, Projects, Restructuring, etc. He has been associated with Williamson Magor Group for more than three decades. Mr. Mukherjee in his capacity as Group President / Advisor has served on the Board as Non-Executive Director of a number of listed Engineering Companies belonging to the Group.
No. of Equity Shares held	Nil	Nil
Directorships held in other Companies (as on 31-03-2017)	McLeod Russel India Ltd. Eveready Industries India Ltd. McLeod Russel India Ltd. McNally Bharat Engineering Co. Ltd. Williamson Magor & Co. Ltd. Williamson Financial Services Ltd. Royal Calcutta Golf Club Babcock Borsig Limited Prana Lifestyle P. Ltd. D1 Williamson Magor Bio Fuel Limited	Nil
Particulars of Committee Chairmanship / Membership held in other Companies	<u>McLeod Russel India Limited</u> Member – Audit Committee <u>Eveready Industries India Limited</u> Member – Nomination and Remuneration Committee <u>Babcock Borsig Limited</u> Member – Audit Committee Member – Nomination and Remuneration Committee <u>D1 Williamson Magor Bio Fuel Limited</u> Chairman – Audit Committee Chairman- Nomination and Remuneration Committee	NIL
Relationship with other directors / KMPs	None	None

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

Item No. 5

The Board of Directors at its meeting held on March 29, 2017, based on recommendation of Remuneration Committee, resolved to appoint Mr. Supriya Mukherjee as Managing Director of the Company for a period of one year with effect from April 1, 2017 on the existing terms and conditions as given below 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. Mr. Mukherjee has been in receipt of the same level of remuneration since 2010. The said terms and conditions are in line with the terms approved by the members in AGM held on 24th September, 2011 and 30th September, 2014 for the previous tenure.

Salary : Rs. 4,50,000 per month with such revisions that may be approved by the Board from time to time in the salary grade of Rs.4,50,000 to Rs.6,00,000 per month.

Bonus : Equivalent to six month's salary in a year.

Perquisites:

Housing : Free furnished accommodation with the cost of gas, electricity, water, soft furnishings and telephone being borne by the Company. Cost of personal long distance calls will be borne by Mr. Mukherjee. In case no accommodation is provided to Mr. Mukherjee, he will be paid House Rent Allowance at the rate of 60% of his salary.

Car : Company car with driver under the Company's Scheme applicable for senior executive staff of the Company.

Medical Reimbursement for self, spouse, dependent children, at actuals including cost of medical insurance.

Leave Travel Assistance : As per applicable rules of the Company.

Club Fees : Reimbursement of club fees for existing membership of clubs. He may be paid enrolment fee in respect of any new club membership, if approved by the Board of Directors.

Leave Encashment : Mr. Mukherjee is entitled to 30 days' leave per annum (Privilege Leave) for every 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.

Others

Personal Accident Insurance and other perquisites which are applicable to senior executive staff of the

Company shall also apply to Mr. Mukherjee.

Other Allowances : A special allowance of Rs. 50,000 per month. In addition other allowances may be paid as may be decided by the Board from time to time for payment in lumpsum or by way of periodic payments.

Retiral Benefits : Contributions to Provident Fund, Gratuity Fund and Pension Fund as per rules of the Company.

Minimum Remuneration : In the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Mukherjee, Mr. Mukherjee will be paid the remuneration as above as minimum remuneration subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 and/or subject to the approval of the Central Government if necessary, notwithstanding the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013.

Leave : Mr. Mukherjee will be entitled to leave with full pay, as per applicable rules of the Company.

Nature of Duties : Mr. Mukherjee will devote his whole time and attention to the business and affairs of the Company and perform such duties and exercise such powers as may be assigned to him from time to time by the Board.

Sitting Fees : Mr. Mukherjee shall not be entitled to any sitting fees for attending meetings of the Board of Directors or Committees thereof.

The afore-mentioned appointment of Mr. Mukherjee and the terms as to remuneration requires the approval of the Members in general meeting by Special Resolution. The above terms as to remuneration have been approved by the Remuneration Committee of the Board.

The aforementioned re-appointment and terms do not require the approval of the Central Government as the same was made pursuant to the provisions of notification S.O. 2922 E dated September 12, 2016 of the Ministry of Company Affairs. In the event of loss or inadequacy of profits in any financial year, during the tenure of Mr. Mukherjee, he will be paid remuneration as set out above as minimum remuneration, notwithstanding the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013.

The Resolution set out in Item No. 5 is accordingly proposed to be passed by way of a Special Resolution and the Board recommends the same for approval of the Members.

Except Mr. Mukherjee, 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. 5.

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, 2017)

Particulars	₹ In Lacs
Sales and other Income	14393.81
Gross Profit before interest, finance charges and depreciation	2781.69
Interest & Finance Charges	1196.31
Depreciation	435.06
Profit before Tax	1150.32
Tax Expenses	417.31
Profit after Tax	733.01
Balance brought forward from previous year	6281.35
Amount available for appropriation	7014.36

Export Performance and net foreign exchange earnings:

	Export (FOB value)	Net Foreign Exchange Earnings
	Rs. Crores	Rs. Crores
2016 - 2017	27.16	27.45
2015 - 2016	29.19	30.34
2014 - 2015	36.67	37.63

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 2016-17 - Nil

Investment in Share - Nil
 Capital by Foreign Companies

II. Information about the appointee/director

Background Details

Name of Director : Mr. Supriya Mukherjee
 Age : 62 years
 Qualification : B.Com (Hons.), FCA

Expertise and Experience in specific functional areas:

Mr. Mukherjee has over 39 years of experience in Corporate Management in diverse fields. He is responsible for the overall management of the Company.

Past remuneration:

As a Managing Director, Mr. Mukherjee has been receiving remuneration as approved by the Members. His remuneration during the year ended March 31, 2017 which comprised of salary, monetary value of perquisites, allowances and contribution to retiral funds was Rs. 144.37 Lakhs.

Job profile and his suitability:

Mr. Mukherjee is Managing Director of the Company, responsible for the overall operational management of the Company. The Board is of the opinion that Mr. Mukherjee 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. Mukherjee 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. Mukherjee'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:

Total Net Sales has been marginally higher at Rs. 135.98 Cr. against Rs.135.08 Cr. last year. The company had a net profit of Rs. 7.33 Crores during the current year 2016- 17 as compared to net profit of Rs. 7.93 Crores in the previous year. The net profit for the year has been lesser due to higher provision for taxation required due to the creation of deferred tax liability. This impact is an accounting requirement and does not impact the company's cash flow. The annual provision of Rs. 200 Lacs made in both the years due to reduction in market value of investments of the Company also resulted in reduced profitability.

Presently, due to focus of the government on the economic reforms 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 respective 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. Mukherjee, 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. 5.

Item No. 6

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 2017-18 at a remuneration of Rs. 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. 6 for the approval of the Members of the Company.

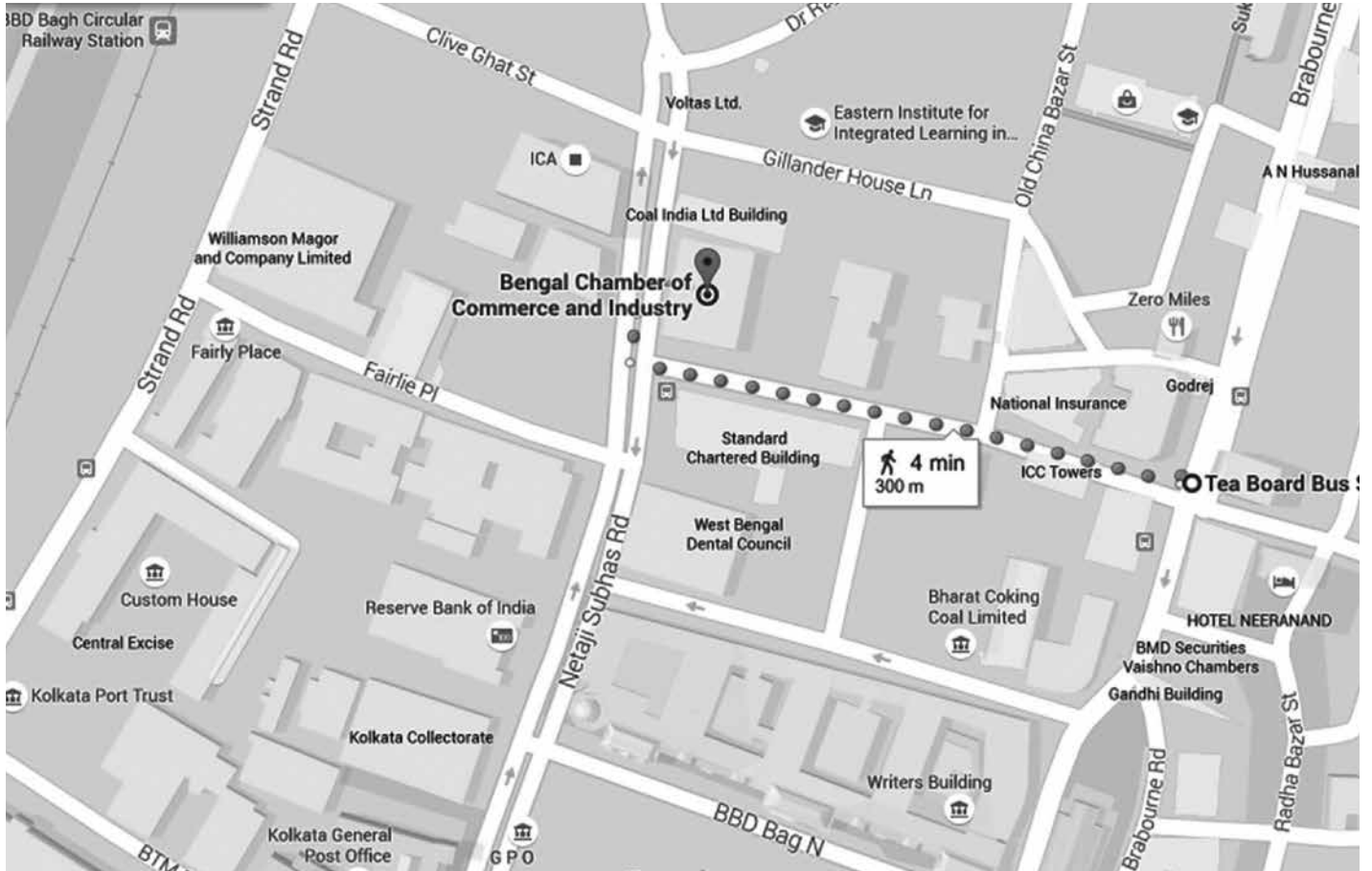
None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

By Order of the Board of Directors

Kolkata
10th August, 2017

Arvind Bajoria
Company Secretary

Route Map of the Venue of 29th Annual General Meeting



REPORT OF THE DIRECTORS**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

The Directors of your Company are pleased to present the 29th Annual Report and Audited Statement of Accounts for the financial year ended 31st March, 2017.

FINANCIAL RESULTS**(Rs. In Lac)**

	Year ended 31st March, 2017	Year ended 31 st March, 2016
Revenue from Operations (Gross)	14838	14516
Revenue from Operations (Net)	13598	13508
Earning Before Finance Costs & Depreciation (EBIDTA)	2304	2076
Finance Costs (Net)	519	512
Depreciation & Amortization Expenses	435	434
Operating Profit before tax	1350	1130
Provision for Diminution in value of investments	200	200
Profit Before Tax (PBT)	1150	930
Tax Expenses	417	137
Profit after tax (PAT)	733	793
Balance brought forward from previous year	6281	5807
Amount available for appropriation	7014	6600
Less Appropriations	-	319
Balance carried forward to Balance Sheet	7014	6281

DIVIDEND

In view of the stable performance of the Company the Board of Directors recommend Dividend of 20% i.e. Rs. 2.00 per equity share of Face Value of Rs. 10/- for the Financial Year 2016-17. The dividend pay-out amounts to Rs. 319 Lac including dividend distribution tax. It may be noted that the Company declared the same rate of dividend for the Financial Year 2015-16.

REVIEW OF RESULTS - 2016-17

During the year under review Profit Before Tax (PBT) increased substantially by 24% from Rs. 930 Lac to Rs. 1150 Lac. The Company achieved the highest ever operating PBT of Rs. 1350 Lac. The EBIDTA margin for the year under review improved at 17%. This was mainly on account of company's focus on executing technology based and value added orders for customised equipment / systems. PAT for the year is lower despite higher PBT due to additional tax provision on account of recognition of Deferred Tax liability which however did not entail any cash outflow.

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.

FUTURE OUTLOOK

Your company operates primarily in two divisions viz. Process Equipment and Tea Drying Equipment. Though in last few months the order inflow has been sluggish but future outlook both from domestic and export market

appears to be encouraging based on the enquiries in hand, bids submitted & under process and expected enquiries in the remaining months in the current fiscal. Though the tea industry's budget in India for capex has been subdued for last 2 years the Company expects to improve its sales of Tea Dryer in the current year both in domestic and export.

A detailed review of the operations is incorporated in the Management Discussion and Analysis Report in Annexure-I which forms part of this Report.

MATERIAL CHANGES & COMMITMENTS DURING THE YEAR

The Directors at their meeting on 14th December, 2016 decided not to proceed with the scheme for amalgamation of engineering Companies viz. McNally Bharat Engineering Company Ltd. and EMC Limited with your Company, due to substantial change in the business environment.

AUDITORS

a) **Statutory Auditors :** In view of section 139 of the Companies Act 2013, M/s Deloitte Haskins & Sells (Firm's Registration No. : 117364W), are eligible to hold office till the conclusion of the ensuing Annual General Meeting.

The board has recommended the appointment of M/s. S R B C & CO LLP, Chartered Accountants (Firm's Registration no. : 324982E / E300003) 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, subject to ratification of their appointment by members at every Annual General Meeting. New auditors have confirmed their eligibility for appointment as Statutory Auditors of the Company.

The directors place on record appreciation of services of M/s Deloitte Haskins & Sells during the association of 16 years with your company.

- b) Internal Auditors :** M/s. SPAN & Associates, Chartered Accountants were appointed as internal auditors by the Board of directors for 2016 – 17 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.
- 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 2016-17 and their appointment is proposed for 2017 – 18 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 2016 – 17, as required under section 204 of The Companies Act, 2013 read with the applicable rules. The Secretarial Audit Report for 2016 – 17 forms part of the Annual Report as Annexure - VII.

AUDIT REPORT

In respect of the qualification in the Auditors' Report regarding partial provision for diminution in the value of investment in equity shares of McNally Bharat Engineering Company Limited, the Company is of the opinion that the diminution in market value of these shares is temporary. The shares are also acquired and retained by your company for strategic purpose.

The Directors of your Company have on a conservative basis made a provision during the year under review to cover the diminution in the value of the investments.

The Company has also filed 'Statement of Impact of Audit Qualifications' with the stock exchanges as required by the regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. Several HR, IR initiatives including several training programmes to improve employee relations and commitments have been initiated during the year and have 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 has reappointed Mr. Mukherjee as Managing Director for a tenure of one year since 01.04.2017 at the same terms of remuneration, subject to the approval of members of the Company.

Mr. Aditya 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 2016 - 17, following officials continued as Key Managerial Personnel, pursuant to section 203 of The Companies Act, 2013 :

- i. Mr. Supriya Mukherjee, Managing Director
- ii. Mr. A. Suresh, Chief Financial Officer
- iii. Mr. Arvind Bajoria, Company Secretary

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 2016-17. 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 is the only executive director in receipt of remuneration, and its 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.

CORPORATE SOCIAL RESPONSIBILITY

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 Rs. 12.25 Lacs (through various implementing agencies) during the FY : 2016 – 17. 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 : 10th August, 2017

Aditya Khaitan
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Economic Overview :**

With the expected improvement in the economic scenario in the country many Greenfield / expansion projects are likely to go on stream both in the Private & Public Sector. Besides, the enquiry inflow has increased from the export markets. Government spending on infrastructure including Oil & Gas is expected to gain momentum going forward. This will help the Company to explore business opportunities particularly in the area of Oil & Gas.

2. Current & Future Business Outlook :

As you are aware your Company's business is primarily focused in two segments viz. Process Equipment and Tea Drying Equipment. The customer base and business model for both the segments are different despite a common design and manufacturing outfit. The business outlook in respect of these Product Groups is detailed below:

a) Process Equipment :

A majority of company's dispatches against large orders secured in the last and the preceding years are under erection / commissioning. The company has very recently completed supplies/ execution of high value orders to a Fertilizer major and large Soda Ash manufacturers. These projects have been successfully commissioned and have improved the Company's standing as a reliable technology and equipment / systems supplier of large value. These customers have started negotiating with the company for placement of additional orders in the current fiscal. Improved Previous Track Record (PTR) is enabling the Company to bid to other domestic & export customers for such large contracts. The company has received a couple of enquires for fertilizer project from and outside the country for supply of similar equipment/ systems.

For several solid drying related products, the company has received enquiries from the existing domestic and export customers as also from a number of new entities. Enquiries have been received for products namely Rotary Calciner, Rotary Drum, Fluid Bed Dryers, Air Chiller, Vibrating Fluid Bed Dryer for Iron Ore, Rotary Vacuum Filter from India as well as from countries like Indonesia, Vietnam, USA, Russia, Mexico etc. Having considered such enquiries and the offers submitted / to be submitted, the company is expected to secure good orders in the remaining months of the current fiscal, even though for past six months the order inflow has been bearish.

During the year 2016-17 the company has succeeded in bagging for the first time from a reputed LSTK contractor a large order for its established product in Oil & Gas segment. The company also secured for the first time an order from a Japanese company for Annuli Riser Skid. The end user is a global Oil giant in Saudi Arabia. The company has also quoted for gas dryers to a US based company who is bidding to ONGC. The company will be quoting for such dryers in future. The Company has taken several initiatives to tie up with overseas technology providers for new technologies to bid for additional products in the upcoming tenders of ONGC. They are in the process of constructing new platforms as also revamping many existing platforms. The company is also in discussions with Middle East based companies and EPC contractors for waste gas recovery skids for oil exploration platforms.

The Company is in the process of strengthening its business development initiatives to scout for opportunities in new geographies. It may be noted that the company has very good export track record across several parts of the globe.

Recently, company's facilities have been inspected by a Japanese company and they would like to outsource their requirement to the company based on our competitive pricing. Positive outcome might ensure high volume of similar business on a regular basis in the years ahead.

Your company is associated for a long time with (NPCIL). Currently it is executing an order for Pump Room Coolers & FM Vault Coolers for them thru' a large LSTK. In view of major future capex program of NPCIL for new Atomic Power Plants, your company expects good business prospects in future from them in view of the Company's long association with NPCIL for supplying critical equipment / systems like critical coolers and heavy water vapour recovery systems.

As stated earlier, the company has supplied several calciners to the soda ash industries in India for last several years including recent supplies of four number calciners of varying capacities. The Company is now facing stiff competition from China. Recently the company has succeeded in supplying for the first time a much improved vacuum filter for soda ash manufacturers. This filter has been commissioned yielding very satisfactory results at customer's end and the company has started receiving enquiries from other soda ash manufacturing companies.

After successful performance of our drying systems for Iron Ore industry in a large reputed steel company in India the company has received enquiries from other steel & mining companies and it expects to secure few such value added orders in future.

Enquiries are being processed for new application of particle board drying from a German company who has very recently inspected our facilities. The Company expects good order inflow in future from this new customer.

As already reported last year the Company has developed and started supplying dryer for Sludge for application in several industries including Pharmaceuticals & Textiles. The Company has already executed a number of orders for this product from several reputed Companies. The Company is now working for several other applications as this dryer has been well accepted in the market place. Higher volume of business of Sludge dryer is expected in future since the product has immense demand potential in view of benefit to the users for pollution control and discharge of effluents.

Kilburn's R&D Department has successfully developed Vacuum Paddle dryer and the Company is all set to introduce the product in Indian market. Vacuum dryers are used for drying of Heat Sensitive material. Conventional Vacuum dryers are Batch type having a long processing time and hence limited capacity also has disadvantage of inconsistency in quality. KEL's dryers can operate and handle larger capacity and will provide consistent quality. It will also economize on space, utility and other accessories. This dryer will have an application in Fine chemicals, Pesticide etc. It will be suitable for drying products having organic solvents. Kilburn has installed a Demo model of complete Vacuum Paddle dryer in its comprehensive Pilot Plant set up, and successfully carried out Pilot Plant tests of diverse materials including material like Mancozeb. Company has initiated marketing campaign for this new application and has started dialogue with several reputed customers.

We have embarked on web marketing after revamping of new website. Same is being done through Google Ads, Search Engine Optimisation and sending mailers from Linked in contacts. Some leads from & outside India were generated. We expect good enquiry inflow out of this initiative from the export market.

During the year under review, the company has manufactured & successfully commissioned the following critical & large equipment for the first time, Fluid Bed Reactor for Fumed Silica.

This Fluid Bed Reactor was manufactured first time in INDIA & the material used for construction was Inconel600.

High Capacity Rotary Vacuum Filter for Light Soda Ash.

As stated above, this High Capacity Rotary Vacuum Filter was manufactured first time in INDIA with technology from our German collaborators.

Rotary Steam Tube Calciner of 800 MT per day capacity for Light Soda Ash supplied to soda ash Company in Gujarat.

This Rotary Calciner with 800 MT capacity was manufactured & commissioned for the first time in INDIA. Your company is the preferred supplier for various equipment of Soda Ash Industry.

High Pressure Annuli Riser skid for Saudi Arabian oil major.

This Annuli Riser skids were tested at very high hydrostatic pressure of 1050 Kg/ Sq. cm. These type of high pressure testing facility is available only with very few reputed INDIAN companies. This type of Annuli Riser skids are being installed for the first time by a global oil giant in Saudi Arabia & we expect such requirements in future.

The Company has taken several measures to ensure on time execution of critically customised drying systems. The Company is continuously engaged in upgrading its product quality & thereby benefiting its customers. The Company has considerably strengthened its base of in-house and outside subcontractors to take care of non critical fabrication for large volume of orders whenever needed.

b) Tea Dryers / CWS

Your company continues to be market leader in the supply of tea dryers in India. Besides, your company also supplies tea dryers for countries mainly Africa, Bangladesh, Sri Lanka, etc. In last two years for several reasons, tea industry in India was holding back fresh Capex and hence order flow for tea dryer was subdued. We expect to improve order booking of tea dryers both in India and other countries during the Financial Year 2017-18.

Following intensive R&D efforts the company has supplied and successfully commissioned its CWS in our Group Company Mcleod Russel India limited (MRIL), the world's largest tea plantation company. The company has come out with several improved features and ensured major operational benefits at users' end as compared to its first installation. During 2017-18 the company expects to receive few orders of CWS from India, Africa and Bangladesh.

3. Merger / CAPEX :

The proposed merger reported in the last director's report has been called off in December'16 in view of the substantial changes in business scenario during the last year. Consequent to the merger

being called off the Capex budgeted for the merged entity has been deferred and bank loans availed for this purpose which have been temporarily parked in ICD with a group company on revenue & cash neutral basis, are being repaid as and when due.

4. Risks Challenges and Threats :

Risks	Mitigation
➤ Infringement of Intellectual property Rights (IPRs)	a) The patent applications under the Patents Act 1956 for various products including new products of the Company are under process. b) Your Company constantly innovates its products within the norms allowed in the patent to deter copying.
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.	Your Company provides a performance guarantee to its customers which in short guarantees the technology provided which many of the smaller players are unable to provide. Further the company sells a total system (including electrical instrumentation and delicate control programs) to customers against products by some competitors to mitigate the risk from competition. However, the threat from Chinese Manufacturers continues.
➤ 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 design is in line with customers' requirements.
➤ As a portion of the Company sales is export the Company faces the risk of currency fluctuations.	Your Company has a policy of hedging currency exposures to optimum levels. However some exchange losses due to delay in project schedule continue.
➤ 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.

5. Internal Control Systems & their Adequacy :

The Company has a system of regular internal audit and they report inter-alia on the adequacy of the internal controls. The internal audit reports are presented to the Audit Committee and are discussed at the Board meeting. Their recommendations are duly complied with.

implied. Important developments that could affect the Company's operations include a downtrend in industry, significant changes in political and economic environment in India, tax laws, foreign exchange fluctuation, custom duties, litigations and labour relations

6. Human Resource Development :

Your Company has put in place various development and training programs for all employees including workmen. Industrial relations were cordial during the year.

The company with the help of its collaborator has successfully established satisfactory performance of its paddle dryer for diverse applications. The company is receiving good enquiries from outside India but has not been in a position to respond to them in view of contractual limitations and for this purpose company has initiated discussion with the collaborator and a positive response is expected.

7. Gentle Word of Caution :

Some of the statements in this management discussion and analysis report describing the Companies objectives, projections, estimates and expectations maybe 'Forward Looking Statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or

For and on behalf of the Board

Place : Kolkata

Aditya Khaitan

Date : 10th August, 2017

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 2017, the Company has eight 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 eight 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, 2017 is given below :

Sr. No.	Names of the Directors	Category	No. of Board Meetings during the year 2016-17		Attendance at the last AGM held on 22.09.2016	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	6	6	No	9	1	2
2	Mr. Supriya Mukherjee, Managing Director	Executive	6	6	Yes	-	-	-
3	Mr. Subir Ranjan Dasgupta	Independent	6	2	No	3	1	3
4	Mr. Amritanshu Khaitan	Non-Executive	6	5	Yes	9	-	-
5	Mr. Manmohan Singh	Independent	6	4	Yes	-	-	-
6	Mr. Padam Kumar Khaitan	Independent	6	4	Yes	8	3	6
7	Mr. Gobind Saraf	Independent	6	6	Yes	2	-	-
8	Mrs. Priya Saran Chaudhri	Independent	6	3	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.

The Company's Chairman is a Non-Executive Director and as at March 31, 2017, 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 2016 - 17. 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

financial year 2016-17, the Board has met six times as on 23/5/2016, 9/8/2016, 10/11/2016, 14/12/2016, 13/02/2017 and 29/03/2017 without exceeding 120 Days gap between two meetings. The meetings are convened by giving appropriate advance notice with material and important items pertaining to the development and working of the Company in an explanatory agenda leading to take strategic decisions. Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the Board members for facilitating meaningful, informed and focused decisions at the meetings. All the meetings of the Board and its committees were completed with proper quorum.

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 etc. to take note of the compliance of transactions & activities of the Company from time to time. All major decisions of the Company are taken by the Board in duly held meetings of it and its committees.

- i) The Board has been called within the required time gap under the listing agreement. During the

- 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 2016-17 are as under:

(Amount in Rs.)

Names of Directors	Designation	Sitting Fees	Salary & Perquisites **	Commission	Total
Mr. Aditya Khaitan	Non-Executive	60,000	NA	NA	60,000
Mr. Supriya Mukherjee	Executive	NA	145.50 Lacs**	Nil	145.50 Lacs**
Mr. Subir Ranjan Dasgupta	Independent	40,000	NA	NA	40,000
Mr. Amritanshu Khaitan	Non-Executive	50,000	NA	NA	50,000
Mr. Manmohan Singh	Independent	1,40,000	NA	NA	1,40,000
Mr. Padam Kumar Khaitan	Independent	70,000	NA	NA	70,000
Mr. Gobind Saraf	Independent	1,60,000	NA	NA	1,60,000
Mrs. Priya Saran Chaudhri	Independent	30,000	NA	NA	30,000

** 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, 2017 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 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

Note : during the year 2016-17, Mr. Subir Ranjan Dasgupta expressed his inability to continue as chairman of the Audit Committee, pursuant to which Mr. Gobind Saraf was appointed as the Chairman of Audit Committee.

ii) **Details of the meetings of the Audit Committee during the year 2016-17 and its objectives:-**

During the year 2016-17, 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			
		23/05/2016	09/08/2016	10/11/2016	13/02/2017
1	Mr. Subir Ranjan Dasgupta	Absent	Absent	Absent	Present
2	Mr. Supriya Mukherjee	Present	Present	Present	Present
3	Mr. Manmohan Singh	Present	Present	Present	Present
4	Mr. Gobind Saraf	Present	Present	Present	Present

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 2016 - 17:

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

One meeting of Nomination and Remuneration Committee was held during the financial year 2016 - 17 on 29th March, 2017 which was attended by Mr. Subir Ranjan Dasgupta and Mr. Gobind Saraf and the members reviewed the performance of senior management personnel and approved the terms of appointment of Managing Director, Mr. Supriya Mukherjee for a tenure of one year for the year 2017 - 18.

- 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 2016 - 17, 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 2016 - 17, Mr. Supriya Mukherjee, Managing Director was paid Rs. 54 Lacs as Basic Salary, Rs. 27 Lacs as Bonus, Rs. 42.90 Lacs as allowances, Rs. 2.47 Lacs as perquisites and Rs. 19.13 Lacs was contributed to his retirement funds. He does not hold any equity shares in the Company as

on 31st March, 2017. His tenure as per the agreement is from 01st April, 2014 till 31st March, 2017 was approved by shareholders at their meeting held on 30th September, 2014. The notice period is 6 months and no severance fees is payable to him. His remuneration during the past three years was as following:

Particulars	2016-17 (Rs.)	2015-16 (Rs.)	2014-15 (Rs.)
Salary	54,00,000	54,00,000	54,00,000
Perquisite	2,46,610	2,08,047	2,45,849
Bonus, special pay and allowances	69,90,000	69,90,000	69,90,000
Others Including retrial benefits	19,13,142	19,79,776	19,79,776

The details of relationship between Directors inter-se, sitting fees paid to Non-Executive Directors during the year 2016 - 17 (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 on 31st March, 2017 is as follows:

Names of Directors	Relationship between Directors inter-se	Sitting fees paid for Board Meetings and Committee Meetings (in Rs.)	Number of Equity Shares held in KEL as on 31 st March, 2017
Mr. Aditya Khaitan	Uncle of Mr. Amritanshu Khaitan	60,000	NIL
Mr. Amritanshu Khaitan	Nephew of Mr. Aditya Khaitan	50,000	NIL
Mr. Subir Ranjan Dasgupta	-	40,000	NIL
Mr. Manmohan Singh	-	1,40,000	NIL
Mr. Padam Kumar Khaitan	-	70,000	NIL
Mr. Gobind Saraf	-	1,60,000	NIL
Mrs. Priya Saran Chaudhri	-	30,000	NIL

The Non-Executive Directors were paid sitting fees of Rs. 10,000/- for each meeting of the Board and of Committee thereof 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 2016- 17, 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, 2017 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 2016 - 2017:

During the year 2016 - 2017, four meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Members	Meetings / Attendance			
		23/05/2016	9/08/2016	10/11/2016	13/02/2017
1	Mr. Padam Kumar Khaitan	Present	Present	Present	Absent
2	Mr. Gobind Saraf	Present	Present	Present	Present
3	Mr. Manmohan Singh	Present	Present	Present	Present

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 2016 - 17 is as follows:

Nature of Complaints	Number of Complaints Received	Number of Complaints Resolved
Non-receipt of Declared Dividend	8	4
Non-receipt of Share Certificates	1	1
Non-receipt of Annual Reports	2	2
Shares not dematerialized / rematerialized	NIL	NIL
Others	NIL	NIL
Total	11	7

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
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	10.00 a.m.
2013-2014	26 th	Tuesday, 30 th September, 2014	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
28 th	NIL	NA
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
26 th	1 (One)	1. Re-appointment of Mr. Supriya Mukherjee as Managing Director of the Company for a period of three years w.e.f. 01 st April, 2014;

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

Four resolutions as mentioned below were passed through Postal Ballot on 14th October, 2014 with requisite majority

1. Borrowing money(ies) for the business of the Company.
2. Creation of Charge / Mortgage on assets of the Company, both present and future, in favour of lenders.
3. Making loans / investments or providing security / guarantee for other companies, as may be necessary for business of the Company.
4. Adoption of new articles of association of the Company.

Under provisions of the Companies Act, 2013, As and when required, the Postal Ballot shall be conducted in accordance with the provisions of Section 110 of the Companies Act, 2013 and The Companies (Management and Administration) Rules, 2014.

IX. Disclosures

i) Related party transactions:

Related party transactions have been disclosed under Note 27.4 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, 2014 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, 2017, 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 is as follows;

i) The Board has constituted a Nomination / Remuneration Committee to determine competitive remuneration package of Executive Directors of the Company. The details of Remuneration Committee are given earlier in this report.

ii) 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, 2017 as required under SEBI Listing Regulations, 2015 was placed and taken on record at the Board Meeting of the Company held on 29th May, 2017.

xi) Certificate of compliance:

The Certificate of a Practising Company Secretary confirming compliance with all requirements of the Chapter IV of SEBI and SEBI (LODR) Regulations for the year ended 31st March, 2017 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 : Monday, 25th September, 2017
 Time : 10:00 a.m.
 Venue : Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001.

b) Financial year 2016-2017 (tentative schedule)

Quarter Results

Ending on June 30, 2017 : Second week of August 2017
 Ending on September 30, 2017 : Second week of November 2017
 Ending on December 31, 2017 : Second week of February 2018
 Year ended March 31, 2018 : In the month of May 2018 AGM is proposed to be held in August/September 2018.

c) Date of Book Closure

: 19th September, 2017 to 25th September, 2017 (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 2016-2017 has been paid to the above two Stock Exchanges within the stipulated time.

e) Stock Code

BSE Ltd : 522101
 The Calcutta Stock Exchange Association Ltd. : 21022

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 : 2016 - 17 was as following :

Month & Year	Share Price of KEL on BSE				BSE Sensex	
	Month's High (Rs.)	Month's Low (Rs.)	Month's Closing Price (Rs.)	Volume of shares traded (In no.)	Month's High (Index point)	Month's Low (Index point)
Apr-16	71.95	56	59.4	16305448	26,100.54	24,523.20
May-16	63	53	58.4	14295925	26,837.20	25,057.93
Jun-16	62.9	52	54.6	21647345	27,105.41	25,911.33
Jul-16	60.9	50.7	54.15	10391460	28,240.20	27,034.14
Aug-16	57.35	47	52.05	30969135	28,532.25	27,627.97
Sep-16	58.25	48	51.25	22352980	29,077.28	27,716.78
Oct-16	59	49.35	56.9	13378676	28,477.65	27,488.30
Nov-16	60	43.6	53.75	14482463	28,029.80	25,717.93
Dec-16	66	51	57.95	26434964	26,803.76	25,753.74
Jan-17	64.95	56.3	59.7	19547747	27,980.39	26,447.06
Feb-17	66	54	54.5	17764091	29,065.31	27,590.10
Mar-17	62	53.3	60.5	16933750	29,824.62	28,716.21

- i) Registrars and Transfer Agents : Maheshwari Datamatics Private Limited
6, Mangoe Lane,
2nd Floor, Surendra Mohan Ghosh Sarani,
Kolkata - 700 001.
Tel No.: (033) 2243 5809 / 5029; 2248 2248
Fax No.: (033) 2248 4787
E-mail: mdpl@cal.vsnl.net.in

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, 2017:

No. of Equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
UPTO - 500	7977	86.9063	1237338	9.3343
501 - 1000	587	6.3943	493166	3.7204
1001 - 2000	278	3.0283	429086	3.2370
2001 - 3000	103	1.1220	264797	1.9976
3001 - 4000	49	0.5338	174170	1.3139
4001 - 5000	49	0.5338	235825	1.7790
5001 - 10000	70	0.7625	552957	4.1714
10001 and above	66	0.7190	9868429	74.4463
TOTAL	9179	100.0000	13255768	100.0000

Shareholding pattern as on 31st March, 2017:

		Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding
A		Promoters' Holding			
	1	Promoters			
		Indian	8	7567738	57.09
		Foreign	-	-	-
B		Public Shareholding			
	2	Institutional Investors	-		
		a. Mutual Funds and UTI	2	900	0.01
		b. Banks, Financial Institutions	2	900	0.01
		c. Insurance Companies	-	-	-
		d. Foreign Institutional Investors	-	-	-
	3	Others			
		a. Bodies Corporate	121	924532	6.97
		b. Indian Public	8920	4446582	33.54
		c. NRIs / OCBs	64	43275	0.33
		d. Others	62	271841	2.05
		Total (1+2+3)	9179	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 2017

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, 2017 the data are as follows.

Particulars	No. of Shares	Percentage of Total Shares
Physical Segment	4,29,371	3.24%
NSDL	1,06,22,903	80.14%
CDSL	22,03,494	16.62%
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
2015-2016	Equity	Rs.2/-	Rs. 10/-	20 %
2014-2015	No dividend declared during 2014-15.			
2013-2014	No dividend declared during 2013-14.			

n) Unpaid / Unclaimed dividend

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 31.03.2017 (Rs.)	Date of Declaration	Dividend Payment Date	Due date for transfer to IEPF
2009-2010 Final	329647.50	31 st August, 2010	08 th September, 2010	07 th September, 2017
2010-2011 Final	485412.50	24 th September, 2011	07 th October, 2011	06 th October, 2018
2015-2016 Final	548848.00	22 nd September, 2016	10 th October, 2016	9 th October, 2023

Unpaid dividend amounting to Rs. 4,33,030 for the financial year 2008-09 was transferred to IEPF during the year 2017, pursuant to provisions of Section 124 of The Companies Act, 2013.

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., 6, Mangoe Lane, 2nd Floor, Surendra Mohan Ghosh Sarani, 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.,
6, Mangoe Lane, 2nd Floor, Surendra Mohan
Ghosh Sarani, 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: 10th August, 2017

Supriya Mukherjee
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, 2017

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our 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 our opinion and to the best of our 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.
Practicing Company Secretaries

Dhrumil M. Shah

Practicing Company Secretary
CP 8978; FCS 8021

Place: Mumbai
Date: 10th August, 2017

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Supriya Mukherjee, 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, 2017.

Place: Kolkata
Date: 10th August, 2017

Supriya Mukherjee
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, 2017, 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: Rs. 612.55 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 12.25 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) Specify the state and district where projects or programs were undertaken	Amount of outlay (budget of the Company) project or program wise (₹ Lakhs)	Amount spent on the projects of 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	6.00	6.00	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 regd. office	0.75	0.75	0.75	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	3.00	3.00	3.00	Implementing Agency : SHREE BHAIKAV SEVA SAMITI, BHIWANDI, DISTT. THANE
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	2.00	2.00	2.00	Implementing Agency : LIONS CLUB OF CALCUTTA METROPOLITAN, KOLKATA
5	Health care of underprivileged people	Sch. VII Item (i) and (iii)	(i) Local Area (ii)Howrah, Hooghly and Kolkata, where the Company has its regd. office	1.00	0.50	0.50	Implementing Agency : SHREE DIBYANANDA MISSION, KOLKATA

* The Company's CSR projects and programmes are carried out mainly through implementing agencies (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 percent of the average net profit of the last three financial years or any part thereof : Not Applicable
(However, the amount of Rs. 2.00 Lacs donated to LIONS CLUB OF CALCUTTA METROPOLITAN, KOLKATA was returned back to Company in August 2017, due to non availability of suitable projects and the same was donated to Rotary Club).
- 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
10th August, 2017

Supriya Mukherjee
Managing Director

Manmohan Singh
Chairman CSR Committee

Annexure – "V"

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 interpersonal 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: 10th August, 2017

Aditya Khaitan

Chairman

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

I. REGISTRATION AND OTHER DETAILS

- i) CIN : 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

S. 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-2016]				No of Shares held at the end of the year [As on 31-March-2017]				% 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	17201	0	17201	0.13	0.00
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	7567537	0	7567738	57.09	0.00
(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	7567738	0	7567738	57.09	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	900	900	0.01	0	900	900	0.0068	0.01
b) Banks/FI	200	700	900	0.01	200	700	900	0.0068	0.01
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):-	200	1600	1800	0.0136	200	1600	1800	0.0136	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	799635	4000	803635	6.0625	920532	4000	924532	6.9746	0.9121
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2516574	430919	2947493	22.2356	2733723	423271	3156994	23.8160	1.5804
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1541972	0	1541972	11.6325	1289588	0	1289588	9.7285	-1.9040

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2016]				No of Shares held at the end of the year [As on 31-March-2017]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (Specify)									
Non Resident Indians	85282	500	85782	0.6471	42775	500	43275	0.3265	-0.3206
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	238148	0	238148	1.7966	192641	0	192641	1.4533	-0.3433
Trusts	0	0	0	0.0000	10000	0	10000	0.0754	0.0754
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	69200	0	69200	0.522	69200	0	69200	0.522	0
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	5250811	435419	5686230	42.8963	5258459	427771	5686230	42.8963	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5251011	437019	5688030	42.9099	5258659	429371	5688030	42.9099	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	12818548	437220	13255768	100	12826397	429371	13255768	100	0

ii) Shareholding of Promoters

SI No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2016]			Shareholding at the end of the year [As on 31/03/2017]			% 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	15600	0.12	0.00	0.00
6	YASHODHARA KHAITAN	0	0.00	0.00	601	0.01	0.00	100.00
7	SHANTI KHAITAN	400	0.00	0.00	400	0.00	0.00	0.00
8	ESTATE OF DEEPAK KHAITAN	1201	0.01	0.00	0	0	0	(100.00)
9	VANYA KHAITAN	0	0.00	0.00	600	0.00	0.00	100.00
	TOTAL	7567738	57.09	0.00	7567738	57.09	0.00	0.00

iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/end of the year [31/Mar/17]	% of total shares of the company	Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	% of total shares of the company
		No. of shares		No. of shares	
1	MCLEOD RUSSEL INDIA LIMITED				
	01-04-2016	848168	6.3985		
	31-03-2017	848168	6.3985	848168	6.3985
2	UNITED MACHINE CO LTD				
	01-04-2016	929126	7.0092		
	31-03-2017	929126	7.0092	929126	7.0092
3	WILLIAMSON MAGOR & CO LIMITED				
	01-04-2016	4319043	32.5824		
	31-03-2017	4319043	32.5824	4319043	32.5824
4	BISHNAUTH INVESTMENTS LIMITED				
	01-04-2016	1454200	10.9703		
	31-03-2017	1454200	10.9703	1454200	10.9703
5	DEEPAK KHAITAN				
	01-04-2016	1	0.0000		
	22/03/2017 - Transmission	-1	0.0000	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
6	YASHODHARA KHAITAN				
	01-04-2016	0	0.0000		
	24/03/2017 - Transfer	1	0.0000	1	0.0000
	31/03/2017 - Transfer	-1	0.0000	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
7	SHANTI KHAITAN				
	01-04-2016	400	0.0030		
	31-03-2017	400	0.0030	400	0.0030
8	YASHODHARA KHAITAN				
	01-04-2016	0	0.0000		
	31/12/2016 - Transfer	600	0.0045	600	0.0045
	31/03/2017 - Transfer	1	0.0000	601	0.0045
9	DEEPAK KHAITAN				
	01-04-2016	1200	0.0091		
	31/10/2016 - Transmission	(1200)	0.0091	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
10	B M KHAITAN				
	01-04-2016	15600	0.1177		
	31-03-2017	15600	0.1177	15600	0.1177
11	VANYA KHAITAN				
	01-04-2016	0	0.0000		
	31/12/2016 - Transfer	600	0.0045	600	0.0045
	31-03-2017	600	0.0045	600	0.0045

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/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		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 *				
	01-04-2016	0	0.0000		
	05/08/2016 - Transfer	450	0.0034	450	0.0034
	12/08/2016 - Transfer	-50	0.0004	400	0.0030
	21/10/2016 - Transfer	-200	0.0015	200	0.0015
	04/11/2016 - Transfer	600	0.0045	800	0.0060
	09/12/2016 - Transfer	-800	0.0060	0	0.0000
	16/12/2016 - Transfer	24659	0.1860	24659	0.1860
	23/12/2016 - Transfer	18049	0.1362	42708	0.3222
	30/12/2016 - Transfer	-1980	0.0149	40728	0.3072
	06/01/2017 - Transfer	17961	0.1355	58689	0.4427
	13/01/2017 - Transfer	7869	0.0594	66558	0.5021
	20/01/2017 - Transfer	-48798	0.3681	17760	0.1340
	27/01/2017 - Transfer	-500	0.0038	17260	0.1302
	03/02/2017 - Transfer	3908	0.0295	21168	0.1597
	10/02/2017 - Transfer	10475	0.0790	31643	0.2387
	17/02/2017 - Transfer	37229	0.2809	68872	0.5196
	24/02/2017 - Transfer	3141	0.0237	72013	0.5433
	03/03/2017 - Transfer	1578	0.0119	73591	0.5552
	10/03/2017 - Transfer	-267	0.0020	73324	0.5531
	17/03/2017 - Transfer	4500	0.0339	77824	0.5871
	24/03/2017 - Transfer	-500	0.0038	77324	0.5833
	31/03/2017 - Transfer	-1760	0.0133	75564	0.5700
2	SMC GLOBAL SECURITIES LIMITED				
	01-04-2016	25942	0.1957		
	08/04/2016 - Transfer	-440	0.0033	25502	0.1924
	22/04/2016 - Transfer	80	0.0006	25582	0.1930
	29/04/2016 - Transfer	2100	0.0158	27682	0.2088
	06/05/2016 - Transfer	-1500	0.0113	26182	0.1975
	13/05/2016 - Transfer	1000	0.0075	27182	0.2051
	27/05/2016 - Transfer	-1080	0.0081	26102	0.1969
	03/06/2016 - Transfer	-600	0.0045	25502	0.1924
	17/06/2016 - Transfer	-8450	0.0637	17052	0.1286
	24/06/2016 - Transfer	1995	0.0151	19047	0.1437
	30/06/2016 - Transfer	-935	0.0071	18112	0.1366
	08/07/2016 - Transfer	12000	0.0905	30112	0.2272
	15/07/2016 - Transfer	-2110	0.0159	28002	0.2112
	22/07/2016 - Transfer	9200	0.0694	37202	0.2806

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	29/07/2016 - Transfer	2350	0.0177	39552	0.2984
	05/08/2016 - Transfer	-350	0.0026	39202	0.2957
	12/08/2016 - Transfer	2750	0.0207	41952	0.3165
	19/08/2016 - Transfer	-600	0.0045	41352	0.3120
	26/08/2016 - Transfer	4139	0.0312	45491	0.3432
	02/09/2016 - Transfer	-989	0.0075	44502	0.3357
	09/09/2016 - Transfer	170	0.0013	44672	0.3370
	16/09/2016 - Transfer	50	0.0004	44722	0.3374
	23/09/2016 - Transfer	-2000	0.0151	42722	0.3223
	30/09/2016 - Transfer	7960	0.0600	50682	0.3823
	07/10/2016 - Transfer	1900	0.0143	52582	0.3967
	14/10/2016 - Transfer	-3000	0.0226	49582	0.3740
	21/10/2016 - Transfer	1	0.0000	49583	0.3740
	28/10/2016 - Transfer	840	0.0063	50423	0.3804
	04/11/2016 - Transfer	-1	0.0000	50422	0.3804
	11/11/2016 - Transfer	-19	0.0001	50403	0.3802
	18/11/2016 - Transfer	35	0.0003	50438	0.3805
	25/11/2016 - Transfer	-6350	0.0479	44088	0.3326
	02/12/2016 - Transfer	-1000	0.0075	43088	0.3251
	09/12/2016 - Transfer	6295	0.0475	49383	0.3725
	16/12/2016 - Transfer	10	0.0001	49393	0.3726
	23/12/2016 - Transfer	4295	0.0324	53688	0.4050
	30/12/2016 - Transfer	860	0.0065	54548	0.4115
	06/01/2017 - Transfer	-1072	0.0081	53476	0.4034
	13/01/2017 - Transfer	-2328	0.0176	51148	0.3859
	20/01/2017 - Transfer	-900	0.0068	50248	0.3791
	27/01/2017 - Transfer	1000	0.0075	51248	0.3866
	03/02/2017 - Transfer	293	0.0022	51541	0.3888
	10/02/2017 - Transfer	-673	0.0051	50868	0.3837
	17/02/2017 - Transfer	20	0.0002	50888	0.3839
	03/03/2017 - Transfer	134	0.0010	51022	0.3849
	10/03/2017 - Transfer	40	0.0003	51062	0.3852
	17/03/2017 - Transfer	358	0.0027	51420	0.3879
	24/03/2017 - Transfer	-195	0.0015	51225	0.3864
	31-03-2017	51225	0.3864	51225	0.3864
3	SUSHIL FINANCIAL SERVICES PRIVATE LTD (BEN A/C)				
	01-04-2016	88522	0.6678		
	08/04/2016 - Transfer	-534	0.0040	87988	0.6638
	15/04/2016 - Transfer	100	0.0008	88088	0.6645

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	22/04/2016 - Transfer	1598	0.0121	89686	0.6766
	29/04/2016 - Transfer	-830	0.0063	88856	0.6703
	06/05/2016 - Transfer	-788	0.0059	88068	0.6644
	13/05/2016 - Transfer	113	0.0009	88181	0.6652
	20/05/2016 - Transfer	57	0.0004	88238	0.6657
	27/05/2016 - Transfer	-200	0.0015	88038	0.6641
	03/06/2016 - Transfer	200	0.0015	88238	0.6657
	10/06/2016 - Transfer	1700	0.0128	89938	0.6785
	17/06/2016 - Transfer	3000	0.0226	92938	0.7011
	24/06/2016 - Transfer	-4410	0.0333	88528	0.6678
	30/06/2016 - Transfer	-350	0.0026	88178	0.6652
	08/07/2016 - Transfer	-200	0.0015	87978	0.6637
	15/07/2016 - Transfer	390	0.0029	88368	0.6666
	29/07/2016 - Transfer	1799	0.0136	90167	0.6802
	05/08/2016 - Transfer	2100	0.0158	92267	0.6961
	12/08/2016 - Transfer	4592	0.0346	96859	0.7307
	19/08/2016 - Transfer	-3943	0.0297	92916	0.7009
	26/08/2016 - Transfer	34839	0.2628	127755	0.9638
	02/09/2016 - Transfer	-21991	0.1659	105764	0.7979
	09/09/2016 - Transfer	-10346	0.0780	95418	0.7198
	16/09/2016 - Transfer	5181	0.0391	100599	0.7589
	23/09/2016 - Transfer	-2739	0.0207	97860	0.7382
	30/09/2016 - Transfer	-685	0.0052	97175	0.7331
	07/10/2016 - Transfer	-1579	0.0119	95596	0.7212
	14/10/2016 - Transfer	552	0.0042	96148	0.7253
	21/10/2016 - Transfer	1308	0.0099	97456	0.7352
	28/10/2016 - Transfer	1114	0.0084	98570	0.7436
	04/11/2016 - Transfer	201	0.0015	98771	0.7451
	11/11/2016 - Transfer	1310	0.0099	100081	0.7550
	18/11/2016 - Transfer	1705	0.0129	101786	0.7679
	25/11/2016 - Transfer	886	0.0067	102672	0.7745
	02/12/2016 - Transfer	1449	0.0109	104121	0.7855
	09/12/2016 - Transfer	-100	0.0008	104021	0.7847
	16/12/2016 - Transfer	3203	0.0242	107224	0.8089
	23/12/2016 - Transfer	-7263	0.0548	99961	0.7541
	30/12/2016 - Transfer	931	0.0070	100892	0.7611
	06/01/2017 - Transfer	-850	0.0064	100042	0.7547
	13/01/2017 - Transfer	-150	0.0011	99892	0.7536
	20/01/2017 - Transfer	402	0.0030	100294	0.7566
	27/01/2017 - Transfer	-5174	0.0390	95120	0.7176
	03/02/2017 - Transfer	-9626	0.0726	85494	0.6450

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	10/02/2017 - Transfer	4406	0.0332	89900	0.6782
	17/02/2017 - Transfer	191	0.0014	90091	0.6796
	24/02/2017 - Transfer	319	0.0024	90410	0.6820
	03/03/2017 - Transfer	4190	0.0316	94600	0.7137
	10/03/2017 - Transfer	-400	0.0030	94200	0.7106
	17/03/2017 - Transfer	3100	0.0234	97300	0.7340
	24/03/2017 - Transfer	-200	0.0015	97100	0.7325
	31/03/2017 - Transfer	5300	0.0400	102400	0.7725
4	YORK FINANCIAL SERVICES PVT. LTD.				
	01-04-2016	59326	0.4475		
	08/04/2016 - Transfer	44999	0.3395	104325	0.7870
	04/11/2016 - Transfer	-8298	0.0626	96027	0.7244
	11/11/2016 - Transfer	2670	0.0201	98697	0.7446
	23/12/2016 - Transfer	4341	0.0327	103038	0.7773
	06/01/2017 - Transfer	-13000	0.0981	90038	0.6792
	13/01/2017 - Transfer	-10000	0.0754	80038	0.6038
	20/01/2017 - Transfer	-26600	0.2007	53438	0.4031
	27/01/2017 - Transfer	-6600	0.0498	46838	0.3533
	10/02/2017 - Transfer	-3658	0.0276	43180	0.3257
	31-03-2017	43180	0.3257	43180	0.3257
5	G. SUNDAR				
	01-04-2016	178101	1.3436		
	31-03-2017	178101	1.3436	178101	1.3436
6	RADHIKA TRADERS & INVESTORS LTD				
	01-04-2016	69200	0.5220		
	31-03-2017	69200	0.5220	69200	0.5220
7	ANUSHIKHA INVESTMENTS PVT LTD #				
	01-04-2016	185948	1.4028		
	03/06/2016 - Transfer	-10609	0.0800	175339	1.3227
	10/06/2016 - Transfer	-9870	0.0745	165469	1.2483
	05/08/2016 - Transfer	-165469	1.2483	0	0.0000
	11/11/2016 - Transfer	10000	0.0754	10000	0.0754
	18/11/2016 - Transfer	-7741	0.0584	2259	0.0170
	16/12/2016 - Transfer	3245	0.0245	5504	0.0415
	10/02/2017 - Transfer	-5504	0.0415	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
8	KASHI PRASAD JHUNJHUNWALA				
	01-04-2016	86030	0.6490		
	31-03-2017	86030	0.6490	86030	0.6490
9	CHOICE EQUITY BROKING PRIVATE LIMITED				
	01-04-2016	7000	0.0528		

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	22/04/2016 - Transfer	40000	0.3018	47000	0.3546
	29/04/2016 - Transfer	4141	0.0312	51141	0.3858
	13/05/2016 - Transfer	-1650	0.0124	49491	0.3734
	27/05/2016 - Transfer	-410	0.0031	49081	0.3703
	03/06/2016 - Transfer	-17557	0.1324	31524	0.2378
	10/06/2016 - Transfer	30476	0.2299	62000	0.4677
	24/06/2016 - Transfer	-2000	0.0151	60000	0.4526
	15/07/2016 - Transfer	-3000	0.0226	57000	0.4300
	12/08/2016 - Transfer	10000	0.0754	67000	0.5054
	26/08/2016 - Transfer	-10000	0.0754	57000	0.4300
	23/09/2016 - Transfer	-3167	0.0239	53833	0.4061
	30/09/2016 - Transfer	-3833	0.0289	50000	0.3772
	14/10/2016 - Transfer	2000	0.0151	52000	0.3923
	21/10/2016 - Transfer	-2000	0.0151	50000	0.3772
	11/11/2016 - Transfer	465	0.0035	50465	0.3807
	18/11/2016 - Transfer	-465	0.0035	50000	0.3772
	16/12/2016 - Transfer	3035	0.0229	53035	0.4001
	23/12/2016 - Transfer	-3035	0.0229	50000	0.3772
	31-03-2017	50000	0.3772	50000	0.3772
10	YARLAGADDA SVRPC PRABHAKARA PRASAD*				
	01-04-2016	0	0.0000		
	29/07/2016 - Transfer	4405	0.0332	4405	0.0332
	12/08/2016 - Transfer	16694	0.1259	21099	0.1592
	09/09/2016 - Transfer	41360	0.3120	62459	0.4712
	16/09/2016 - Transfer	30717	0.2317	93176	0.7029
	09/12/2016 - Transfer	6374	0.0481	99550	0.7510
	23/12/2016 - Transfer	-20130	0.1519	79420	0.5991
	30/12/2016 - Transfer	-5474	0.0413	73946	0.5578
	31-03-2017	73946	0.5578	73946	0.5578
11	SEEMA JAIN #				
	01-04-2016	105418	0.7953		
	12/08/2016 - Transfer	-58146	0.4386	47272	0.3566
	19/08/2016 - Transfer	-22019	0.1661	25253	0.1905
	26/08/2016 - Transfer	-25253	0.1905	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
12	ARYAV SECURITIES PRIVATE LIMITED *				
	01-04-2016	54690	0.4126		
	08/04/2016 - Transfer	15000	0.1132	69690	0.5257
	27/05/2016 - Transfer	-3356	0.0253	66334	0.5004
	08/07/2016 - Transfer	2259	0.0170	68593	0.5175
	15/07/2016 - Transfer	-3225	0.0243	65368	0.4931
	05/08/2016 - Transfer	153802	1.1603	219170	1.6534
	02/09/2016 - Transfer	-2702	0.0204	216468	1.6330
	16/09/2016 - Transfer	-770	0.0058	215698	1.6272

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	30/09/2016 - Transfer	-4385	0.0331	211313	1.5941
	11/11/2016 - Transfer	-10000	0.0754	201313	1.5187
	20/01/2017 - Transfer	-7832	0.0591	193481	1.4596
	31-03-2017	193481	1.4596	193481	1.4596
13	RISEWELL HOUSING LLP				
	01-04-2016	172270	1.2996		
	30/09/2016 - Transfer	-6813	0.0514	165457	1.2482
	31-03-2017	165457	1.2482	165457	1.2482
14	SKYBRIDGE REAL ESTATES LLP				
	01-04-2016	132900	1.0026		
	08/04/2016 - Transfer	19709	0.1487	152609	1.1513
	28/10/2016 - Transfer	-7560	0.0570	145049	1.0942
	04/11/2016 - Transfer	-8738	0.0659	136311	1.0283
	11/11/2016 - Transfer	-2670	0.0201	133641	1.0082
	23/12/2016 - Transfer	6882	0.0519	140523	1.0601
	31/03/2017 - Transfer	-6621	0.0499	133902	1.0101
15	DEVIKA ANAND #				
	01-04-2016	90091	0.6796		
	22/04/2016 - Transfer	-67660	0.5104	22431	0.1692
	29/04/2016 - Transfer	-22431	0.1692	0	0.0000
	31-03-2017	0	0.0000	0	0.0000
16	BHAGIRATH PASARI				
	01-04-2016	194100	1.4643		
	31-03-2017	194100	1.4643	194100	1.4643

* Not in the list of Top 10 shareholders as on 01/04/2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.

Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning [01/04/16]/ end of the year [31/03/2017]	% of total shares of the company	Cumulative Shareholding during the year [01/04/16 to 31/03/2017]	% of total shares of the company
		No. of shares		No. of shares	
1	ARVIND BAJORIA				
	01-04-2016	5	0.0000		
	31-03-2017	5	0.0000	5	0.0000
2	B M KHAITAN				
	01-04-2015	15600	0.1177		
	31-03-2016	15600	0.1177	15600	0.1177

V. INDEBTEDNESS

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

(Rs. Lakhs)

Sl. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of financial year				
i.	Principal Amount	1648.46	-	-	1648.46
ii.	Interest due but not paid	-	-	-	-
iii.	Interest accrued but not due	2.73	-	-	2.73
	Total (i+ii+iii)	1651.19	-	-	1651.19
	Change in Indebtedness during the financial year				
	• Addition	11807.90	-	-	11807.90
	• Reduction	-	-	-	-
	Net Change	11807.90	-	-	11807.90
	Indebtedness at the end of the 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

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

(Rs. Lakhs)

Sl. No.	Particulars	Remuneration to Managing Director
1	Gross Salary	
a.	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	96.90
b.	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.93
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	98.83

B. Remuneration to other directors

Names of Directors	Sitting Fees (Rs./-)	Commission	Others	Total
Mr. Aditya Khaitan	60,000	0.00	0.00	60,000
Mr. Subir Ranjan Dasgupta	40,000	0.00	0.00	40,000
Mr. Amritanshu Khaitan	50,000	0.00	0.00	50,000
Mr. Manmohan Singh	1,40,000	0.00	0.00	1,40,000
Mr. Padam Kumar Khaitan	70,000	0.00	0.00	70,000
Mr. Gobind Saraf	1,60,000	0.00	0.00	1,60,000
Mrs. Priya Saran Chaudhri	30,000	0.00	0.00	30,000

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

(Rs. 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	43.67	11.20
b.	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2.18	0.73
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	45.85	11.93

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offenses for the year ended March 31, 2017.

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017
[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, 2017** 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, 2017** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("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. No changes in Composition of Board of Directors were took place during the period under review.

Adequate notice is given to all Directors to schedule Board Meetings. Agenda and detailed notes on agenda were sent generally 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: 10th August 2017

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.**

Dhrumil M Shah

Practicing Company Secretary
CP 8978; FCS 8021

Place: Mumbai
Date: 10th August 2017

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, 2017.

A. CONSERVATION OF ENERGY-

a) steps taken or impact on conservation of energy :

- i. Purchase of 5 nos. inverter based welding machines to reduce the energy consumption by replacement of conventional welding machines.
- ii. Purchase of 1 no. Column and Boom SAW welding machine to increase productivity.
- iii. active monitoring of utilization of energy to reduce wastage

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

Nil

c) Capital investment on energy conservation equipments :

Rs. 20.55 Lacs were invested in inverter based welding machines.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption:-

- A. After continuous Pilot Plant trial runs, we have developed Paddle Drying System using conduction mode of heat transfer principle for drying of polyether sulphone. Uniform product temperature was important parameter during drying operation to remove methanol and water solvent from the wet product to desired level.

Conduction mode of heat transfer through Hollow paddles /shaft/jacket to the surrounding material results very efficient drying system in terms of utility requirement and product quality.

In conduction mode of drying technology, system efficiency is very close to 100% as compared to any other mode of heat transfer for drying of product.

B. Sludge Drying / Municipal Waste / Human Waste Drying

Company will be extending conduction mode of drying technology for efficient use of drying of various types of waste using paddle dryer.

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

Using 80% of heat transfer through paddles and 20% through jacket results in very compact and efficient equipment. System can control product characteristic resulting in better quality product with lower utility consumption. As no medium is used during drying / heating, collection of solvent is equally efficient with lower utility consumption in terms of chilled water used for condenser.

3. Information regarding imported technology (Three Years)

- 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 different applications. We have done work to dry human waste using paddle dryer technology.
- 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 ₹ 63.95 Lacs
- c) Total ₹ 63.95 Lacs
- d) Total R&D expenditure as a percentage of total turnover 0.47

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 ₹ 1156.41 Lacs
Total foreign exchange earned ₹ 2745.43 Lacs

For and on behalf of the Board

Place: Kolkata
Date: 10th August, 2017

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 – As following

The agreement was approved by Audit Committee for two years in the meeting held on 12th February, 2015.

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, 2016 to March 31, 2017	24.00

2. Details of contract or arrangements or transactions at arm's length basis during the year ended 31st March 2017:

The Omnibus approval was given by Audit Committee in the meeting held on 23rd May 2016.

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

Name of Party	Relationship	Nature of transaction	Duration	Salient terms including value (₹ Lakhs)
Williamson Magor and Company Limited	Associate Company	Payment of Rent monthly	April 1, 2015 to March 31, 2017	16.80
Williamson Magor and Company Limited	Associate Company	Reimbursement of electricity charges	- do -	6.26
Williamson Magor and Company Limited	Associate Company	Inter Corporate Deposit (ICD) given	March, 2017	300.00
Williamson Magor and Company Limited	Associate Company	Interest Income on ICD	April 1, 2016 to March 31, 2017	41.88
Babcock Borsig Limited	Company in which directors are interested	Placement of ICD (approved by Audit Committee on 09-08-2016)	September, 2016	6800.00
Mcnally Bharat Engg. Company Limited	Company in which directors are interested	Placement of ICD (approved by Audit Committee on 10-11-2016)	February, 2017	3680.00
Mcnally Bharat Engg. Company Limited	Company in which directors are interested	Inter Corporate Deposit (ICD) returned	March, 2017	3680.00
Mcnally Bharat Engg. Company Limited	Company in which directors are interested	Interest Income on ICD	March, 2017	64.27
Babcock Borsig Limited	Company in which directors are interested	Placement of ICD (approved by Audit Committee on 13-02-2017)	March, 2017	3980.00
Babcock Borsig Limited	Company in which directors are interested	Interest Income on ICD	March, 2017	875.41
Mrs. Isha Khaitan	Spouse of Director (Mr. Amritanshu Khaitan)	Payment of consultancy fees (revision of fees was approved by Audit Committee on 09-08-2016)	April 1, 2016 to March 31, 2017	10.80

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.

For and on behalf of the Board

Kolkata

Date: 10th August, 2017

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 69.44 : 1</p> <p><u>Non Executive Directors</u></p> <p>Mr. Aditya Khaitan 3.44 : 1</p> <p>Mr. Amritanshu Khaitan 2.86 : 1</p> <p>Mr. Manmohan Singh 8.02 : 1</p> <p>Mr. Subir Ranjan Dasgupta 2.29 : 1</p> <p>Mr. Padam Kumar Khaitan 4.01 : 1</p> <p>Mr. Gobind Saraf 9.74 : 1</p> <p>Mrs. Priya Saran Chaudhri 1.72 : 1</p> <p>Remuneration of Non-Executive Directors consists of Sitting Fees received for attending Board/Committee Meetings for 2016-17</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 during the year. Salary of CFO was increased by 15 % and CS was increased by 10%
3	The percentage increase in the median remuneration of employees in the financial year	8.3% increase in the median remuneration of workmen
4	The number of permanent employees on the rolls of the Company	362 employees were on the rolls of company as on March 31, 2017.
5	The explanation on the relationship between average increase in remuneration and Company performance	During 2016-17, Profit Before Tax (PBT) of Company increased by 24% (approx). The remuneration of managerial personnel was increased by 10% (approx) during the year and wages of workmen increased by 8%.
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total remuneration of Key Managerial Personnel is 15.58% of the Profit Before Tax (PBT) for the year 2016-17.
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 83.98 crores as on March 31, 2016 to Rs. 80.20 crores as of March 31, 2017. Over the same period, the price to earnings ratio moved from 10.59 to 10.94. The stock price of the Company as at March 31, 2017 has increased by 142% to Rs. 60.50 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.
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.	Average salary of workmen increased by 8.3% % during the year 2016 - 17 and there was Approx 10% increase in the remuneration of managerial personnel during the year.

Sr. no.	Requirements	Disclosure
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration of Key Managerial Personnel was 15.58% of the Profit Before Tax (PBT) for the year 2016-17. MD (10.56%), CFO (3.98%) and CS (1.04%)
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

Kolkata

Date: 10th August, 2017

Aditya Khaitan

Chairman

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KILBURN ENGINEERING LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

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

Auditor's Responsibility

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

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

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

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

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

Basis for Qualified Opinion

The Company has made a partial provision for diminution in value of its investment in equity shares of Mcnally Bharat Engineering Company Limited for reason stated in note 26.4. We are unable to express an opinion on the extent of other than temporary diminution, if any, in the value of investment in view of significant reduction in market price of the shares.

This matter was qualified in our report on the financial statements for the year ended 31st March, 2016.

Qualified Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above relating to Accounting Standard 13, Accounting for Investments, in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - i) 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, as amended, 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 as at the year-end on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at the year-end;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December 2016. Based on the audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117364W)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Kolkata
Date : 29th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (h) under 'Report on other Legal and Regulatory Requirements' of our Report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of KILBURN ENGINEERING Limited (the "Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, a material weakness has been identified as at 31st March, 2017 in the Company's internal control system with respect to valuation of the Investment in shares of Mcnally Bharat Engineering Company Limited in view of the significant reduction in the market price of the shares, as described in Note 26.4 of the Financial Statement, which could result in stating the investments at a value higher than its realisable value.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of 31st March, 2017.

We have considered the material weakness reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended 31st March, 2017, and the material weakness has affected our opinion on the said financial statements of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117364W)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Kolkata
Date : 29th May, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirements' Section 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) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) Immovable properties of land and buildings including leasehold land, whose title deeds have been pledged as security for Cash Credit facility are held in the name of the Company based on the confirmations directly received by us from lenders. In respect of immovable properties of leasehold land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) In our opinion and according to information and explanations given to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no amount overdue for more than 90 days as at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans. The Company has not made any investments or provided any guarantees.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit during the year and the provisions of Sections 73 to 76 of the Companies Act, 2013 are not applicable and hence reporting under clause 3(v) of the Order is also not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In our opinion and according to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in lakhs)
Central Sales Tax Act	Sales Tax	Tribunal (Appeal II)	F Y 2008-09	13.86
Central Sales Tax Act	Central Sales Tax	Joint Commissioner of Sales Tax	F Y 2005-06	488.42
Maharashtra VAT Act	VAT	Joint Commissioner of Sales Tax	F Y 2005-06	111.98
Income Tax Act	Income Tax	Deputy Commissioner of Income Tax	A Y 2008-09	18.51
Income Tax Act	Income Tax	Deputy Commissioner of Income Tax	A Y 2010-11	14.15
Income Tax Act	Income Tax	Deputy Commissioner of Income Tax	A Y 2011-12	57.88
Central Excise Act 1994	Excise Duty	Additional Commissioner of Central Excise	F Y 2011-12	70.06

There are no dues of Service Tax and Customs Duty as on March 31, 2017 on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to and banks. The Company has not taken any loan from financial institutions or government and not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have not been utilized for the purpose for which these have been taken as on 31st March 2017. The term loans of ₹ 110 crores net of processing fees of ₹ 2.20 crores have been deployed as Inter Corporate Deposits of ₹ 107.80 Crores 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) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117364W)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Kolkata
Date : 29th May, 2017

BALANCE SHEET

AS AT 31ST MARCH, 2017

₹ in Lacs

Particulars	Note No.	As at 31 st March, 2017	As at 31 st March, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,325.58	1,325.58
(b) Reserves and surplus	4	9,692.73	8,959.72
		11,018.31	10,285.30
2 Non-current liabilities			
(a) Long-term borrowings	5	2,322.65	30.90
(b) Deferred tax liabilities (Net)	6	283.00	-
		2,605.65	30.90
3 Current liabilities			
(a) Short-term borrowings	7	11,131.97	1,617.56
(b) Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 26.2)		11.13	14.70
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,928.69	2,838.19
(c) Other current liabilities	9	3,065.21	4,738.93
(d) Short-term provisions	10	642.36	946.73
		16,779.36	10,156.11
TOTAL		30,403.32	20,472.31
B ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	11		
(i) Tangible assets		5,858.09	6,156.57
(ii) Intangible assets		24.32	34.60
(iii) Capital work-in-progress		0.16	-
		5,882.57	6,191.17
(b) Non-current investments	12	1,309.65	1,509.65
(c) Long-term loans and advances	13	742.26	462.08
(d) Other Non current assets	14	174.75	161.55
		8,109.23	8,324.45
2 Current assets			
(a) Inventories	15	929.17	1,335.92
(b) Trade receivables	16	1,141.57	1,724.85
(c) Cash and cash equivalents	17	1,001.69	672.89
(d) Short-term loans and advances	18	12,063.16	2,087.74
(e) Other current assets	19	7,158.50	6,326.46
		22,294.09	12,147.86
TOTAL		30,403.32	20,472.31
See accompanying notes forming part of the financial statements	1-32		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

G.K. Subramaniam
Partner

Place : Kolkata
Date : 29th May 2017

Aditya Khaitan
Chairman
(DIN - 00023788)

A. Suresh
VP-Finance & Chief Financial Officer

Place : Kolkata
Date : 29th May 2017

For and on behalf of the Board of Directors

Supriya Mukherjee
Managing Director
(DIN - 00127747)

Arvind Kumar Bajoria
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

₹ in Lacs

Particulars	Note No.	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
1 Revenue from operations (gross)		14,837.81	14,516.23
Less: Excise duty	20	(1,239.78)	(1,007.85)
Revenue from operations (net)		13,598.03	13,508.38
2 Other income	21	795.78	464.67
3 Total revenue (1+2)		14,393.81	13,973.05
4 Expenses			
(a) Cost of materials consumed	22.a	6,139.09	7,300.22
(b) Changes in inventories of finished goods and work-in-progress	22.b	271.22	(101.79)
(c) Employee benefits expense	23	1,957.21	1,871.97
(d) Finance costs	24	1,196.31	600.10
(e) Depreciation and amortisation expense	11	435.06	433.95
(f) Other expenses	25	3,244.60	2,938.74
Total expenses		13,243.49	13,043.19
5 Profit before tax (3 - 4)		1,150.32	929.86
6 Tax expense :			
(a) Current tax expense		188.00	-
(b) Excess provision for tax relating to prior years		(53.69)	136.75
(c) Deferred tax		283.00	-
		417.31	136.75
7 Profit for the year (5-6)		733.01	793.11
8 Earnings per share (of ₹ 10/- each):	27.5		
Basic / Diluted		5.53	5.98
See accompanying notes forming part of the financial statements	1- 32		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

G.K. Subramaniam
Partner

Aditya Khaitan
Chairman
(DIN - 00023788)

A. Suresh
VP-Finance & Chief Financial Officer

Place : Kolkata
Date : 29th May 2017

Place : Kolkata
Date : 29th May 2017

For and on behalf of the Board of Directors

Supriya Mukherjee
Managing Director
(DIN - 00127747)

Arvind Kumar Bajoria
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

₹ in Lacs

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	1,150.32	929.86
Adjustments for :		
Depreciation and amortisation expense	435.06	433.95
Adjustments to the carrying amount of long-term investments	200.00	200.00
Provision for duty draw back claim receivable	36.29	-
Duty draw back claim written off	95.50	-
Liabilities no longer required written back	(21.59)	(275.37)
Bad debts written off	139.64	122.70
Liquidated Damages, Warranties and Rebates (net)	(4.12)	161.82
Net gain in foreign currency translations	(72.85)	(50.80)
Finance Costs	1,196.31	600.10
Dividend Income	(4.05)	(2.71)
Interest Income	(719.11)	(137.04)
Operating profit before working capital changes	2,431.40	1,982.51
Changes in Working Capital :		
Adjustments for (increase) / decrease in operating assets		
Inventories	406.75	(238.14)
Trade receivables	472.73	(1,256.51)
Short-term loans and advances	372.79	452.44
Long-term loans and advances	0.92	(10.47)
Other current assets	(735.95)	(583.38)
Other non-current assets	-	2.95
	517.24	(1,633.11)
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	(913.07)	(16.00)
Other current liabilities	(1,605.41)	1,967.11
Short term provisions	25.76	4.59
Long term provisions	-	(192.91)
Cash Generated from Operations	455.92	2,112.19
Net Income Tax Paid	(422.32)	(207.45)
Net Cash flow from Operating Activities	33.60	1,904.74

₹ in Lacs

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed Assets	(126.46)	(171.21)
Net Bank balances not considered as cash and cash equivalents	(89.70)	(4.03)
Interest Received	623.02	498.76
Dividend Received	4.05	2.71
Inter-corporate deposit given	(14,460.00)	(415.00)
Inter-corporate deposit refunded	3,980.00	-
Net Cash used in from Investing Activities	(10,069.09)	(88.77)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid (including Dividend Distribution Tax)	(317.96)	(0.05)
(Decrease) / Increase in Short Term Bank Borrowings	814.41	(1,238.45)
Proceeds from short term bank borrowings	8,700.00	-
Proceeds from long term bank borrowings	2,299.25	43.00
Repayment of car loan (finance lease obligations)	(7.50)	(4.60)
Finance Cost	(1,200.41)	(603.03)
Net Cash (used in) from Financing Activities	10,287.79	(1,803.13)
Net increase in cash & cash equivalents (A+B+C)	252.30	12.84
Cash & Cash Equivalents - Opening Balance	38.91	26.07
Cash & Cash Equivalents - Closing Balance	291.21	38.91

Notes

- The above Cash Flow Statement has been prepared under "Indirect Method" set out in Accounting Standard (AS - 3) Cash Flow Statements" as notified under the Companies (Accounting Standards) Rules, 2006.
- Figures relating to the previous year have been recast where necessary to confirm to figures of the current year.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

G.K. Subramaniam
Partner

Place : Kolkata
Date : 29th May 2017

Aditya Khaitan
Chairman
(DIN - 00023788)

A. Suresh
VP-Finance & Chief Financial Officer

Place : Kolkata
Date : 29th May 2017

For and on behalf of the Board of Directors

Supriya Mukherjee
Managing Director
(DIN - 00127747)

Arvind Kumar Bajoria
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information

Kilburn Engineering Limited is primarily engaged in designing, manufacturing and commissioning customized equipment / systems for critical applications in several industrial sectors viz. Chemical including Soda Ash, Carbon Black, Steel, Nuclear Power, Petrochemical and Food Processing etc.

2 Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') and the relevant provisions of the Act. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Inventories are valued, after providing for obsolescence and other losses where considered necessary as under:

- Raw Materials/Components: at lower of cost (determined on weighted average cost basis) and net realizable value.
- Stores and spare parts: at lower of cost (determined on FIFO basis) and net realizable value.
- Work-in-progress and Finished Goods: at lower of weighted average cost (including appropriate proportion of overheads) and net realizable value.

Net realisable value is estimated at the expected selling price less estimated completion and selling costs.

2.4 Property, plant and equipment (Tangible / Intangible)

Fixed Assets are recorded at cost. The cost of fixed assets include all costs incidental to acquisition, commissioning and related internal costs. The fixed assets are carried at cost less accumulated depreciation.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold land is amortised over the duration of the lease. Intangible assets are amortised over their estimated useful life on straight line method over a period of 5 years.

Assets costing Rs. 5,000/- or less are fully depreciated in the year of acquisition. Lease hold land and improvements are depreciated over the lease period.

2.5 Revenue Recognition

Revenue / Sales are recognized when significant risks and rewards associated with ownership are transferred to the buyer. Revenue from contract related activity is recognised on progress method; the stage of completion is measured by reference to the proportion that contract costs incurred for work done till the balance sheet date bears to the estimated total contract costs; full provision is made for any loss in the period in which it is foreseen.

2.6 Foreign currency transactions and translations

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency as at balance sheet date are restated at the exchange rates prevailing on that date. Exchange differences on such restatement or on settlement are recognized in the Statement of profit and loss. The Company's forward exchange contracts are not held for trading or speculation. The discount / premium arising on entering into such contract is amortised over the life of such contracts and exchange differences arising on such contracts are recognised in the Statement of Profit and Loss.

2.7 Accounting for Derivatives

The Company enters into derivative contracts in the nature of foreign currency swaps and forward contracts with an intention to hedge its existing assets and liabilities, In case of fair value hedges, fair value changes of the derivative contract are recognised through the Statement of Profit and Loss in the same period as the offsetting losses and gains on the hedged item.

For derivative contracts designated as cash flow hedges, the hedging instrument is measured at fair value and any gain or loss that is determined to be an effective hedge is recognised within equity i.e. Cash Flow Hedge Reserve. Amounts recognised in equity are transferred to the statement of Profit & Loss in the same period as the cash flows of hedged items affect the Statement of Profit and Loss. When a derivative contract expires or is sold or if a hedge no longer meets the criteria for hedge accounting any cumulative profit or loss in the Cash Flow Hedge Reserve is retained in equity until the hedged cash flow is recognised in the statement of Profit and loss. However if hedged cash flows are no longer expected to occur, the profit or loss against the corresponding derivative contracts in accumulated in the Cash Flow Hedge Reserve is immediately released through the Statement of Profit and Loss.

Changes in the fair values of dervative instruments that do not qualify for hedge accounting are recognised immediately in the Statement of Profit and Loss.

2.8 Investments

Long-term investments are stated at cost less diminution in value other than temporary. Current investments are stated at lower of cost or fair market value. Cost of investments included acquisition charges such as brokerage, fees and duties. Dividends are accounted for when the right to receive the dividend is established.

2.9 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

Defined contribution plans

Provident fund is a defined contribution scheme and the contributions as required by the statute to Government Provident Fund are charged to Statement of profit and loss during the period in which employees perform the services that the payment covers. Superannuation fund is a defined contribution

scheme. The Company contributes a sum equivalent to 15% of eligible employees' salary to Superannuation Fund administered by a trust and managed by a life insurance company.

Defined benefit plans

Gratuity liability is defined benefit obligation and is funded with Life Insurance Corporation of India. The present value of gratuity obligation is actuarially determined based on the projected unit credit method as at the balance sheet date. Actuarial gains/losses are immediately taken to the Statement of profit and loss and are not deferred.

Short-term employee benefits

The amount of short term employee benefits expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service.

Long-term employee benefits

The company accrues the liability for compensated absences based on the actuarial valuation as at the balance sheet date conducted by an independent actuary.

2.10 Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred. The borrowing costs in respect of funds borrowed to finance the qualifying fixed assets until the assets are ready for commercial use are capitalised.

2.11 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted on the balance sheet date. Deferred tax assets are recognized, on consideration of prudence if there is certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized; deferred tax asset consisting of losses / accumulated depreciation is recognized only if there is virtual certainty supported by convincing evidence that the asset will be realized in future. Such assets are reviewed as at each Balance Sheet date to reassess realisability thereof.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involve substantial degree of estimation in measurement and are recognized when it is probable that there will be outflow of resources as a result of past events. Separate disclosure in notes to accounts is made for each class of provision. Contingent Liabilities (where outflow of resources is not considered probable) are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 3 Share Capital**

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	21,747,900	2,174.79	21,747,900	2,174.79
Redeemable preference shares of ₹ 10/- each	8,252,100	825.21	8,252,100	825.21
(b) Issued				
Equity shares of ₹ 10/- each with voting rights	13,255,768	1,325.58	13,255,768	1,325.58
(c) Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	13,255,768	1,325.58	13,255,768	1,325.58
Total		1,325.58		1,325.58

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issue / Buy back	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2017			
- Number of shares	13,255,768	-	13,255,768
- Amount (₹ In Lacs)	1,325.58	-	1,325.58
Year ended 31 March, 2016			
- Number of shares	13,255,768	-	13,255,768
- Amount (₹ In Lacs)	1,325.58	-	1,325.58

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares held	% holding	Number of shares held	% holding
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

The company has only one class of shares referred to above as Equity Shares having par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Note 4 Reserves and surplus

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Capital reserve		
Balance at the beginning and end of the year	0.08	0.08
(b) Capital redemption reserve		
Balance at the beginning and end of the year	24.01	24.01
(c) Securities premium account		
Balance at the beginning and end of the year	1,811.18	1,811.18

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(d) General reserve		
Balance at the beginning and end of the year	843.10	843.10
(e) Surplus in Statement of Profit and Loss		
Opening balance	6,281.35	5,807.33
Add: Profit for the year	733.01	793.11
Less: Dividend		
Dividend proposed to be distributed to equity shareholders (₹ 2.00 per share)	-	265.12
Tax on dividend	-	53.97
Closing balance	7,014.36	6,281.35
Total	9,692.73	8,959.72

Note 5 Long-term Borrowings

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Term loans - secured		
Form Banks		
- RBL Bank Ltd	2,300.00	-
(a) Long-term maturities of finance lease obligations - secured* (Refer Note 27.8)		
From Banks		
- HDFC Bank Ltd	22.65	30.90
Total	2,322.65	30.90

Note:

Details of Repayment for (a)

Payable by way of 3 annual installments starting from 30/09/2017 - ₹ 700 lacs, 30/09/2018 - ₹ 800 lacs & 30/09/2019 - ₹ 1500 lacs, Rate of Interest - 6 months LIBOR plus 300 basis points.

Details of security for (a)

1. Subservient charge on the current assets & movable fixed assets of the company.
2. Board resolution backed Letter of Comfort from group company Mcleod Ruseel India Ltd.
3. Unconditional & irrevocable Corporate Guarantee of group company Williamson Financial Services Limited.

*Secured by hypothecation of car

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 6 Deferred tax liabilities (net)**

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Deferred tax liabilities (net)		
Provision for deferred tax liabilities (Refer note 27.6)	283.00	-
Total	283.00	-

Note 7 Short-term borrowings

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Loans repayable on demand (Secured)		
From Banks		
(i) Cash Credit from Bank (Refer Note (i) Below)	2,335.38	1,476.33
(ii) Short Term Loan - RBL Bank Ltd (Refer note (ii) below)	8,000.00	-
(iii) Term Loan - RBL Bank Ltd (Refer note 5(a))	700.00	-
(iv) Overdraft under Channel Finance Scheme (Refer note (iii) below)	88.34	133.73
(b) Current maturities of finance lease obligations - secured (Refer note no. 5(b))	8.25	7.50
Total	11,131.97	1,617.56

Note:

(i). Details of security

- 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.
- 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.

(ii). Details of repayment

- (a) Payable on demand on 30/09/2017 - ₹ 4000 lacs, Rate of interest - 6 months LIBOR plus 300 basis points.

Details of security -

- Subservient charge on the current assets & movable fixed assets of the company.
- Board resolution backed Letter of Comfort from group company Mcleod Ruseel India Ltd.
- Unconditional & irrevocable corporate guarantee of group company Williamson Financial Services Limited.

- (b) Payable on demand on 06/08/2017 - ₹ 4000 lacs, Rate of interest - 10.50%.

Details of security -

In addition to (ii)(a) above, following additional securities;

- Unconditional & irrevocable corporate guarantee of Bisnauth Investments Limited (of ₹ 2000 lacs).
- Unconditional & irrevocable personal guarantee of Mr. Aditya Khaitan (Chairman).

(iii). Details of Security

- Secured by Letter of Comfort from Steel Authority of India Ltd.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 8 Trade payables**

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
a) Trade payables:		
Acceptances	91.07	449.62
Other than Acceptances (Refer note 26.2)	1,818.31	2,373.34
b) Accrued employee benefit expense	30.44	29.93
Total	1,939.82	2,852.89

Note 9 Other current liabilities

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Interest accrued but not due on borrowings	5.36	9.46
(b) Unpaid dividends	13.64	12.51
(c) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax etc.)	56.64	129.82
(ii) Trade / security deposits received	3.08	3.08
(iii) Advances from customers	2,590.53	4,285.32
(iv) Royalty and selling commission	379.76	284.62
(v) Gratuity (Refer Note 27.2)	16.20	14.12
Total	3,065.21	4,738.93

Note 10 Short-term provisions

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Provision for employee benefits:		
Provision for compensated absences	142.92	117.15
(b) Provision - Others:		
(i) Provision for tax (Net of advance tax of ₹ 604.14 lacs, As at 31 March, 2016, ₹ 511.02 lacs)	235.09	242.02
(ii) Provision for Liquidated Damages (Refer Note 27.7)	264.35	268.47
(c) Provision for proposed equity dividend	-	265.12
(d) Provision for tax on proposed dividend	-	53.97
Total	642.36	946.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 11 Property, plant and equipment**

₹ in Lacs

A.	Tangible assets	Gross block			
		Balance as at 1 st April, 2016	Additions	Disposals	Balance as at 31 st March, 2017
	(a) Leasehold Land	1,139.56	-	-	1,139.56
	(Previous Year)	(1,139.56)	-	-	(1,139.56)
	(b) Buildings	4,343.82	31.01	-	4,374.83
	(Previous Year)	(4,332.06)	(11.76)	-	(4,343.82)
	(c) Plant and Equipment	1,869.71	59.45	-	1,929.16
	(Previous Year)	(1,749.08)	(120.63)	-	(1,869.71)
	(d) Furniture and Fixtures	467.92	10.08	-	478.00
	(Previous Year)	(465.74)	(2.18)	-	(467.92)
	(e) Vehicles	182.22	-	-	182.22
	(Previous Year)	(132.97)	(49.25)	-	(182.22)
	(f) Office equipment	210.76	25.64	-	236.40
	(Previous Year)	(187.48)	(23.28)	-	(210.76)
	Total	8,213.99	126.18	-	8,340.17
	Previous year	8,006.89	207.10	-	8,213.99

₹ in Lacs

B.	Tangible assets	Accumulated depreciation and impairment				Net Block	
		Balance as at 1 st April, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	As at 31 st March, 2017	As at 31 st March, 2017	Balance as at 31 st March, 2016
	(a) Leasehold Land	139.36	21.86	-	161.22	978.34	1,000.20
	(Previous Year)	(117.50)	(21.86)	-	(139.36)		
	(b) Buildings	705.27	165.87	-	871.14	3,503.69	3,638.55
	(Previous Year)	(537.82)	(167.45)	-	(705.27)		
	(c) Plant and Equipment	732.15	140.50	-	872.65	1,056.51	1,137.56
	(Previous Year)	(595.02)	(137.13)	-	(732.15)		
	(d) Furniture and Fixtures	205.12	56.87	-	261.99	216.01	262.80
	(Previous Year)	(148.65)	(56.47)	-	(205.12)		
	(e) Vehicles	97.32	22.10	-	119.42	62.80	84.90
	(Previous Year)	(76.95)	(20.37)	-	(97.32)		
	(f) Office equipment	178.20	17.46	-	195.66	40.74	32.56
	(Previous Year)	(155.84)	(22.36)	-	(178.20)		
	Total	2,057.42	424.66	-	2,482.08	5,858.09	6,156.57
	Previous year	1,631.78	425.64	-	2,057.42	6,156.57	-

₹ in Lacs

C.	Intangible assets	Gross block			
		Balance as at 1 st April, 2016	Additions	Disposals	Balance as at 31 st March, 2017
	Computer Software	51.32	0.12	-	51.44
	(Previous Year)	(31.47)	(19.85)	-	(51.32)

D.	Intangible assets	Accumulated depreciation and impairment				Net block	
		Balance as at 1 st April, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	As at 31 st March, 2017	As at 31 st March, 2017	Balance as at 31 st March, 2016
	Computer Software	16.72	10.40	-	24.32	34.60	-
	(Previous Year)	(8.41)	(8.31)	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Depreciation and amortization expense:**

Particulars	Balance as at 31 st March, 2017	Balance as at 31 st March, 2016
Depreciation and amortisation for the year on tangible assets as per Note 11 B	424.66	425.64
Amortisation for the year on intangible assets as per Note 11 D	10.40	8.31
Depreciation and amortisation relating to continuing operations	435.06	433.95

Note 12 Non-current investments

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Quoted (Nos.)	Total	Quoted (Nos.)	Total
₹ in Lacs				
Investment (At Cost) : Trade				
Investment in fully paid-up equity shares				
a) Eveready Industries Limited of ₹ 5 each	271,337	244.48	271,337	244.48
b) Mcleod Russel India Limited of ₹ 5 each	66,666	71.72	66,666	71.72
c) Mcnally Bharat Engineering Company Ltd. of ₹ 10 each - Refer Note 26.4	854,300	1,993.45	854,300	1,993.45
Total - Trade		2,309.65		2,309.65
Less: Provision for diminution in value of investments		1,000.00		800.00
Total		1,309.65		1,509.65
Aggregate amount of quoted investments (net of provision)		1,309.65		1,509.65
Aggregate market value of listed and quoted investments		1,264.46		1,400.87

Note 13 Long-term loans and advances

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Quoted (Nos.)	Total	Quoted (Nos.)	Total
₹ in Lacs				
Unsecured, considered good				
(a) Security deposits		17.14		18.05
(b) Advance Tax and TDS Receivable (Net of provisions of ₹ 2009.56 lacs, As at 31 March 2016, ₹ 1697.30 lacs)		222.62		206.53
(c) MAT credit entitlement		502.50		237.50
Total		742.26		462.08

Note 14 Other non-Current Assets

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Quoted (Nos.)	Total	Quoted (Nos.)	Total
₹ in Lacs				
(a) Balances with banks				
- Balances held as margin money against guarantees		24.90		11.70
(b) Sales tax appeal payment		149.85		149.85
Total		174.75		161.55

Notes:

Balances with banks held as margin money include ₹ 24.90 lacs (previous year ₹ 11.70 lacs) having residual maturity of more than 12 months.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 15 Inventories**

(At lower of cost and net realisable value)

₹ in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Raw materials	656.18	766.08
(b) Work-in-progress (Refer Note below)	100.75	172.26
(c) Finished goods	113.39	313.10
(d) Stores and spares	58.85	84.48
Total	929.17	1,335.92

Note: Details of inventory of work-in-progress

Particulars	As at 31st March, 2017	As at 31st March, 2016
Dryers and Drying systems for Food Processing Industry and components	100.75	89.58
Process Equipments and components thereof	-	82.68
Total	100.75	172.26

Note 16 Trade receivables

₹ in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	457.33	202.04
Doubtful	7.34	7.34
	464.67	209.38
Less: Provision for doubtful trade receivables	7.34	7.34
	457.33	202.04
Other Trade receivables		
Unsecured, considered good	684.24	1,522.81
Total	1,141.57	1,724.85

Note 17 Cash and Cash Equivalents

₹ in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
A. Cash and Cash Equivalents (As per AS-3 Cash Flow Statement)		
(a) Cash on hand	0.56	1.93
(b) Balances with banks		
- In current accounts	290.65	36.98
Total Cash and Cash Equivalents	291.21	38.91
B. Other Bank Balances		
In earmarked accounts		
- Unpaid dividend accounts	13.72	12.51
- Balances held as Margin Money against guarantees & Other Commitments	696.76	621.47
Total Other Bank Balances	710.48	633.98
Total	1,001.69	672.89

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 18 Short-term loans and advances**

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured		
(a) Loans and advances to employees considered good	11.03	12.21
(b) Prepaid expenses considered good	20.74	21.34
(c) Balances with government authorities considered good		
(i) CENVAT credit receivable	16.41	76.83
(ii) VAT credit receivable	271.07	525.63
(iii) Service Tax credit receivable	59.15	73.12
(iv) CVD	3.24	-
(v) MODVAT	-	2.44
(vi) Octroi Claim Receivable	5.06	5.34
(vii) Duty Drawback / Export Benefit Receivable	161.43	140.01
Less - Provision for Duty Drawback Receivable	(36.29)	-
	480.07	823.37
(d) Advance to Vendors:		
Considered good	321.32	480.82
Considered doubtful	44.72	44.72
	366.04	525.54
Less: Provision for doubtful advances	44.72	44.72
	321.32	480.82
(e) Inter-corporate deposits		
Given to Williamson Magor & Co. Ltd - Company having significant influence	-	300.00
Given to others*	11,230.00	450.00
Total	12,063.16	2,087.74

* Pending deployment of the term borrowings, the monies have been given as Intercorporate deposit which is supported by a group company. The proceeds of the loans taken have been utilised towards repayment of loans and for working capital requirements.

Note 19 Other current assets

Particulars	₹ in Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Unbilled revenue (Contract related activity)	5,898.21	4,656.23
(b) Retention Money - Contracts	1,155.68	1,626.65
(c) Accruals		
(i) Interest accrued on Bank deposits	3.43	7.69
(ii) Interest accrued on intercorporate deposits	100.81	0.46
(d) Others		
(i) Unamortized discounts on forward contracts	-	13.00
(ii) Others	0.37	22.43
Total	7,158.50	6,326.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 20 Revenue from operations**

Particulars	₹ in Lacs	
	For the year ended 31st March, 2017	For the year ended 31 st March, 2016
(a) Sale of Manufactured products / Contract Revenue (Refer Note (i) below)		
- Sale of products	2,460.00	2,565.84
- Contract Revenue	12,062.46	11,500.02
Sub-total	14,522.46	14,065.86
(b) Sale of services (Refer Note (ii) below)	121.55	275.78
(c) Other operating revenues (Refer Note (iii) below)	193.80	174.59
	14,837.81	14,516.23
Less:		
(d) Excise duty	(1,239.78)	(1,007.85)
Total	13,598.03	13,508.38

Note

Particulars	₹ in Lacs	
	For the year ended 31st March, 2017	For the year ended 31 st March, 2016
(i) <u>Sale of Manufactured products / Contract Revenue comprises :</u>		
(i) Dryers and Drying systems for Food Processing Industry and components	1,981.29	2,166.96
Process Equipments and components thereof	12,541.17	11,898.90
Total	14,522.46	14,065.86
(ii) <u>Sale of services comprises:</u>		
Erectioning and Commissioning	-	179.20
Annual Maintenance Services	8.79	25.11
Service Income - Deputation	37.96	15.10
Design and Engineering	74.80	56.37
Total	121.55	275.78
(iii) <u>Other operating revenues comprise:</u>		
Sale of scrap	43.86	67.22
Export Incentives	149.94	107.37
Total	193.80	174.59

Note 21 Other income

Particulars	₹ in Lacs	
	For the year ended 31st March, 2017	For the year ended 31 st March, 2016
(a) Interest income (Refer Note (i) below)	719.11	137.04
(b) Dividend income from long-term investments	4.05	2.71
(c) Net gain on foreign currency transactions and translation	51.03	1.04
(d) Other non-operating income (Refer Note (ii) below)	21.59	323.88
Total	795.78	464.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Note		
(i) <u>Interest income comprises:</u>		
Interest from banks on deposits	41.97	49.31
Interest on inter corporate deposits	677.14	87.73
Total - Interest income	719.11	137.04
(ii) <u>Other non-operating income comprises:</u>		
Liabilities / provisions no longer required written back	21.59	86.38
Provision for contingencies written back (Refer Note 27.7)	-	189.00
Miscellaneous income	-	48.50
Total - Other non-operating income	21.59	323.88

Note 22.a Cost of materials consumed

₹ in Lacs

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Opening stock	766.08	647.79
Add: Purchases (including job work charges)	6,029.19	7,418.51
	6,795.27	8,066.30
Less: Closing stock	656.18	766.08
Cost of material consumed	6,139.09	7,300.22
<u>Material consumed comprises:</u>		
Steel	1,179.07	2,187.08
Components & Others	2,851.04	3,663.85
Total	4,030.11	5,850.93

Note 22.b Changes in inventories of finished goods and work-in-progress

₹ in Lacs

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
<u>Inventories at the end of the year:</u>		
Finished goods	113.39	313.10
Work-in-progress	100.75	172.26
	214.14	485.36
<u>Inventories at the beginning of the year:</u>		
Finished goods	313.10	37.17
Work-in-progress	172.26	346.40
	485.36	383.57
Net decrease / (increase)	271.22	(101.79)

Note 23 Employee benefits expense

₹ in Lacs

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Salaries and wages	1,727.56	1,630.69
Contributions to provident and other funds (Refer Note 27.2)	168.14	170.00
Staff welfare expenses	61.51	71.28
Total	1,957.21	1,871.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 24 Finance costs**

Particulars	₹ in Lacs	
	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
(a) Interest expense on:		
(i) Borrowings	796.02	387.78
(ii) Trade payables	32.21	60.65
(b) Other borrowing costs	368.08	151.67
Total	1,196.31	600.10

Note 25 Other Expenses

Particulars	₹ in Lacs	
	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Consumption of Stores, Spares and Loose Tools (Indigenous)	152.73	174.93
Subcontracting (Contract Labour)	32.11	126.01
Power and fuel	105.88	105.56
Rent including lease rentals (Refer Note 27.8)	28.78	29.94
Repairs and maintenance - Buildings	3.13	7.53
Repairs and maintenance - Machinery	25.59	26.67
Repairs and maintenance - Others	106.44	107.49
Royalty Charges	141.83	155.85
Insurance	62.92	53.92
Rates and taxes	2.27	6.32
Bank Charges	47.30	51.55
Travelling and conveyance	333.39	334.13
Service Tax Expenses	27.31	133.11
Freight and forwarding (net)	219.94	189.46
Sales commission	193.67	146.26
Site Expenses	91.10	184.60
Donations and contributions	12.35	7.00
Legal and professional	229.26	200.89
Liquidated Damages, Warranties and Rebates (Refer Note 27.7)	608.55	167.60
Payments to auditors (Refer Note (i) below)	29.90	25.61
Advances / Bad Debts written off	83.67	131.03
Less: Provision for Doubtful Debts / Advances written back	-	(12.73)
Provision for Doubtful Debts / Advances	-	13.74
Adjustments to the carrying amount of long-term investments	200.00	200.00
Sales Tax	78.28	69.94
Debit/ Credit Balances written off (net)	55.97	4.40
Duty draw back claim written off	95.50	-
Provision for duty draw back claim receivable	36.29	-
Miscellaneous expenses	240.44	297.93
Total	3,244.60	2,938.74
Notes:	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	22.00	21.50
For other services	7.50	3.75
Reimbursement of expenses	0.40	0.36
	29.90	25.61

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 26 Additional information to the financial statements**

Particulars	₹ In Lacs	
	As at 31 st March, 2017	As at 31 st March, 2016
26.1 Contingent liabilities and commitments (to the extent not provided for) Contingent liabilities		
(a) Demand Notice from DGFT for non-fulfilling of export obligations. The Company expects no liability on this account.	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 has filed an appeal with Sale Tax Tribunal after payment of ₹ 1.50 lacs. Last year the demand was revised to ₹ 15.36 lacs & the Company had made a provision of ₹ 2.95 lacs in books of account.	12.41	12.41
(c) The Company had received a Demand Notice from the Maharashtra State VAT Authority for the assessment year 2005-06. The Company has filed an appeal against the said order.	111.98	111.98
(d) The Company had received a Demand Notice from the Central Sales Tax Authorities for the assessment year 2005-06. The Company has filed an appeal against the said order & has paid an amount of ₹ 242.30 lacs & made a provision of ₹ 91 lacs in books in 2014-15.	639.73	639.73
In respect of (c) & (d) above, the total demand of ₹ 842.71 lacs is on account of non-production of "C" Forms which were lost and certain errors in assessment.		
(e) 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). During the year, order giving effect is received from Deputy Commissioner of Income Tax and accordingly income tax demand of ₹ 18.51 lacs is raised. The Company has filed an appeal with Income Tax Appellate Tribunal against the said order.	18.51	9.50
(f) The Company had received Demand Notice from the Income Tax Authorities disallowing certain expenses for the assessment year 2010-11. The company has filed an appeal against the said order with Deputy Commissioner of Income Tax (Appeals).	14.15	14.15
(g) In FY.2013-14, the Company had received Demand Notice from the Income Tax Authorities disallowing certain expenses and selling commission expenses for the assessment year 2011-12. During current year, order giving effect for AY.2011-12 is received from Deputy Commissioner of Income Tax Appeal, Kolkata & according to the order, Income Tax demand is ₹ 57.89 lacs. The company has made of provision of ₹ 35.39 lacs against the said order. Case is pending with Deputy Commissioner of Income Tax (Appeal).	47.36	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ In Lacs

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
(h) The company had received Service Tax Demand Notice from Additional Commissioner of Central Excise disallowing cenvat credit taken during financial year 2011-12. Last year, the Company had made provision of ₹ 28.03 lacs against amount so disallowed & ₹ 21.03 lacs against penalty & Interest.	21.03	21.03
(i) Other claims not acknowledged as debts.	0.80	0.80

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
26.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	11.13	14.70
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

26.3 Details on foreign currency exposure**A. Hedged by currency & interest rate swap****1. Borrowings**

Year	Purpose	FC	Amount in FCY (in lacs)	Amount (₹ in Lacs)
Current	Foreign Currency Term Loan I	USD	59.80	4,000.00
	Foreign Currency Term Loan II	USD	44.85	3,000.00
Previous	-	-	-	-

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

Current	Firm Commitment	-	-	-
Previous	Firm Commitment	4	7.13	487.78

B. Unhedged

Current	Trade Receivables	USD	15.37	988.99
		EURO	0.08	5.76
Previous		USD	21.35	1,406.07
		EURO	1.47	109.59
Current	Liabilities / Advance from Customer	USD	20.84	1,357.16
		EURO	-	-
Previous		USD	7.48	498.17
		EURO	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26.4 The Company holds investment in equity shares of Mcnally Bharat Engineering Company Limited (Book Value ₹ 1993.44 lacs) as strategic investment on a long term basis. The Company is of the view that the diminution in value in these investments is temporary. Notwithstanding this, out of abundant caution, a total provision of ₹ 1000 lacs (previous year ₹ 800 lacs) including ₹ 200 lacs during the year (previous year ₹ 200 lacs) is made in the books.

			₹ in Lacs	
26.5 Value of imports calculated on CIF basis :	For the year ended 31st March, 2017		For the year ended 31 st March, 2016	
Raw materials	104.63		113.36	
Components and spare parts	686.45		465.05	
Total	791.08		578.41	

			₹ in Lacs	
26.6 Expenditure in foreign currency :	For the year ended 31st March, 2017		For the year ended 31 st March, 2016	
Travelling	42.77		20.17	
Selling Commission	180.73		31.72	
Royalty	141.83		155.85	
Total	365.33		207.74	

26.7 Details of consumption of imported and indigenous items	For the year ended 31st March, 2017		For the year ended 31 st March, 2016	
	₹ in Lacs	%	₹ in Lacs	%
<u>Raw materials and components consumed</u>				
Indigenous	3,239.03	80.37%	5,272.52	90.11%
Imported	791.08	19.63%	578.41	9.89%
Total	4,030.11	100.00%	5,850.93	100.00%

			₹ in Lacs	
26.8 Earnings in foreign exchange :	For the year ended 31st March, 2017		For the year ended 31 st March, 2016	
FOB value of exports (Net of adjustments towards unbilled revenue)	2,715.75		2,918.66	
Designing & Engineering Services	-		74.49	
Other charges recovered	29.68		40.58	
Total	2,745.43		3,033.73	

26.9 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBN's	Other Denominations	Total
	₹ in Lacs	₹ in Lacs	₹ in Lacs
Closing Balance as at 8 th November, 2016	3.18	0.07	3.25
Withdrawal from Bank Accounts	-	6.32	6.32
Receipts for Permitted transactions	-	-	-
Paid for permitted transactions	-	4.46	4.46
Deposited in bank accounts.	3.18	-	3.18
Closing Balance as at 30 th December, 2016	-	1.93	1.93

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26.10 The Board of Directors of the Company at its meeting held on March 22, 2016, had given their approval in respect of the scheme of amalgamation of McNally Bharat Engineering Company Limited, McNally Sayaji Limited and EMC Limited with the Company under Section 391 and Section 394 and other applicable provisions of the Companies Act 2013, with effect from January 1, 2015. The Company has called off the merger at its board meeting held on 14th December 2016

Note 27 Disclosures under Accounting Standards**27.1**

In accordance with requirements of Accounting Standard 7, 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.

	₹ in Lacs	
Details of contract revenue and costs	For the year ended 31st March, 2017	For the year ended 31 st March, 2016
Contract revenue recognised during the year	12,062.46	11,500.02
<u>For Contracts in Progress:</u>		
Aggregate of contract costs incurred and recognised profits (less recognised losses) upto the reporting date	9,955.34	9,964.65
Advances received	1,973.62	4,133.89
Retention money	405.94	279.63

Note 27.2**Employee benefit plans**Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 83.88 lacs (Year ended 31 March, 2016 ₹ 82.61 Lacs) for Provident Fund contributions and ₹ 32.20 lacs (Year ended 31 March, 2016 ₹ 34.52 lacs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The following table sets out the funded status of the Gratuity benefit and the amount recognised in the financial statements:

	₹ in Lacs	
Particulars	Year ended 31st March, 2017	Year ended 31 st March, 2016
Components of employer expense		
Current service cost	18.55	16.52
Interest cost	13.20	12.27
Expected return on plan assets	(12.09)	(13.37)
Past service cost	-	-
Actuarial losses/(gains)	17.30	21.41
Total expense recognised in the Statement of Profit and Loss	36.96	36.83
Actual contribution and benefit payments for year		
Actual benefit payments	(4.93)	(35.84)
Actual contributions	34.89	8.80
Net liability / (asset) recognised in the Balance Sheet		
Present value of defined benefit obligation	200.35	167.96
Fair value of plan assets	184.15	153.84
Net (asset) / liability recognised in the Balance Sheet	16.20	14.12

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	₹ in Lacs	
	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	167.96	154.35
Current service cost	18.55	16.52
Interest cost	13.20	12.27
Actuarial (gains) / losses	5.56	20.66
Past service cost	-	-
Benefits paid	(4.93)	(35.84)
Present value of DBO at the end of the year	200.34	167.96
Change in fair value of assets during the year		
Plan assets at beginning of the year	153.84	168.27
Expected return on plan assets	12.09	13.37
Actuarial gain / (loss)	(11.74)	(0.76)
Actual contributions	34.89	8.80
Actual benefit payments	(4.93)	(35.84)
Plan assets at the end of the year	184.15	153.84
Actuarial assumptions		
Discount rate	7.27%	7.86%
Expected return on plan assets	7.27%	7.86%
Salary escalation	5.00%	5.00%
Attrition	2.00%	2.00%
Mortality table	Indian Assured Lives Mortality (2006-08) (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)

Experience adjustments	2016-17	2015-16	2014-15	2013-14	2012-13
Experience gain / (loss) adjustments on plan liabilities	0.98	(19.47)	(4.42)	(4.49)	5.70
Experience gain / (loss) adjustments on plan assets	(11.74)	(0.76)	0.18	1.83	1.68

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

100% of Plan Assets are invested in Group Gratuity Scheme offered by LIC of India, an insurance company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

27.3 Based on the guiding principles given in the Accounting Standard on 'Segment Reporting' (AS-17) issued by the Institute of Chartered Accountants of India, the primary segment of the Company is business segment which comprises of Engineering Segment. As the Company operates in a single primary business segment, no segment information thereof is given.

Segment information for secondary segment reporting (by geographical segments).

The company has a customer base within and outside India.

₹ in Lacs

Particulars	India	Outside India	Total
Revenue	10,852.61 (10,515.23)	2,745.42 (2,993.15)	13,598.03 (13,508.38)
Segment Assets	29,408.57 (18,956.65)	994.75 (1,515.66)	30,403.32 (20,472.31)
Segment Liabilities	18,027.85 (9,688.84)	1,357.16 (498.17)	19,385.01 (10,187.01)
Capital Expenditure	126.46 (171.21)	- -	126.46 (171.21)
Previous year figures are in brackets			

27.4 Related Party Disclosure as per Accounting Standard 18

₹ in Lacs

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transaction	Transactions during the year	
				Current year	Previous year
1	Mr. Supriya Mukherjee - Managing Director	Key Management Personnel	Managerial Remuneration	145.50	168.28
			Payable as on 31 st March	5.77	45.82
2	Williamson Magor & Co. Ltd.	Company having significant influence	Service Charges	24.00	24.00
			Rent	16.80	16.80
			Electricity Expenses	6.26	5.72
			Inter Corporate Deposit given	-	300.00
			Inter Corporate Deposit repaid	300.00	-
			Interest Income on ICD	41.88	0.46
			Receivable against ICD as on 31 st March	-	300.00
			Receivable against Interest on ICD as on 31 st March	41.88	0.46
	Payable as on 31 st March	4.29	44.66		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**27.5 Earnings Per Share :**

₹ in Lacs

Earning Per Share (Basic / Diluted)	Current year	Previous year
A. Profit after Tax	733.01	793.11
B. Weighed Average Number of Equity Shares used (in Lacs)	132.56	132.56
C. Basic / Diluted Earnings per Share (A/B) (In ₹)	5.53	5.98
D. Face Value Per Equity Share (In ₹)	10.00	10.00

27.6 Deferred tax (liability) / asset

₹ In Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	(502.78)	(488.94)
Tax effect of items constituting deferred tax liability	(502.78)	(488.94)
<u>Tax effect of items constituting deferred tax assets</u>		
Expenses allowable on payment basis under Income Tax Act	219.78	477.44
Unabsorbed Depreciation	-	11.53
Tax effect of items constituting deferred tax assets	219.78	488.94
Net Deferred Tax Asset / (Liability)	(283.00)	-

Deferred tax liability is accounted on the difference between the book balance and the written down value of fixed assets as per income tax, reducing by deferred tax asset on expenses allowable on payment basis as per income tax act.

27.7 Disclosure of provisions as required by Accounting Standard 29

₹ in Lacs

Description of Provision	Opening Balance	Amount used during the year	Excess Provision Written back	Provisions made during the year	Closing Balance
Provision for Contingencies (Claims under litigation)*	-	-	-	-	-
	(192.91)	(3.91)	(189.00)	(-)	(-)
Provision for Liquidated Damages / Warranties	268.47	77.62	-	73.50	264.35
	(157.95)	(-)	(51.30)	(161.82)	(268.47)

(Figures for the previous year are shown in bracket)

* (i) Consequent to closure of Baroda factory in 2003, provision was made for additional retrenchment compensation in respect of 97 employees amounting to ₹ 45.80 lacs. Consequent to a settlement with the workers before the labour court an amount of ₹ 30 lacs was paid as full and final settlement during earlier years. The balance amount was written back during previous year.

* (ii) The Company was party to a litigation by certain ex-employees of the Company who were members of the WM Super Annuation Fund (SAF) who had filed a petition in the High Court of Mumbai to direct the Company to buy annuities enabling them to receive their pension. The Company had provided ₹ 220 lacs in total in the accounts towards this liability in addition to the amount already contributed by the erstwhile group company fund to a Super Annuation fund held with Life Insurance Corporation of India. Last year the Company has arrived at a settlement with petitioners. It was agreed in the

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

memorandum of understanding that total amount available in Super Annuation fund held with Life Insurance Corporation of India will be equitably distributed among ex-employees and the writ petition will be withdrawn. Consequent to an understanding arrived at with the ex-employees and the withdrawal of the petition by them, the trust settled their claim at the negotiated amount out of the accumulated corpus. Such settlement was completed and balance provision no longer required was written back during previous year.

27 Disclosures under Accounting Standards (Contd.)**27.8 a) Operating Leases :**

Lease payments recognized in the Statement of Profit and Loss : ₹ 28.78 lacs (Previous Year ₹ 29.94 lacs).

b) Finance Lease

The Company has entered into finance lease arrangements for vehicle, which provide the Company an option to purchase the assets at the end of the lease period.

₹ in Lacs

	As at 31st March, 2017	As at 31 st March, 2016
Reconciliation of minimum lease payments		
Future minimum lease payments		
not later than one year	8.25	7.50
later than one year and not later than five years	22.65	30.90
later than five years	-	-
Total	30.90	38.40
Less: Unmatured finance charges	-	-
Present value of minimum lease payments payable		
not later than one year	2.64	3.40
later than one year and not later than five years	2.75	5.39
later than five years	-	-
Total	5.39	8.79

28 The total amount incurred on Research and Development activities during the year amount to ₹ 63.95 lacs (Previous Year ₹ 65.44 lacs).

29 Current tax expenses includes MAT credit entitlement of ₹ 265.00 lacs (Previous year ₹ 237.50 lacs).

30 The Board of Directors of Company at their meeting held on 29th May 2017 proposed a dividend of ₹ 2/- per share aggregating to ₹ 265.12 lacs. The said dividend is subject to approval at the ensuing Annual General Meeting (AGM) of the Members of the Company. Pursuant to change in Accounting Standard 'AS' - 4 "Contingencies and Events Occurring After the Balance Sheet Date", notified vide MCA notification G.S.R. 364(E) dated 30 March, 2016, as the said proposed dividend is subject to approval of the Members at the ensuing AGM of the Company, there was no obligation as at the Balance Sheet date, and accordingly, the said proposed dividend is not required to be accounted for in these financial statements.

31 Corporate social responsibility expenses

a) Gross amount required to be spent by the company during the year was ₹ 12.25 lacs.

b) Amount spent during the year on -

Purpose	Current Year	*Previous Year
(i) Construction / acquisition of any assets	-	-
(ii) On purposes other than (i) above	12.35	-
Total	12.35	-

*Mandatory spending under CSR activities as per section 135 of Companies Act 2013 was not applicable to the Company for the Financial Year 2015-16

32. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

Aditya Khaitan

Chairman
(DIN - 00023788)

Supriya Mukherjee

Managing Director
(DIN - 00127747)

A. Suresh

VP-Finance & Chief Financial Officer

Arvind Kumar Bajoria

Company Secretary

Place: Kolkata

Date : 29th May 2017

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:

29th ANNUAL GENERAL MEETING on Monday, 25th September, 2017 at 10:00 a.m. at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhash Road, 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 29th 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 Twenty-Ninth Annual General Meeting of the Company on Monday, 25th September, 2017 at 10:00 a.m. at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhash Road, 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, 2017 and Report of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Aditya Khaitan (holding DIN : 00023788), who retires by rotation and being eligible, offers himself for reappointment.
3.	To declare dividend for the financial year 2016 – 17.
4.	To consider the appointment of new Statutory Auditors – M/s. S R B C & CO LLP, Chartered Accountants (Firm's Registration no. : 324982E / E300003) 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, subject to ratification of their appointment by members at every Annual General Meeting.
5.	Appointment of Mr. S. Mukherjee as Mangaing Director for a tenure of one year w.e.f. April 1, 2017
5.	Ratification of remuneration of Cost Auditor.

Signed this..... day of 2017

Signature of Shareholder(s)

Affix
Revenue
stamp

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 28th Annual General Meeting.



ANNULI RISER SKID



ANNULI RISER SKID



PUMP ROOM COOLER



BI-CARBONATE FEEDER



ROTARY CALCINER



ROTARY VACUUM FILTER

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