



**ANNUAL
REPORT
2017-2018**

D & H INDIA LIMITED

Formerly 'D & H Welding Electrodes (India) Ltd'

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BOARD OF DIRECTORS

- | | | | |
|----|-------------------------|---|---|
| 1. | Mr. Harsh Vora | : | Managing Director |
| 2. | Mr. Madhusudan Jain | : | Whole-time Director |
| 3. | Mr. Saurabh Vora | : | Whole-time Director |
| 4. | Mrs. Atithi Vora | : | Women Non-Executive Director (Whole time Director upto 30/09/2017) |
| 5. | Mr. Sushil Rawka | : | Non Executive Director |
| 6. | Mr. Jagdish Chand Kapur | : | Independent Director |
| 7. | Mr. Eshanya B Gupta | : | Independent Director |
| 8. | Mr. Sunil Kathariya | : | Independent Director |

AUDIT COMMITTEE

- | | | | |
|----|-------------------------|---|---------------------------------|
| 1. | Mr. Sunil Kathariya | : | Independent Director- Chairman |
| 2. | Mr. Jagdish Chand Kapur | : | Independent Director- Member |
| 3. | Mr. Sushil Rawka | : | Non Executive Director – Member |
| 4. | Mr. Eshanya B Gupta | : | Independent Director – Member |
| 5. | Mrs. Atithi Vora | : | Non-Executive Director – Member |

STAKEHOLDERS' RELATIONSHIP COMMITTEE

- | | | | |
|----|-------------------------|---|-----------------------------------|
| 1. | Mr. Sushil Rawka | : | Non Executive Director - Chairman |
| 2. | Mr. Jagdish Chand Kapur | : | Independent Director- Member |
| 3. | Mr. Madhusudan Jain | : | Whole-time Director – Member |
| 4. | Mr. Sunil Kathariya | : | Independent Director- Member |

NOMINATION AND REMUNERATION COMMITTEE

1. Mr. Jagdish Chand Kapur : Independent Director- Chairman
2. Mr. Eshanya B Gupta : Independent Director- Member
3. Mr. Sunil Kathariya : Independent Director- Member

COMPANY SECRETARY**CS Rajesh Sen****CHIEF FINANCIAL OFFICER**

Mr. Sanat Kumar Jain

AUDITOR**M S Dahiya & Co.**

Chartered Accountant
223, Milinda Manor II Floor,
2 RNT Marg, Opposite Central Mall,
INDORE-452001

SECRETARIAL AUDITORS**D K Jain & Co.**

Company Secretaries
401, Silver Ark Plaza, 20/1, New Palasia
INDORE-452001

INTERNAL AUDITOR

Basant Jain & Co.
Chartered Accountant
84, Kailash Park Colony
Near Geeta Bhawan,
Indore-452001

BANKERS

HDFC Bank Ltd.
State Bank of India

REGISTERED OFFICE

A - 204, Kailash Esplanade,
Opposite Shreyas Cinema, L.B.S. Marg,
Ghatkopar (West), Mumbai – 400086
Website: www.dnhindia.com
Email: ho@dnhindia.com
Phone: 022-25006441

ADMINISTRATIVE OFFICE CUM WORKS:

Plot 'A', Sector 'A', Industrial Area,
Sanwer Road, Indore – 452015 (M.P.)
Phone: 0731-6633501
Email: ho@dnhindia.com
Website www.dnhindia.com

OTHER WORKS:

1. Village Sejevaya, Dhar Road, Ghatabillod, District Dhar, (M.P.)
2. Plot no. 115-116, Zone B Industrial Growth Center,
Village Borai, Post Rasmada, District Durg, Chhattisgarh

SHARE TRANSFER AGENT:

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardeshipura, Indore (M.P.) 452001,
Phone: 0731-2551745,
Email: ankit_4321@yahoo.com

STOCK EXCHANGE

BSE Ltd.
Scrip Code: 517514

NOTICE

Notice is hereby given that the **Thirty Third Annual General Meeting** of the members of **D & H India Limited** will be held on **Saturday the 29th day of September, 2018 at 10:00 A.M.** at Lavender Bough, 90 feet Road, Garodia Nagar, Ghatkopar (East), Mumbai - 400077 to transact the following business: -

AS ORDINARY BUSINESSES:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements containing the Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss and Cash Flow of the Company for the year ended 31st March, 2018 and the Reports of the Board and Auditors thereon.
2. To appoint a Director in place of Mrs. Atithi Vora (DIN: 06899964), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider & if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), M/s Dahiya & Co., Chartered Accountants (ICAI Firm Registration No.013855C) be and is hereby appointed as the Statutory Auditors of the Company, whose tenure being concluded at the ensuing annual general meeting and be rotated as per provisions of section 139 of the Companies Act, 2013 to hold office for a term of One year from the conclusion of this Annual General Meeting, until the conclusion of the 34th Annual General Meeting of the Company to be held on the year 2019 at such remuneration as shall be fixed by the Board of Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

AS SPECIAL BUSINESS

4. To consider & if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 151, 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendment(s) or modification(s) or re-enactments thereof for the time being or from time to time in force, the members hereby accord their approval for the revision in remuneration payable to Mr. Saurabh Vora, Whole-Time Director (DIN 02750484) of the Company (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) w.e.f 1st Oct., 2018 till the remaining part of his tenure i.e upto 30th September 2020 on such terms and conditions as given below

Gross Salary & Perquisites: Maximum upto Rs. 30,00,000/- p.a.

The Whole-time director shall be entitled for the following perquisites and other benefits within the above said limit as may be decided by the Board and the same may be by way of perquisites and allowances payable or reimbursement, such as;

- (a) House rent allowance/rent free accommodation, house maintenance allowance,
- (b) Allowances for utilities such as gas, electricity, water, furnishing, repairs,
- (c) Servants' salaries,
- (d) medical reimbursement as per policy of the Company,
- (e) Group medi claim/accidental insurance/life insurance / keyman insurance Premium: Actual Premium as may be determined by the Insurance Company.
Provided that the above said prerequisites shall not be counted for the purpose of calculation of the remuneration payable to the Whole-time Director,
- (f) Leave travel concession for himself and his family, as per policy of the company
- (g) club fees, maximum upto 2 clubs (Excluding life membership fee)

2. Other exempted benefits:

In addition to above, he shall be entitled for the following benefits, which shall not be considered as remuneration within the provisions of the Schedule V of the Companies Act, 2013:

- (a) Payment of gratuity as per the rules of the Company.
- (b) Contribution to PF, FBF and \Supper annuation funds as per rules of the Company.
- (c) Leave encashment upto 15 days for every completed in the employment, payable in each year as per rules of the Company.
- (d) Directors Obligation Insurance Premium: Actual Premium as may be determined by the Insurance Company.

3. Facilities:

- (a) The Company shall provide a Company's Car with driver for the Company's work and if the Car is not provided, the Company shall reimburse of Car/taxi expenses on actual basis.
- (b) The Company shall provide telephone at the residence of the Whole-time Director and a cell phone with internet facility.

4. Minimum Remuneration

In the event of no profit or inadequacy of profits in any Financial Year, during the tenure of Mr. Saurabh Vora (DIN: 02750484) as Whole-time Director of the Company the aforesaid Remuneration as may be approved by the Members and as confirmed by the Board within the limit approved by the members, shall be consider as the minimum remuneration payable by the company to the director.

5. Other Terms and Conditions:

The other terms and conditions are below:

1. Mr. Saurabh Vora as Executive Director shall be entrusted with the management of the Company under the direction, superintendence and control of the Board of Directors of the Company.
2. His tenure as Director will not be affected by the alterations in the terms and conditions of his appointment.
3. The agreement may be terminated by Mr. Saurabh Vora (DIN: 02750484) by giving three months' advance notice and in case of short notice; he will deposit an amount of his salary for the period short of three months. However, if the Company wishes to remove him, it will be liable to pay compensation as per the provisions of the Companies Act, 2013.
4. The appointment of Mr. Saurabh Vora as the Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors to alter/ revise the terms and conditions of the appointment of Mr. Saurabh Vora, Whole-time Director including remuneration payable to him in accordance with the provisions of the Schedule V of the Companies Act, 2013 as the Board of Directors may deem fit and as may be agreed by Mr. Saurabh Vora.

FURTHER RESOLVED THAT the Board of Director of the Company be and is here by authorized to do all such acts, deeds and things as may be required in this regard to give effect to this resolution”

5. To consider & if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendment(s) or modification(s) or re-enactments thereof for the time being or from time to time in force and subject to the approval of the Central Government, if any, as may be required the members hereby accord their approval for the re-appointment of Mr. Madhusudan Jain as the Whole Time Director of the Company for a further term of 3 years w.e.f. from 24th January, 2019 to 23rd January, 2022, on the following terms and conditions:

1. Remuneration

Gross Salary & Perquisites: Maximum upto Rs. 5,00,000/- p.m.

The Whole-time Director shall be entitled for the following perquisites and other benefits within the above said limit as may be decided by the Board and the same may be by way of perquisites and allowances payable or reimbursement, such as;

- (a) House rent allowance/rent free accommodation, house maintenance allowance,
- (b) Allowances for utilities such as gas, electricity, water, furnishing, repairs,
- (c) Servants' salaries,
- (d) medical reimbursement as per policy of the Company,
- (e) Group medi claim/accidental insurance/life insurance / keyman insurance Premium: Actual Premium as may be determined by the Insurance Company.

Provided that the above said perquisites shall not be counted for the purpose of calculation of the remuneration payable to the Whole-time Director,

- (f) Leave travel concession for himself and his family, as per policy of the company
- (g) club fees, maximum upto 2 clubs (Excluding life membership fee)

2. Other exempted benefits:

In addition to above, he shall be entitled for the following benefits, which shall not be considered as remuneration within the provisions of the Schedule V of the Companies Act, 2013:

- (a) Payment of gratuity as per the rules of the Company.
- (b) Contribution to PF, FBF and \Supper annuation funds as per rules of the Company.
- (c) Leave encashment upto 15 days for every completed in the employment, payable in each year as per rules of the Company.
- (d) Directors Obligation Insurance Premium: Actual Premium as may be determined by the Insurance Company.

3. Facilities:

- (a) The Company shall provide a Company's Car with driver for the Company's work and if the Car is not provided, the company shall reimburse of car/taxi expenses on actual basis.
- (b) The Company shall provide telephone at the residence of the Whole-time Director and a Cell phone with internet facility.

FURTHER RESOLVED THAT in the event of no profit or inadequacy of profits in any Financial Year, during the tenure of Mr. Madhusudan Jain as the Whole-time Director of the Company the aforesaid remuneration shall be consider as the minimum remuneration payable by the company

RESOLVED FURTHER THAT Mr.Madhusudan Jain shall not be subject to retirement by rotation during his tenure

as the Whole-time Director.

RESOLVED FURTHER THAT the relations with Mr. Madhusudan Jain and the Company shall be contractual as the Employee – Employers during his tenure as the Whole -time Director of the Company.

FURTHER RESOLVED THAT the Board of Director of the Company be and is here by authorized to do all such acts, deeds and things as may be required in this regard to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of section 185, 186 and other applicable provisions of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to all other applicable provisions of the Companies Act, 2013 if any, (including any statutory modification or re-enactment thereof for the time being in force) and the provisions of the SEBI (LODR) Regulations, 2015, consent of the members of the Company be and is hereby accorded to the Board of directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) to give unsecured loans, or advances, and to provide guarantee or security in respect of loan taken by subsidiary companies and/or Associate Companies, if any (whether public or private company, SPV, Joint Venture or other than SPV)/ Trust/Body Corporate(s), firms in which any or all directors are interested, for loans provided (whether funded or non funded) by any Bank, Financial Institution, NBFC, Company or other bodies corporate not exceeding to **Rs.10.00 Crores** only (Rs. Ten Crore Only) in one or more tranches and the said loan/ guarantee/security given by the Company shall only be utilized for the principal business activities of the recipient company(ies).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company.”

By orders of the Board

Place: Indore

Date: 14th August, 2018

D & H India Limited

CIN:L28900MH1985PLC035822

Regd. Office: A – 204, Kailash Esplanade,

Opposite Shreyas Cinema, L.B.S. Marg,

Ghatkopar (West), Mumbai – 400086

RAJESH SEN
(COMPANY SECRETARY)
FCS 7689

Note:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting i.e. by 10.00 A.M. on Thursday 27th Sept. 2018. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution/authority, as applicable.
2. The Register of Members and Share Transfer Books shall remain closed from 23rd Sept., 2018 to 29th Sept., 2018 (both days inclusive) for the purpose of the annual general meeting.
3. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
4. Members seeking any information are requested to write to the Company by email at ho@dnhindia.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
5. Adhering to the various requirements set out in the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has, during financial year 2017-18, transferred to the IEPF Authority all the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. The Company shall further transfer to the IEPF Authority all the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as for the dividend declared in the year 2009-10 and 2010-11 on the due date of transfer. Details of shares transferred/unpaid dividend to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: [http://www.dnhindia.com/Investor% 20Relation/Shareholder-Information.html](http://www.dnhindia.com/Investor%20Relation/Shareholder-Information.html). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
6. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concern members/investors are advised to visit the web link: <http://iepf.gov.in/IEPFA/refund.htm> or contact the Share Transfer Agent M/s Ankit Consultancy Pvt. Ltd. for lodging claim for refund of shares and/or dividend from the IEPF Authority.
7. As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company. The Company has sent first letter to all the shareholders holding shares in the physical form by the Registered Post and further two reminder letters will also be sent by the Ordinary Post for requiring the aforesaid details. It may please be noted very carefully by the shareholders who are unable to provide required details to the Share Transfer Agent, or informed that the shares available in their name as per records to the share transfer agent does not belong to them or letter return back being undelivered on or before 17th October, 2018 (i.e. 180 days from the date of circular) shall be subject to enhanced due diligence by the Company and the Share Transfer Agent.
8. As per Amendments made w.e.f. 8th June, 2018 in the Regulation 40 of the SEBI (LODR) Regulation 2015 the shares shall be transferable only in the Demat form w.e.f. 5th December, 2018. Therefore, as per requirement of the Regulation the Share Transfer Agent of the Company has sent letters to the members holding shares in the

physical form advising the get the shares in the Demat form as earliest. The members are requested to please take necessary action for dematerialization of shares as earliest but before 5th December, 2018 to avoid hardship in transfer of shares thereafter.

9. Due dates for transfer of unclaimed/unpaid dividends and the amount remained unclaimed which may be transferred if continuing remain unpaid and or the balance amount if claimed by the shareholders for transfer thereafter the same to IEPF are as under:

| F.Y. Ended | Declaration Date | Due Date for Transfer to IEPF | Amount remains unpaid/unclaimed as at 31.03.2018 |
|------------------------------|------------------|-------------------------------|--|
| 31 st March, 2011 | 20.09.2011 | 26.10.2018 | 2,95,179.50 |
| 31 st March, 2012 | 29.09.2012 | 05.11.2019 | 1,98,957.00 |
| 31 st March, 2013 | 30.09.2013 | 05.11.2020 | 1,82,392.50 |
| 31 st March, 2014 | 30.09.2014 | 05.11.2021 | 1,93,595.00 |
| 31 st March, 2015 | 30.09.2015 | 05.11.2022 | 2,08,209.00 |

10. Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Act are requested to send the Company a certified copy of Board Resolution/ Authorization together with specimen signatures authorizing their representative to attend and vote on their behalf at the meeting.
11. Members holding shares in demat form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service [NECS], Electronic Clearing Services [ECS] mandates, nominations, power of attorneys, change in address, change of name, email address, contact numbers, etc. to their Depository Participant [DP]. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Ankit Consultancy Private Limited, Registrar and Transfer Agents of the Company.
12. Notice of the Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members, whose email ids are registered with the Company and Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting is being sent through permitted mode.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Circulars, etc. from the Company electronically. Members may also note that the Notice of the Meeting and the Annual Report will also be available on the Company's website for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection at any time between 10:00 a.m. to 1:00 p.m. on any working day up to the date of Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id ho@dnhindia.com.
14. Voting through electronic means: In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company is providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes

electronically. Necessary arrangements have been made by the Company with Central Depository Services [India] Limited [CDSL] to facilitate e-voting. The detailed process, instructions and manner for availing e-Voting facility is annexed to the Notice

15. **CS. (Dr.) D. K. Jain**, proprietor of M/s D. K. Jain & Co., Company Secretaries [Membership No. FCS 3565 CP 2382] has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
16. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
17. Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Paper shall be treated as invalid.
18. The e-voting period commences on **Wednesday 26th Sept., 2018 [9:00 a.m. (IST)] and ends on Friday 28th September, 2018 [5:00 p.m. (IST)]**. During this period, Members holding shares either in physical form or demat form, as on **Saturday 22nd September, 2018 i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
19. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
20. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
21. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman, who shall countersign the same.
22. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited [BSE] where the equity shares of the Company are listed.

REQUEST TO THE MEMBERS:

- a) Intimate changes, if any, in their registered addresses immediately.
- b) Quote their ledger folio number in all their correspondence.
- c) Handover the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
- d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
- e) Send their Email address to the Share Transfer Agent for prompt communication and update the same with their D.P. to receive softcopy of the Annual Report of the Company.
- f) Members holding shares in physical mode:
 1. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Ankit, if not registered with the Company as mandated by SEBI.
 2. are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website.
 3. are requested to register / update their e-mail address with the Company / Ankit for receiving all communications from the Company electronically.

23. Particulars of the directors seeking re-appointment at the ensuing annual general meeting

Pursuant to the SEBI (LODR) Regulations, 2015 the profile of the Director proposed for re-appointment being given in the following statement:

| Name of Director | Atithi Vora | Saurabh Vora | Madhusudan Jain |
|--|---|--|--|
| Designation | Women Non-Executive Director | Whole Time Director | Whole Time Director |
| Category | Non Executive | Executive | Executive |
| Date of Birth | 27/03/1988 | 11/09/1987 | 19/07/1966 |
| Date of Appointment | 01/10/2014 | 01/10/2014 | 24/01/2004 |
| Qualification | Chartered Accountants | B Tech | B.E. (Mechanical) |
| No. of shares held and % | 50,000 (0.68%) | 1,63,600 (220%) | 1,00,500 (1.36%) |
| List of outside Directorship | Nil | V & H Infra Pvt. Ltd. V & H Fabricators Pvt. Ltd. | Commonwealth Mining Pvt. Ltd. Swarnim Caplease Service Ltd. |
| Chairman / Member of the Committees of the Board of Directors of the Company | 1. Chairman of Internal Committee for (Sexual Harassment of Women at Workplace) 2. Member of Audit Committee | N.A. | Member of Stakeholder Grievance Committee |
| Chairman / Member of the Committees of the Board, Directors of other Companies in which he is director | N.A. | N.A. | N.A. |
| Disclosures of relationships between directors inter-se. | Mr. Saurabh Vora is husband and Mr. Harsh Vora Father in law is | Mrs. Atithi Vora is wife. Father is Mr. Harsh Vora | Mr. Harsh Vora is brother in Law |

Instructions for e-Voting**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Wednesday, 26th September, 2018 from 9.00 a.m. (IST) and ends on Friday, 28th September, 2018 at 5.00 p.m.(IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant D& H India Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4:

Shri Saurabh Vora (DIN: 02750484), was appointed as Whole-time Director of the Company w.e.f.1st Oct., 2017 for a term of 3 Years upto 30th Sept., 2020 at yearly remuneration of Rs. 15,00,000/- (Rs. Fifteen Lakhs per annum) and other benefits.

He is entrusted with control over the marketing department and marketing affairs of the Company and due to his marketing strategy, the company is growing continuously. He has varied experience of around 5 years in the field of marketing and other management areas. In view of this, Nomination & Remuneration Committee at its meeting held on 13th August, 2018 examined the existing remuneration being paid to him in comparison to other senior managerial personnel it is desirable to increase his remuneration suitably and pursuant to provisions of the Schedule V and section 196, and 197 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, recommended revision in remuneration of Shri Saurabh Vora for payment upto Rs. 30,00,000/- (Rs. Thirty Lakhs only) per annum which was approved by the Board of Directors at their Meeting held on 14th August, 2018 subject to further approval of Members at 33rd Annual General Meeting.

Mr. Saurabh Vora may be deemed to be concerned or interested, financially to the extent of the remuneration as may be drawn by him during his tenure and Mr. Harsh Vora Managing Director, Shri Madhusudan Jain and Mrs. Atithi Vora, Directors of the Company who are his relatives and their other relatives, may be deemed to be

concerned or interested otherwise in the increased remuneration of Mr. Saurabh Vora. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board recommends the proposed Resolution for your approval as Special Resolution.

ITEM NO. 5:

Mr. Madhusudan Jain was re-appointed as Whole-time Director for a term of three years w.e.f. 24th Feb., 2016 which was approved by the Shareholders of the Company at their Annual General Meeting held on 30th September, 2015, therefore his tenure as Whole-time Director shall be concluded on 23rd February, 2019.

Mr. Madhusudan Jain is a Mechanical Engineer and having rich experience in the industry. He is one of the core promoters of the Company and is key instrumental since the incorporation of the Company and the Company has grown under his dynamic leadership and strong management. Therefore the Nomination and Remuneration committee of the Board at its meeting held on 13th August, 2018 and the Board at their meeting held on 14th August, 2018 has considered and approved his re-appointment for a further period from 24th January, 2019 to 23rd January 2022 on such terms and conditions as set out in the special resolution.

As per the provisions of the Schedule V to the Companies Act, 2013, the Company proposes to pay the remuneration in excess of the limit as prescribed under Part II, Section II of the said Schedule and the proposed aforesaid remuneration/salary may in excess of the ceiling prescribed under section 197.

The Board of Directors recommends the proposed resolution for your approval as Special Resolution subject to the prior approval of Central Government, if required. The draft of the agreement to be entered into with the Whole-Time Director is available for inspection.

Mr. Madhusudan Jain, being the appointee may be considered as the financially interested in the resolution to the extent of his remuneration during the tenure of appointment and Shri Harsh Vora the Managing Director, Shri Saurabh Vora Whole-time Director and Mrs. Atithi Vora Women Director being his relatives may be deemed to be concerned or interested otherwise. Except them none of the director, Key managerial Personnel is directly/indirectly interested in the above stated special resolution.

Your directors submit the following Information pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 for consideration of the members:

I. General Information:

| | | |
|-----|---|---|
| (1) | Nature of industry | The Company is engaged in the manufacturing and dealing in welding electrodes which is being the backbone of infrastructure industry. The Company is in the manufacturing activities since Incorporation and is pioneer in its field. |
| (2) | Date or expected date of commencement of commercial production | N.A., already existing in business |
| (3) | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | N.A., already existing in business |
| (4) | Financial performance based on given indicators | The Company has achieved gross turnover of Rs.7,067.73 Lakhs for the year ended 31 st March, 2018 and earned profits before Tax Rs. 43.68 Lakhs on standalone basis. |
| (5) | Foreign investments or collaborations, if any. | The company is not having direct Foreign investment and there is no foreign collaboration. |

II. Information about the appointee:

| S.No. | Name of Appointee | Saurabh Vora | Madhusudan Jain |
|-------|---|---|---|
| (1) | Background details | Shri Saurabh Vora is having more than 6 years experience in excise, customs, production, labour and related activities at plant level of working experience in Manufacturing Industries; he is entrusted with control of affairs of the Company's factories situated at Sanwer Road Indore. | Mr. Madhusudan Jain, aged about 52 year, is a Mechanical Engineer and having more than 28 years of experience in the Industry and he is the Whole-time Director of the Company since 2004 with his vision, your Company has come out with so many challenges in the domestic and international market and grown to this level. He is also one of the core promoters of the Company. His vision is to make your company within top 10 welding electrodes manufacturer and achieve turnover of Rs.100 Crore by 2018-19. |
| (2) | Past remuneration | The total Remuneration for the year 2017-18 was Rs. 11.70 Lakhs | Rs.48.59 Lakhs during the year 2017-2018. |
| (3) | Recognition or awards | Nil | Nil |
| (4) | Job profile and his suitability | Shri Saurabh Vora, Whole-time Director is having control over the affairs of the Company's factory at Sanwer Road Indore subject to superintendence and control of the Managing Director and Board of directors. | Shri Madhusudan Jain, Whole Time Director is having control over the affairs of the Company's factory at Durg subject to superintendence and control of the Managing Director and Board of directors. |
| (5) | Remuneration proposed | Gross remuneration upto of Rs. 30,00,000/- p.a. including perks as may be admissible | Gross remuneration upto of Rs. 60,00,000/- p.a. including perks as may be admissible |
| (6) | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity. | The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity. |
| (7) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | He is holding 1,63,600 Equity Shares consisting 2.21% of the paid up share capital. Mr. Harsh Vora Managing Director, Shri Madhusudan Jain and Mrs. Atithi Vora, Directors of the Company being his relatives. | He is holding 1,00,500 Equity Shares consisting 1.35% of the paid up share capital. Shri Harsh Vora the Managing Director, Shri Saurabh Vora Whole-time Director and Mrs. Atithi Vora Women Director being his relative |

III. Other information:

| | | |
|-----|---|--|
| (1) | Reasons of loss or inadequate profits | There is no loss however, there may be inadequate profits due to adverse market position and matter of demand and supply or due to change in government policy, and then the profits may be inadequate in a particular period. |
| (2) | Steps taken or proposed to be taken for improvement | The Company is continuing efforts to introduce higher value products and broaden its operating base. |
| (3) | Expected increase in productivity and profits in measurable terms | The Company expect to increase its turnover and profits by about 8-10% every year. |

ITEM No. 6:

The Board has considered that in the ordinary course of business, the Company may be required to give loans and provide guarantee and securities on behalf of the subsidiaries companies, or Associates Companies or the joint venture or other companies in which directors are interested by way of directorship and/or shares held (whether public or private company) by them to the Banks, Financial Institutions, NBFC and other bodies corporate while providing financial support/Loans as per the requirement of the lenders/government authorities and business necessity from time to time. The Board considered that by the Companies Amendment Act, 2017 the Central Government has substituted the section 185 and according to that, now the Company is eligible to give loans and provide guarantee or security on behalf of the other companies to the Bank and Financial Institutions, etc where the any or all the directors are interested, subject to the requirement for approval of the members by way of special resolution and that the amount of loans, guarantee and securities shall be utilized by such companies for their principal business activities.

Hence the Board of Directors of the Company has proposed to obtain the approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding in aggregate Rs.10.00 Crores only (Rs. Ten Crores Only) in one or more tranches at any time and the said loan/guarantee any security given by the Company shall be utilized for the principal business activities of the recipient company (ies).

The Board considered that it may needs to provide the advances, loans or to provide guarantee or security on their behalf as under:

| Sr. No. | Name of the Company / Body Corporate in which directors are interested | Name of the interested directors | Maximum amount upto which loan/ guarantee/ security may be provided by the company. |
|---------|--|----------------------------------|---|
| 1. | V & H Fabricators Pvt. Ltd. | Harsh Vora | Rs.10 Crores only |
| 2. | Commonwealth Mining Pvt. Ltd. | Harsh Vora Madhusudan Jain | |
| 3. | V & H Infra Pvt. Ltd. | Harsh Vora Saurabh Vora | |
| 4. | Corna Infra Limited | Madhusudan Jain | |

However, before providing aforesaid loans, advances or guarantee and securities the Board shall ensure that:-

- 1) The said loan will be used by entities in their normal course of business.
- 2) Compliance under section 186 and 188 of the Companies Act, 2013;
- 3) The related entity will check their limit as prescribed under Section 180 of the Companies Act, 2013 if applicable

Your Board of Directors recommends the Special Resolution as set out in Item No. 6 of this notice for approval of the Members.

The aforesaid directors of the Company or their relatives or their relatives may be deemed to be beneficial interested to the extent of their shareholdings as the case may.

BY ORDER OF THE BOARD

RAJESH SEN
(COMPANY SECRETARY)
FCS7689

PLACE: INDORE

DATE: 14th August, 2018

D & H India Limited

CIN L28900MH1985PLC035822

A - 204, Kailash Esplanade,

Opposite Shreyas Cinema,

L.B.S. Marg, Ghatkopar (West),

Mumbai – 400086

**BOARDS'S REPORT
& MANAGEMENT DISCUSSION AND ANALYSIS**

**To
THE MEMBERS OF
D & H INDIA LIMITED**

The Directors take pleasure in presenting their 33rd Annual Report together with the audited standalone and consolidated financial statements for the year ended 31st March, 2018 and the Management Discussion and Analysis has also been incorporated into this report.

1. HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year was Rs. 6,892.02 Lakh as compared to Rs. 6,037.67 Lakh in the previous year, an increase of 14.15%.
- Consolidated net sales for the year was Rs. 6,870.02 Lakh as compared to Rs. 6,022.60 Lakh in the previous year, a increase of 14.07%;
- Consolidated profit before tax for the year was Rs. 30.62 Lakh as compared to Rs. 48.61 Lakh in the previous year;
- Consolidated Profit after tax for the year was Rs. 18.98 Lakh as compared to Rs. 29.04 Lakh in 2017.

2. FINANCIAL RESULTS

(Rs. In Lakh)

| Particulars | Consolidated | | Standalone | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 31.03.2018 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| Revenue from Operations (Net) & other income | 6,892.02 | 6,037.67 | 6,889.30 | 6,017.56 |
| Profit before Financial Cost & Depreciation | 358.30 | 387.89 | 365.40 | 390.36 |
| Financial Cost | 152.91 | 162.70 | 149.16 | 162.63 |
| Depreciation | 174.77 | 176.58 | 172.56 | 174.33 |
| Adjustment related to Fixed Assets (Net of Deferred Tax) | 0 | 0 | 0 | 0 |
| Profit Before Tax (PBT) | 30.62 | 48.61 | 43.68 | 53.40 |
| Provision for Tax | 11.64 | 19.57 | 12.11 | 17.65 |
| Profit After Tax (PAT) | 18.98 | 29.04 | 31.57 | 35.74 |
| Less: Minority Interest | 0 | 0 | - | - |
| Balance brought forward from previous year | 1,112.50 | 1,083.41 | 1,124.07 | 1,088.33 |
| Profit available for Appropriations | 1,131.51 | 1,112.50 | 1,124.07 | 1,124.07 |
| Earnings Per Share (Basic and Diluted) | 0.29 | 0.39 | 0.46 | 0.48 |

3. DIVIDEND

In order to conserve the financial resources your directors regret their inability to declare any dividend for the financial year 2017-18. (Previous year Nil) and proposes the earnings for the further requirement and growth of the Company.

4. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was Rs. 740.00 Lakh divided into 74.00 Lakh equity shares of Rs. 10/- each. During the year under review, there were no change in the capital structure and the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

4.1. *Transfer of profits to reserves*

During the year under review your company has not transferred any amount to the general reserves. (Previous year Nil)

5. FINANCE

Cash and cash equivalent as at 31st March, 2018 was Rs.72.18 Lakh (Previous year Rs.109.94 Lakh). The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

5.1. *Public Deposits*

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2018. Further that it has not accepted any deposit in violation of the provisions of the Chapter V of the Companies Act, 2013.

5.2. *Particulars of loans, guarantees or investments*

During the period under review, your company has not provided any Loans, given Guarantees, or provided any security or made any investment in any other Body Corporate in terms of provisions of section 186 of the Companies Act, 2013 except that the company has made investment and given Loan to the following companies.

| S.No. | Name of Company | Status of Company | Type of Investment | Amount of investment as on 31.03.18 (Rs. In Lakhs) |
|-------|---|-----------------------------------|------------------------|--|
| 1 | V & H Fabricators Pvt. Ltd. | Wholly owned Subsidiary | Non-Current Investment | 172.37 |
| 2 | Commonwealth Mining Pvt. Ltd. | Associate Company | Do | 0.90 |
| 3 | Investment in Listed Entities | - | Do | 19.48 |
| 4 | V & H Fabricators Pvt. Ltd. and Commonwealth Mining Pvt. Ltd. | Wholly owned Subsidiary/Associate | Loans | 35.46 |
| | | TOTAL | | 227.40 |

The Investments made and loan given by the company are within the limit as provided in section 186 of the Companies Act, 2013. In addition to the above, the Company has given advance against salary or otherwise to employees of the Company as per the terms of appointment and the Company's policy on which no interest was charged.

6. ECONOMIC SCENARIO AND OUTLOOK

The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2018. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2018, the economy is expected to grow at a higher rate than in 2017. The long term prospect for the economy is optimistic.

7. CSR INITIATIVES

In view of the paid up capital, profits and turnover of the company during the previous three years, the Company does not fall under the provisions of the section 135 of the Companies Act, 2013 and the rules made thereunder.

8. OCCUPATIONAL HEALTH & SAFETY (OH&S)

With regard to contractor safety, two key areas of focus identified were Facility Management for the contractors' employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company's objectives to ensure 'Zero Harm'.

9. HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programs which have helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring and on-boarding, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process, and market aligned policies have been seen as benchmark practices in the Industry.

During the year under review, the following Human Resources initiatives received greater focus:

- Employer of Choice: Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.
- Leadership Development: As a part of leadership development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role.
- Industrial Relations: The Company's Industrial Relations policy has been benchmarked by the manufacturing sector. The Company shares relevant business information with the Unions in order to enlighten them and make them sensitive towards business requirements. This has helped to build a healthy relationship and resolve issues through mutual dialogue.

10. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

10.1 Internal Control System

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Statutory Auditors have furnished their report in the *Annexure B of the Auditors Report* certifying the Internal Financial Control of the Company.

10.2 Vigil mechanism/Whistle Blower Policy

Pursuant to the provisions of section 177(9) and (10) of the Companies Act, 2013 read with rule 7 of Companies (Meeting of Boards and its powers) Rules, 2014 and Regulation 22 of SEBI (LODR) Regulations, 2015, the company

had adopted a whistle blower policy which provides for a vigil mechanism that encourages and supports its directors and employees to report instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the chairman of audit committee in exceptional cases. Policy of the whistle blower of the Company has been given at the website of the Company at www.dnhindia.com and attached the same as **Annexure A** to this report.

11. CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUB-SIDIARIES

11.1 Statement of the Subsidiary and Associate Company

Pursuant to the Rule 9(5)(iv) of the Companies (Accounts) Rules, 2014 the following particulars being submitted for the Companies become Subsidiary, Associates or ceased pursuant to the provisions of section 2(6) of the Companies Act, 2013.

| Name of the other Company | Position as on 1 st April, 2017 | Date on which become as a Associate | Date on which ceased as a Associate | Reasons | Remarks |
|-------------------------------|--|-------------------------------------|-------------------------------------|---|--|
| V & H Fabricators Pvt. Ltd. | Wholly Owned Subsidiary | 07.07.2012 | - | Entire shareholding held by the Company | 10 Shares held by Mr. Harsh Vora as Nominee. |
| Commonwealth Mining Pvt. Ltd. | Associate | 30.03.2013 | - | Holding 50% of share capital | - |

As on 31st March, 2018, the Company Commonwealth Mining Pvt. Ltd. is not carrying any business activities. The Company does not have joint venture Company at the beginning or any time during the year 2017-18.

11.2 Salient features of the financial statements of the subsidiary and Associate Company

In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary and Associate Company is also given in the **Form AOC-1** in the Annual Report as **Annexure B**.

11.3 Financial statements of the subsidiary companies

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.dnhindia.com. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company have also been placed on the website of the Company, www.dnhindia.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office.

11.4 Compliance of the Accounting Standards

The Consolidated and standalone financial statements are in compliance with the applicable Indian Accounting Standards (IND-AS) to the Company.

12. BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

12.1 Directors and Key Managerial Personnel

The Board of Directors of your company consists of 8 (Eight) Directors During the year and there is no change in the directors except the following:-

- 1) Change in designation of Mrs. Atithi Vora from Whole-time Director to Non-Executive Director w.e.f. 01st Oct., 2017;
- 2) Re-appointment of Mr. Saurabh Vora, Whole Time Director for a period of 3 years w.e.f. 1st Oct., 2017;
- 3) Re-appointment of Mr. Harsh Vora, Managing Director for a period of 3 years w.e.f. 1st Oct., 2017;

Mr. Harsh Vora, Managing Director, Mr. Saurabh Vora and Mr. Madhusudan Jain, Whole-time Directors and CS Rajesh Sen, Company Secretary and Mr. Sanat Jain, Chief Financial Officer of the company are designated as Key Managerial Personnel of the company as per the provisions of Section 203 of the Companies Act, 2013.

12.2 Directors seeking re-appointment as liable to retire by rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with relevant provisions of Articles of Association of the company Mrs. Atithi Vora, Non-Executive/Women Director of the company is liable to retire by rotation and is eligible to offer herself for re-appointment.

12.3 Directors seeking re-appointment in the AGM

Mr. Madhusudan Jain, the Whole-time Directors whose tenure is being completed on 23rd Jan., 2019 is proposed to be re-appointed at the ensuing annual general meeting till 23rd January, 2022 as per special resolution provided in the notice of AGM.

12.4 Declaration for Independency of Independent Directors

The Company has received necessary declaration from each independent director under Section 149(6) of the Companies Act, 2013 that they meet the criteria of Independence as per the SEBI (LODR) Regulation, 2015. In the Opinion of the Board, all the independent directors fulfill the criteria of the independency as required under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

12.5 Number of meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **4(Four) times** in financial year 2017-18 viz., on 29th May, 2017, 12th August, 2017, 14th November 2017 and 14th Feb., 2018. The maximum interval between any two meetings did not exceed 120 days.

12.6 Annual evaluation by the Board

The Company has devised a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se Board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective committee members. The performance of each committee was evaluated by the Board, Based on report on evaluation received from committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is hosted at the website of the Company at www.dnhindia.com.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and

applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2018 and of the profit of the Company for the year ended on that date;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board has the following four Committees as follows:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 redressal of complaint at the workplace

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

16. RELATED PARTY TRANSACTIONS

16.1 Related Party transaction are not material and on arms length basis in the ordinary course of business

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

16.2 Approval of the related party transactions by the Board and Audit Committee

All Related Party Transactions is having prior approval of Audit Committee and which is reviewed by the Audit committee and Board. The statement is supported by a Certificate from the CEO & MD and the CFO. The Company has Policy for Related Party Transactions, Standard Operating Procedures for purpose of identification and monitoring of such transactions. Since, there is no material related party transaction in the company. Therefore, the company is not required to attach **Form AOC-2**.

16.3 Policy on the related party transactions

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. A disclosure as required under section 134(3)(h) of the Companies Act, 2013 and the Rule 8(2) of the Companies (Accounts) Rules, 2014 and is hosted on the website of the Company at www.dnhindia.com.

17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

18. AUDITORS & COMMENTS ON THE OBSERVATION BY THE AUDITORS

18.1 Statutory Auditors Appointment and their Report

The Company's Auditors, M/s M. S. Dahiya & Co., Chartered Accountants, (F.R.No. 013855C) who were appointed for a term of one year at the Annual General Meeting of the Company held on 29th September, 2017, therefore

tenure of M/s M. S. Dahiya & Co., will be over on the conclusion of the ensuing annual general meeting and they will be rotate by as per provision of section 139 of the Companies Act 2013. Board of Director proposed there-appointment of M/s M. S. Dahiya & Co., Chartered Accountants, Indore (F.R.No. 013855C) as Statutory Auditors of the Company for a term of 1 year. They have confirmed their eligibility under section 141(3)(g) of the Companies Act, 2013 and the Rules framed there under for appointment as Auditors of the Company. As required under SEBI (LODR) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Board is pleased to inform that there is no such observation made by the Auditors in their report for the year 2017-18 which needs any explanation by the Board.

18.2 Cost Records and Auditors Appointment and their Report

Pursuant to provisions of section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity however, is not required to be audited during the year 2017-18. There is no requirement for appointment of the Cost Auditors for the year 2017-18.

18.3 Secretarial Auditors Appointment and their Report

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s D K Jain & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit for the year 2017-18 is annexed here with as "**Annexure C**".

19. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stake holders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

20. CORPORATE GOVERNANCE

As per SEBI (LODR) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report as **Annexure D**.

20.1 CEO & CFO certification

Certificate from Mr. Harsh Vora, Managing Director and Mr. Sanat Kumar Jain, Chief Financial Officer, pursuant to provisions of the SEBI (LODR) Regulations, 2015 for the year under review was placed before the Board of Directors of the Company at its meeting held on 29th May, 2018. A copy of the certificate on the financial statements for the financial year ended March, 31, 2018 is annexed along with this Report as **Annexure E**. Further that the Auditors Certificate on the Corporate Governance is annexed along with this Report as **Annexure F**.

21. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure G**".

22. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report a copy of the annexure may write to the Company Secretary at the Company's Registered Office.

23. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return for the year 2017-18 in form MGT-9 is annexed

herewith as “*Annexure H*”.

24. TRANSFER OF AMOUNT OF UNPAID DIVIDEND AND SHARES TO INVESTOR EDUCATION & PROTECTION FUNDS (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the Rules”) notified by the Ministry of Corporate Affairs. All unpaid or unclaimed dividend are require to be transferred by the company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also transferred to the D-mate account of the IEPF Authority. Accordingly, the company has transferred the unclaimed and unpaid dividends of Rs.2,92,813.50 and has also transfer 30,365 equity shares of Rs. 10/- each to the IEPF Authority as per the requirement of the IEPF rules. The details of the unpaid dividend transferred to the IEPF as well as the equity shares as stated above have been hosted on the website of the Company.

The detail related to dividend remains unpaid-unclaimed in the Company has been given in the Corporate Governance Report attached with the annual report of the Company.

The Company shall further transfer the unpaid or unclaimed divided for the year 2010-11 and the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also transferred to the D-mate account of the IEPF Authority as per requirement of the law.

25. DETAILS OF FRAUD

There is no fraud as reported by the Auditors to the Central Government which needs to be disclosed as per requirement of the provisions of section 134(3)(ca) of the Companies Act, 2013 during the year 2017-18. Further that there is no other frauds noticed by the Company which are not required to the reported to the Audit Committee or the Board.

26. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the company.

27. PARTICULARS OF REMUNERATION OF EMPLOYEES

The particulars of the remuneration to the directors pursuant to the section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration to the Managerial Personnel) Rules 2014 are enclosed as *Annexure I*.

There is no employee drawing remuneration of exceeding Rs.8,50,000/- per month or Rs.1,02,00,000/- per year, therefore the particulars of disclosures of employees as required u/s 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

28. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The company has in place a policy on prevention, prohibition and redressal of sexual harassment of women at workplace. The primary objective of the said policy is to protect the women employees from sexual harassment at the place of work and also provides for punishment in case of false and malicious representations. No compliant, however is received by the company under the said policy in FY 2017-18.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. Economic Scenario and Outlook:

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19

The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Government initiatives such as development of SEZs, industrial corridors, industrial clusters, fab cities and

textile parks, and subsidies and tax cuts to manufacturing groups are also fuelling growth in the industrial sector in the region. Improvements in road, rail and marine infrastructure and trade related benefits from governments such as abolishment/reduction in import duties and excise duties on certain imported raw materials and semi-finished goods and special export related incentives on finished goods, machinery and equipment.

The Indian Engineering sector has witnessed a sustainable growth over the last few years driven by increased investments in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy.

Program for modernization of plant & machinery will continue from its internal resources and committed to continual quality improvements, R & D & innovations.

B. Industry structure and developments:

Your Company deals only in the one segment i.e. manufacturing and sale of the welding consumable which are mainly used in various sector of industries including infrastructure projects, Thermal Power Plants, Steel, Metal, Cement, etc. New projects in these sectors have important contribution towards growth and profitability of the Company.

C. Quality Management System:

The Quality Management System in the Company is well defined and is well in place.

D. Internal Control System:

The Company has adequate internal control systems and procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. The transactions are recorded and reported in conformity with generally accepted accounting practices. The internal control systems and procedures ensure reliability of financial reporting, compliance with the Company's policies and practices, governmental regulations and statutes. Internal Audit is conducted by independent firm of auditors. Internal Auditors regularly check the adequacy of the system, their observations are reviewed by the management and remedial measures, as necessary, are taken. Internal Auditors report directly to the Chairman of the Audit Committee to maintain its objectivity and independence.

E. Opportunities and Threats:

Since your company is catering the needs of almost all sectors of Industries, therefore it has a good business cushion against recession in one or other sector as the other sector may improve concurrently.

The Indian Government focus on infrastructure growth will offer more opportunities to capital goods sector. The Banking system in the domestic market is facing an unprecedented situation of uncertainty and economic challenge due to non-performing assets (NPAs). Though the Government and the central Bank are seized of the gravity of the situation and are moving ahead with initiative to contain and resolve the problem, global macro-economic factors, beyond the control of the domestic economy can disrupt the equilibrium. In such a scenario the entire capital goods sector itself will face difficulties due to lack of new projects and liquidity crisis.

Apart from the normal risk demand-supply conditions, raw material prices, competitor strategies, changes in government regulations, tax regimes, economic developments within the country and globally no major risks are foreseen.

F. Human Resources:

We are committed to providing our employees with a work environment that is based on fairness, openness and mutual respect. Our on-ground work force and our employees together are the key to successes of our Company.

The Company emphasizes on the highest level of professional ethics, personal decorum, adherence to deadlines, compliance to standards and customer service.

The Company continues with its dedicated efforts to identify talent and has been recognized for its exemplary people-related parties in the Industry.

G. Health, Safety and environment measures:

Company is committed to meet the highest standards of health, safety and environmental performance. It continues to accord highest priority to conducting safe operations while being responsible towards the environment and ecology.

The Company focused on safe operations in line with its commitments to improve its health, safety and environment performance. Internal and external safety audits and inspections were carried out regularly. Emergency management plans have been developed to deal with any emergency within the factory premises.

H. Segment Reporting & Finance performance of the Product:

Company has only one segment i.e. manufacturing of welding consumable and the financial performance of the product is being incorporated in the Director's Report section.

I. Cautionary statement:

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

J. Industrial Relations:

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

30. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Place: Indore

Date: 14th August, 2018

Harsh Vora
Managing Director
DIN 00149287

Sushil Rawka
Chairman
DIN 00156990

VIGIL MECHANISM

WHISTLEBLOWER POLICY

The Purpose of this policy

D & H INDIA LIMITED and its subsidiaries are committed to complying with the foreign and domestic laws that apply to them, satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or application laws are recognized and addressed promptly, both the Company and those working for or with the Company could face government investigation, prosecution, fines, and penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the "Policy" or the "Whistle blower Policy"). You are required to read this Policy and submit the attached certificate that you will comply with it.

Your Duty to Report

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. Retaliation includes adverse actions, harassment, or discrimination in your employment relating to your reporting of your reporting of suspected violation. It is the policy of the Company that you must, when you reasonably suspect that a violation if an application law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and re mediation, and deterrence of violations of Company policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violation because retaliation for reporting suspected violation is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

How to Report

You must report all suspected violation to

1. your immediate supervisor; or
2. the Chief Compliance Officer; or
3. anonymously, by sending an e-mail to: whistleblower@dnhindia.com or
4. By sending an anonymous letter to the Company Secretary.

Rajesh Sen, Company Secretary & Compliance Officer

D & H India Limited

Plot A, Sector A, Industrial Area,

Sanwer Road, Indore, E-mail: rsen@dnhindia.com, Phone no. 0731-6633557

If you have reason to believe that your immediate supervisor or the Chief Compliance Officer is involved in the suspected violation, your report may be made to the Audit Committee of D & H INDIA LIMITED,

At:

Mr. Sunil Kathariya, Chairman of the Audit Committee

Plot A, Sector A, Industrial Area, Sanwer Road, Indore

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation. Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of the persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

Investigation after You Report

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with application law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violation of Company policy.

Retaliation is not Tolerated

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administration penalties.

Document Retention

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's policy and applicable law.

Modification

The Audit Committee or the Board of Director's of D & H INDIA LIMITED can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with federal, state or local regulations and / or accommodate organizational changes within the Company.

Please sign the acknowledgment form below and return it to Human Resources. This will let the Company know that you have received the Whistle blower Policy and are aware of the Company's commitment to a environment free of retaliation for reporting violations of any Company policies or any applicable laws.

Acknowledgement and agreement regarding the Whistle blower Policy

This is to acknowledge that I have received a copy of the Company's Whistle blower Policy. I understand that compliance with applicable laws and the Company's Code of Conduct and Ethics is important and, as a public Company, the integrity of the financial information of the Company is paramount. I further understand that the Company is committed to a work environment free of retaliation for employees who have raised concerns regarding violation of this Policy, the Company's Code of Conduct and Ethics or any applicable laws and the Company specifically prohibits retaliation whenever an employee make a good faith report regarding such concerns. Accordingly, I specifically agree that to the extent that I reasonably suspect there has been a violation of applicable laws or the Company's Code of Conduct and Ethics, including any retaliation related to the reporting of such concerns, I will immediately report such conduct in accordance with the Company's Whistle blower Policy. I further agree that I will not retaliate against any employee for reporting a reasonably suspected violation in good faith.

I understand and agree that to the extent I do not use the procedures outlined in the Whistle blower Policy, the Company and its officers and directors shall have the right to presume and rely on the fact that I have no knowledge or concern of any such information or conduct.

Employee's Name

Employee's signature

Date

ANNEXURE 'B'

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Laks)

| S. No. | Name of Subsidiary | V & H Fabricators Pvt. Ltd. |
|--------|--|--|
| 1 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 01 st April 2017 to 31 st March 2018 |
| 2 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | INR |
| 3 | Share capital | 51,25,000 |
| 4 | Reserves & surplus | 1,08,11,107 |
| 5 | Total assets | 2,17,86,723 |
| 6 | Total Liabilities | 58,50,616 |
| 7 | Investments | - |
| 8 | Turnover | 12,50,576 |
| 9 | Profit before taxation | (13,05,992) |
| 10 | Provision for taxation Including Differed Tax | (46,191) |
| 11 | Profit after taxation | (12,59,801) |
| 12 | Proposed Dividend | - |
| 13 | % of shareholding | 100.00 |

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

| S. No. | Name of Associates and Joint Ventures | Commonwealth mining Pvt. Ltd. (Amount in (Rs.)) |
|--------|--|---|
| 1 | Latest audited Balance Sheet Date | 31.03.2018 |
| 2 | Shares of Associate/Joint Ventures held by the company on the year end: - | 50% |
| | No. of Shares | 9000 |
| | Amount of Investment in Associates/Joint Venture | 90,000 |
| | Extend of Holding % | 50% |
| 3 | Description of how there is significant influence | Share holding 50% |
| 4 | Reason why the associate/joint venture is not consolidated | N A |
| 5 | Net worth attributable to Shareholding as per latest audited Balance Sheet | 39,085 |
| 6 | Profit / Loss for the year: -- | |
| | (i) Considered in Consolidation | 2,410 |
| | (ii) Not Considered in Consolidation | 2,409 |

For, M/s M.S.Dahiya & Co.,
Chartered Accountants
FRN – 013855C

HARSH FIRODA
Partner
M.No. 409391
Date: 29.05.2018
Place: Indore

For and on behalf of Board

Harsh Vora
Managing Director
DIN 00149287

Rajesh Sen
Company Secretary
FCS 7689

Sushil Rawka
Chairman
DIN 00156990

Sanat Jain
CFO

ANNEXURE 'C'

Form MR-3

Secretarial Audit Report

For the Financial Year ended 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
D & H India Ltd.

A-204, 2nd Floor, Kailash Esplanade,
Opp. Shreyas Cinema, L.B.S. Marg,
Ghatkopar (W), Mumbai 400086

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **D & H India Ltd.** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on 31st March, 2018** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - (a) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (b) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (c) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The SEBI (Delisting of Equity Shares) Regulations, 2009; and

(e) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**. Further, the Company is having business of manufacturing of general engineering goods (Electrodes) and no such specific law is applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 and
- (ii) The SEBI (LODR) Regulations, 2015.

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

We further report that

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we 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. However, it is advisable to appoint a Chief Compliance Officer to co-ordinate with all the compliances being done at various units as well as departments.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the IND-AS, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith, and the Cost Records have not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

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

We further report that during the audit period of the Company, there was no specific events/action having a major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For, D.K. JAIN & CO.
COMPANY SECRETARIES

CS (Dr.) D.K. JAIN
PROPRIETOR
FCS 3565 CP 2382
Place: Indore
Date: 09/05/2018

Annexure - I to the Secretarial Audit Report
List of other applicable laws to the Company under the major group and head

1. Factories Act, 1948;
2. The Hazardous Waste (Management & Handling) Rules, 1989
3. Gas Cylinder Rules, 2004
4. The Static and Mobile Pressure (Unfired) Rules, 1981
5. The Trademark Act, 1999
6. Industries (Development & Regulation) Act, 1951
7. Standard Weight and Measurement Act, 1985
8. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
9. Acts prescribed under prevention and control of Pollution;
10. Acts prescribed under Environmental protection;
11. Acts as prescribed under Direct Tax and Indirect Tax
12. Labour Welfare Act of respective States.
13. Local laws as applicable to the Registered office and plants.
14. Other Economic and Misc Laws and Rules.

Annexure - II to the Secretarial Audit Report

To,
The Members,
D & H India Ltd.
A-204, 2nd Floor, Kailash Esplanade,
Opp. Shreyas Cinema, L.B.S. Marg,
Ghatkopar (W), Mumbai 400086

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and applicability of the various direct and indirect taxation on the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, D.K.JAIN & CO.
COMPANY SECRETARIES

CS (Dr.) D. K. JAIN
PROPRIETOR
FCS 3565 CP 2382
Place: Indore
Date: 09/05/2018

ANNEXURE 'D'

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2018.

Corporate governance is about commitment towards maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of Directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The new Act emphasizes self regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant Endeavour to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operation and dealing with its shareholders, employees, lenders, creditors, customers and the government. The Company is in compliance with the requirements stipulated under SEBI (LODR) Regulation, 2015 with regard to Corporate Governance and also has taken certain steps to ensure transparency and accountability. Your company shall continue to follow the same with a desire for further development on continuous basis. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity.

The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate practices. The Board of Directors, by considering itself as trustee of its shareholders, aims at maximizing shareholders value and protecting the interest of all stakeholders

Board of Directors

The Company's Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Committee of Directors

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee. Each of these Committees has been mandated to operate within a given framework.

Management Structure

Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

a. Chairman & Managing Director

The Chairman and Managing Director is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.

b. Executive Director Plant, Marketing & Finance and Accounts

The Whole-time Director is looking into the Plant is responsible for operation and maintenance of the plant and all other functions relating to the day-to-day management of the plant, including all local issues and compliances as applicable at plant level. He is also looking into the marketing, accounts and finance department and reports to the Chairman & Managing Director.

BOARD OF DIRECTORS

Composition of the Board as on March 31, 2018

| Category | No. of Directors |
|---|------------------|
| Non-Executive & Independent Directors | 3 |
| Other Non-Executive Directors | 2 |
| Managing Director & Executive Directors | 3 |

The Chairman of the Board of Directors is the Non-Executive Chairman.

As required under section 149(3) of the Companies Act, 2013, Mrs. Atithi Vora, is a woman Director on the Board.

Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process. The brief profile of the Company's Board of Directors is as under:

Mr. Harsh Vora: Mr. Harsh Vora aged 55 year is a commerce graduate and having more than 32 years of experience in the industry. He is one of the core promoters of the Company and is key instrumental since the incorporation of the Company and the Company has grown under his dynamic leadership and strong management.

Mr. Madhusudan Jain: Mr. Madhusudan Jain aged 52 year is a Mechanical Engineer and having more than 27 years of experience in the Industry and he is the Whole Time Director of the Company since 2004 with his Vision Company has come out so many challenges in the domestic and international market and grown to this level. He is one of the core promoters of the Company.

Mr. Saurabh Vora: Mr. Saurabh Vora aged 31 year, is a B Tech and having 7 year experience in the field of production.

Mrs. Atithi Vora: Mrs. Atithi Vora aged 30 year, is a CA and having experience in the field of Taxation & Finance.

Mr. Sushil Rawka: Mr. Sushil Rawka aged 66 year, is a Commerce Graduate and having experience in the field of Taxation.

Mr. Jagdish Chand Kapur: Mr. Jagdish Chand Kapur aged 92 year, is a B. Sc. Engineer and having rich experience in the Industry.

Mr. Eshanya B Gupta: Mr. Eshanya B Gupta aged 42 year, is a MBA (Finance) and having experience in the field of Finance & Taxation.

Mr. Sunil Kathariya: Mr. Sunil Kathariya aged 58 year, is a BE (MECH), PGDBM and having experience in the various field.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is presented with a book on the Company which traces its history over 33 years of its existence, relevant Annual Reports, activities pursued by the Company. Further, with a view to familiarize him with the Company's Operations, the Director is also invited to visit the plant manufacturing process, detailed presentations giving an over achieving perspective of the Welding industry organizational set up of the Company, the functioning of various divisions/departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory frame work in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

Other relevant details of directors as on 31.03.2018:

| Name of the Director | Date of Appointment | Category | Number of directorship held in Indian Public Co. including this Co. | Committee Position | |
|----------------------|---------------------|----------------------|---|--------------------|----------|
| | | | | Member | Chairman |
| Mr. Harsh Vora | 06.12.1990 | Managing Director | 2 | 0 | 0 |
| Mr. Madhusudan Jain | 24.01.2004 | Whole-time Director | 1 | 1 | 0 |
| Mr. Saurabh Vora | 01.10.2014 | Whole-time Director | 1 | 0 | 0 |
| Mrs. Atithi Vora | 01.10.2014 | Director | 1 | 1 | 0 |
| Mr. Sushil Rawka | 01.04.1995 | Director | 1 | 2 | 1 |
| Mr. Jagdish C. Kapur | 11.08.2005 | Independent Director | 1 | 4 | 1 |
| Mr. Sunil Kathariya | 15.05.2015 | Independent Director | 1 | 3 | 1 |
| Mr. Eshanya B Gupta | 15.05.2015 | Independent Director | 1 | 2 | 0 |

Board Meetings held during the Year 2017-18

| Date on which the Board Meetings were held | Total Strength of the Board | No of directors present |
|--|-----------------------------|-------------------------|
| 29 th May, 2017 | 8 | 8 |
| 12 th August, 2017 | 8 | 6 |
| 14 th November, 2017 | 8 | 4 |
| 14 th Feb, 2018 | 8 | 3 |

Attendance of Directors at Board Meetings and Annual General Meeting

| Name of Director | Date of the Board Meetings | | | | Date of AGM |
|----------------------|----------------------------|------------|------------|------------|-------------|
| | 29.05.2017 | 12.08.2017 | 14.11.2017 | 14.02.2018 | 29.09.2017 |
| Mr. Harsh Vora | Yes | Yes | Yes | Yes | Yes |
| Mr. Madhusudan Jain | Yes | Yes | Yes | No | Yes |
| Mr. Saurabh Vora | Yes | Yes | No | Yes | No |
| Mrs. Atithi Vora | Yes | Yes | No | No | No |
| Mr. Sushil Rawka | Yes | Yes | No | Yes | No |
| Mr. Jagdish C. Kapur | Yes | No | No | No | No |
| Mr. Sunil Kathariya | Yes | No | Yes | Yes | No |
| Mr. Eshanya B Gupta | Yes | Yes | Yes | Yes | Yes |

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through videoconferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through videoconferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through videoconferencing.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in SEBI (LODR) Regulations, 2015 to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

Selection and Appointment of Director:

The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. In line with the said Policy, the Committee facilitates the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board. The abstract of the said Policy forms part of the Directors' Report. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute.

As required under Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of appointment of their appointment are posted on the Company's website and can be accessed at www.dnhindia.com

Agenda Items and details relating thereto:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board and respective committees to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the consent of majority of directors including at least one Independent Director. Agenda papers are circulated seven days prior to the Board and committee meetings. In addition, for any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for taken on record and minutise.

Invitees & Proceedings:

Apart from the Board members, Company Secretary and the CFO which are available for assistances. However, Heads of Manufacturing and Marketing and other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board/Committee. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on progress, operational health & safety and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

Post Meeting Action:

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the Managing Director and Company Secretary for the action taken / pending to be taken.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings upon the directions of the

Chairman. Secretary is also doing preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management on compliance and governance aspects.

Induction and Familiarization Program for Directors:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director, Committee Members and other Functional Heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The details of familiarization program can be accessed from the website: www.dnhindia.com

Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc. The Company believes in "Zero Tolerance" to bribery and corruption in any form and in line with our governance philosophy of doing business in most ethical and transparent manner, the Board has laid down an "Anti Bribery and Corruption Directives", which is embedded to the Code. The Code of Conduct is posted on the website of the Company. All the Board members and senior management personnel have confirmed compliance with the code.

Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, concerned employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of financial results and occurrence of any material events as per the code. The Company has appointed Mr. Rajesh Sen, Company Secretary as Compliance Officer, for setting forth procedures of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

Disclosure of Relationship between Directors inter-se:

| Name | Relationship | Name of other Directors in inter-se relationship |
|---------------------|------------------|--|
| Mr. Harsh Vora | Father | Mr. Saurabh Vora |
| Mr. Harsh Vora | Father-in- law | Smt. Atithi Vora |
| Mr. Harsh Vora | Brother in Law | Mr. Madhusudan Jain |
| Mr. Saurabh Vora | Son | Mr. Harsh Vora |
| Mr. Saurabh Vora | Spouse | Smt. Atithi Vora |
| Smt. Atithi Vora | Spouse | Mr. Saurabh Vora |
| Smt. Atithi Vora | Daughter-in- law | Mr. Harsh Vora |
| Mr. Madhusudan Jain | Brother in Law | Mr. Harsh Vora |

No. of Shares held by Non- Executive Director

| Name | No. of Shares held |
|------------------|--------------------|
| Mr. Sushil Rawka | 63,300 |

Pecuniary relationship of transaction of Non- Executive director: NIL

Non- executive director's payment criteria: The Non- executive directors of the company are only given Setting fees as decided by Board for attending the Board meeting and audit committee during the financial year 2017-18.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz.

- (a) Audit Committee,
- (b) Stakeholders' Relationship Committee,
- (c) Nomination and Remuneration Committee,
- (d) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 redressal of complaint at the workplace.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

(a) Audit Committee - Mandatory Committee

• Terms of reference

The Board has constituted a well-qualified Audit Committee. Maximum members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary acts as secretary to the committee.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015.

The terms of reference of the Audit Committee are as per the guidelines set out in the listing regulations read with section 177 of the Companies Act, 2013. These broadly includes

- (i) develop an annual plan for Committee
- (ii) review of financial reporting processes,
- (iii) review of risk management, internal control and governance processes,
- (iv) discussions on quarterly, half yearly and annual financial statements and the auditor's report,
- (v) interaction with statutory, internal and cost auditors to ascertain their independence and effectiveness of audit process,
- (vi) recommendation for appointment, remuneration and terms of appointment of auditors and
- (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- (i) Matter included in the Director's Responsibility Statement.
- (ii) Changes, if any, in the accounting policies.
- (iii) Major accounting estimates and significant adjustments in financial statement.
- (iv) Compliance with listing and other legal requirements concerning financial statements.
- (v) Subject to review by the Board of Directors, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus or specific approval given.
- (vi) Qualification in draft audit report.
- (vii) Scrutiny of inter-corporate loans & investments.
- (viii) Management's Discussions and Analysis of Company's operations.
- (ix) Valuation of undertakings or assets of the company, wherever it is necessary.
- (x) Periodical Internal Audit Reports and the report of Ethical View Reporting Committee (Fraud Risk Management Committee).
- (xi) Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
- (xii) Letters of Statutory Auditors to management on internal control weakness, if any.
- (xiii) Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.

(xiv) Recommend to the Board, the appointment, re-appointment and, if required the replacement or removal of the statutory auditors and cost auditors, Secretarial Auditors, considering their independence and effectiveness, and recommend the audit fees.

(xv) Recommend to the Board, the appointment and remuneration of the CFO and Internal Auditors.

(xvi) Annual General Meeting to answer the shareholder's queries.

D. Invitees / Participants:

1. The CFO are the permanent invitees to all Audit Committee meetings.
2. Head of Internal Audit department attends all the Audit Committee Meetings as far as possible and briefs the Committee on all the points covered in the Internal Audit Report as well as the other issues that come up during discussions.
3. The representatives of the Statutory Auditors have attended all the Audit Committee meetings held during the year.
4. The representatives of the Cost Auditors and Secretarial Auditors have attended 1(one) Audit Committee Meeting when the Cost Audit Report and Secretarial Audit Report were discussed.

The composition of the Audit Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Audit Committee meeting held | | | |
|----------------------|-------------|---|------------|------------|------------|
| | | 29.05.2017 | 12.08.2017 | 14.11.2017 | 14.02.2018 |
| Mr. Sunil Kathariya | ID/Chairman | Yes | No | Yes | Yes |
| Mr. Jagdish C. Kapur | ID/Member | Yes | No | No | No |
| Mr. Sushil Rawka | D/Member | Yes | Yes | No | No |
| Mrs. Atithi Vora | D/ Member | Yes | Yes | No | No |
| Mr. Eshanya B Gupta | ID/Member | Yes | Yes | Yes | Yes |

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess knowledge of finance, accounting practices and internal controls. Mr. Rajesh Sen, Company Secretary also functions as the Secretary to the Committee.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. The Chief Financial Officer (CFO) and Internal Auditor also attend Audit Committee Meetings. The Internal Auditor reports directly to the Audit Committee.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Internal Auditor to get their inputs on significant matters relating to their areas of audit.

Self Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

(b) Stakeholders' Relationship Committee -Mandatory Committee

In compliance with the provisions of section 178 of the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015 the Board has constituted "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares issued by the Company from time to time;
- issue of duplicate share certificates for shares reported lost, defaced or destroyed, as per the laid down procedure;

- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance/other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors/stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the **Stakeholders' Relationship Committee** as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Stakeholders Relationship Committee meeting held | | | |
|-------------------------|------------|---|------------|------------|------------|
| | | 29.05.2017 | 12.08.2017 | 14.11.2017 | 14.02.2018 |
| Mr. Sushil Rawka | Chairman | Yes | Yes | No | No |
| Mr. Madhusudan Jain | WTD/Member | Yes | Yes | Yes | Yes |
| Mr. Jagdish Chand Kapur | ID/Member | Yes | No | No | No |
| Mr. Sunil Kathariya | ID/Member | Yes | No | Yes | Yes |

Mr. Rajesh Sen, Company Secretary also functions as the Secretary to the Committee.

During the year, 9 complaints were received from shareholders, which were timely attended/resolved. As on 31st March, 2018, no investor grievance has remained unattended/ pending for more than thirty days.

(c) Nomination and Remuneration Committee -Mandatory Committee

In compliance with Section 178 of the Companies Act, 2013, the "Nomination and Remuneration Committee" is in place.

The terms of reference of the Committee are:

The Remuneration Committee recommends remuneration, promotions, increments etc. for the whole-time directors and relative of the directors to the Board for approval. The Committee is empowered to -

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and oversee the succession management process for the Board and senior management employees.
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.
- Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.
- Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- Conduct Annual performance review of MD and CEO and Senior Management Employees;

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, engineering, finance, governance and general management.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

- (iii) The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- (iv) The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.
- (v) Qualification, expertise and experience of the Directors in their respective fields;
- (vi) Personal, Professional or business standing;
- (vii) Diversity of the Board.
- (viii) In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

- (i) The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings as detailed hereunder:
- (ii) A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- (iii) The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

Managing Director - Criteria for selection /appointment

- (i) For the purpose of selection of the MD and WTD the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.
- (ii) The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director & Whole-time Directors

- (i) The Remuneration of Managing Director and Whole-time director being paid as recommended by the NRC and the Board and approved by the Members at the General Meeting and/or approved by the Central Govt. from time to time within the overall limits prescribed under the Companies Act, 2013.
- (ii) The remuneration for appointment made by the Board is subject to the approval of the Members of the Company in General Meeting and/or the Central Govt. as may be required.
- (iii) The remuneration of the Managing Director and Whole-time directors are broadly divided into fixed components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.
- (iv) In determining the remuneration the N&R Committee shall ensure / consider the following:
 - a. responsibility required to be shouldered by the Managing Director and Whole-time director, the industry benchmarks and the current trends;
 - b. the Company's performance vis-à-vis the annual budget achievement and individual performance.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees and Key Managerial Personals, the N&R Committee shall ensure/consider the following:

- (i) the relationship of remuneration and performance;
- (ii) the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- (iii) the remuneration is divided into fixed component comprising salaries, perquisites and retirement benefits;
- (iv) the remuneration including annual increment is decided based on the criticality of the roles and responsibilities, and current compensation trends in the market.
- (v) The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

The composition of the Nomination and Remuneration Committee as at March, 31, 2018 and the details of Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Nomination and Remuneration Committee meeting held |
|-------------------------|-------------|---|
| | | 12.08.2017 |
| Mr. Jagdish Chand Kapur | ID/Chairman | Yes |
| Mr. Sunil Kathariya | ID/Member | No |
| Mr. Eshanya B Gupta | ID/Member | Yes |

Mr. Rajesh Sen, Company Secretary also functions as the Compliance Officer and the Secretary to the Committee.

(d) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee and Mrs. Atithi Vora, women director is the chairperson of the Committee and one other female employee have been nominated in the committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace.

(e) Independent Directors' Meeting

During the year under review, the Independent Directors met on 16.12.2017, under the chairmanship of the Lead Independent Director, Mr. J C Kapur inter alia, to discuss:

- Independent Directors and the Board of Directors as a whole;
- Taking into account the views of the Executive and Non Executive Directors.
- Performance of the Managing Director Mr. Harsh Vora, Mr. Madhusudan Jain, Saurabh Vora, Whole-time Directors
- Timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Mr. J C Kapur, Mr. Eshanya B Gupta and Mr. Sunil Kathariya were present at the Meeting. Mr. Rajesh Sen, Company Secretary also assisted to the lead independent director.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

| Particulars | Mr. Harsh Vora, Managing Director | Mr. Madhusudan Jain (WTD) | Mr. Saurabh Vora (WTD) | Mrs. Atithi Vora, (WTD upto 30.09.2017) |
|-----------------------------|--|---|--|--|
| Period of Appointment | 29.10.2017 to 30.09.2020 | 24.01.2016 to 23.01.2019 | 01.10.2017 to 30.09.2020 | 01.10.2014 to 30.09.2017 |
| Salary including Allowances | Maximum upto Rs. 5,00,000/- P.M. | Rs. 92,40,000/- 10% p.a. as per CG approval Letter dated 31 st March, 2016 | Maximum upto Rs. 15,00,000 P.A. | Maximum upto Rs. 1,00,000 P.M. |
| Perquisites | Contribution to PF as per Rules | Contribution to PF as per Rules | Contribution to PF as per Rules | Contribution to PF as per Rules |
| Retrial Benefits | Gratuity and Leave encashment as per Rules | Gratuity and Leave encashment as per Rules | Gratuity and Leave encashment as per Rules | Gratuity and Leave encashment as per Rules |
| Performance Bonus | - | - | - | 0 |
| Deferred Bonus | - | - | - | 0 |
| Minimum Remuneration | As per provisions of the Schedule V of the Companies Act, 2013 | As per Central Govt. approval | As per provisions of the Schedule V of the Companies Act, 2013 | As per provisions of the Schedule V of the Companies Act, 2013 |
| Notice Period and fees | 3 months from either side | 3 months from either side. | 3 months from either side | 3 months from either side |

Details of remuneration paid to the Directors are given in Form MGT – 9

SUBSIDIARY & ASSOCIATE COMPANIES

The Company is having V & H Fabricators Pvt. Ltd as its wholly owned subsidiary and Commonwealth Mining Pvt. Ltd is an Associate of the Company.

The Audited Annual Financial Statements of Subsidiaries' Companies were tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Audit Committee and the Board has approved a policy for related party transactions which has been uploaded on the Company's website.

DISCLOSURES

1. There are no materially significant transactions with the related party viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at <http://www.dnhindia.com>
2. There were no non compliance by the Company and no penalty imposed by the stock exchange of the SEBI or any statutory authority on any matter related to capital market during the last three year.
3. The Company has formed and hosted the Vigil Mechanism Policy on the website of the Company, and the Company confirm that no personnel were denied to access to the audit committee.
4. The Company has complied with all the mandatory requirements under the SEBI (LODR) Regulations, 2015

as applicable.

5. The Company has hosted all the required policy on the website of the company; however, the Company is not having any subsidiary during the year 2017-18.
6. The Company has given the web link of the related party transaction in the annual report.
7. Since the Company is not dealing in commodity hedging, therefore, it is not having any risk associated thereto.
8. The Company is not having any security to credit in the demat suspense account or unclaimed suspense account u/s 124(5) and (6) of the Companies Act, 2013.

MD / CFO CERTIFICATION

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATION

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

1. Non-Executive Chairman's Office: Chairman's office is separate from that of the Managing Director & CEO.
2. Shareholders' Rights: As the quarterly and yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
3. Modified Opinion in Auditors Report: The Company's financial statement for the year 2017-18 does not contain any modified audit opinion.
4. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

| Year | Location | Date | Time | Special Resolution | Special Resolution through postal Ballot |
|---------|--|------------------------------|------------|---------------------------|--|
| 2016-17 | Lavender Bough, 90 feet Road, Garodia Nagar, Ghatkopar (East), Mumbai – 400077 | 29 th Sept., 2017 | 10.00 A.M | Three Special resolutions | No |
| 2015-16 | As above | 30 th Sept., 2016 | 10.00 A.M. | No | No |
| 2014-15 | At the Registered Office at: A - 204, Kailash Esplanade, Opposite Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai – 400086 | 30 th Sept., 2015 | 10.00 A.M. | One Special resolutions | No |

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

MEANS OF COMMUNICATION

The quarterly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at www.dnhindia.com and also uploaded on the website of the BSE Ltd.

| Quarterly Results | Newspaper Publication | Displayed in Website |
|-------------------|-------------------------------|--|
| 31.03.2017 | Navshakti& Free Press, Mumbai | www.dnhindia.com |
| 30.06.2017 | Navshakti& Free Press, Mumbai | www.dnhindia.com |
| 30.09.2017 | Navshakti& Free Press, Mumbai | www.dnhindia.com |
| 31.12.2017 | Navshakti& Free Press, Mumbai | www.dnhindia.com |

However, the Company has not made any official releases and presentation to any institution.

GENERAL INFORMATION TO SHAREHOLDERS

| | |
|--|---|
| Date, Time and Venue of Annual General Meeting | 29 th day of September, 2018 at 10:00 A.M. at Lavender Bough, 90 feet Road, Garodia Nagar, Ghatkopar (East), Mumbai - 400077 |
| E-voting period | From 26.09.2018 on 9:00 A.M. [IST] To 28.09.2018 on 5:00 P. M [IST] |
| Financial Calendar Results for the quarter ending 30 th June, 2018 for the quarter ending 30 th Sept, 2018 for the quarter ending 31 st Dec., 2018 for the quarter ending 31 st March, 2019 | (Tentative) On or Before 14 th August, 2018 On or Before 14 th November, 2018 On or Before 14 th Feb., 2019 On or Before 30 th May, 2019 |
| Board Meeting for consideration of Annual Accounts for the financial year 2017-18 | 29/05/2018 |
| Book Closure | 23 rd Sept., 2018 to 29 th Sept., 2018 (both days inclusive) |
| Cutoff date for E-voting | 22 nd September, 2018 |
| Posting/ mailing of Annual Report | Before 1 st September, 2018 |
| Last date for receipt of Proxy | 27 th September, 2018 at 9:59 AM |
| Dividend | N.A. |
| Listing on Stock Exchange | The equity shares of the company are listed at BSE Ltd. and the listing fees has been paid for 2018-2019 |
| Registered Office | A-204, Kailash Esplanade, Opposite Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai – 400086 |
| Compliance Officer and Company Secretary | CS Rajesh Sen |
| Registrars and Share Transfer Agents | Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010 Tel: 0731- 2551745/46 Fax: 0731- 4065798, Email: ankit_4321@yahoo.com |
| Scrutinizer for E-voting | CS D. K. Jain, Practicing Company Secretary |
| Scrip Code | 517514 |
| ISIN NO | INE589DO1018 |
| The financial year covered by this Annual Report | April 1, 2017 to March 31, 2018 |
| Share Transfer System | Transfers are registered and returned by the Registrars & Share Transfer Agents within a period of 15 days from the date of receipt of the documents, provided the same are in order |
| Commodity price risk or foreign exchange risk and hedging activity | Usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements. |
| Plant Location | 1. Sanwer Road Plant: Plot 'A', Sector 'A', Industrial Area, Sanwer Road, Indore – 452015 (M.P.) Phone: 0731-6633501 Email: ho@dnhindia.com Website www.dnhindia.com Ghatabillod Plant: Village Sejevaya, Dhar Road, Ghatabillod, Distt. Dhar (M.P.) Durg Plant: Plot No. 115-116, Zone B, Industrial Growth Center, Village Borai Post Rasmada, Distt. Durg Chattisgarh |

Equity Share Price on BSE April, 2017 – March, 2018

| Month | BSE Sensex Closed | Equity Share Price | | | No of Shares Traded during the month | Turnover Rs. In Lakh |
|----------------|-------------------|--------------------|-------|-------|--------------------------------------|----------------------|
| | | High | Low | Close | | |
| April-2017 | 29,918.40 | 26.70 | 21.00 | 22.85 | 1,41,841 | 34.41 |
| May-2017 | 31,145.80 | 23.85 | 20.55 | 22.00 | 69,533 | 15.39 |
| June-2017 | 30,921.61 | 24.25 | 20.00 | 21.05 | 68,627 | 14.43 |
| July-2017 | 32,514.94 | 23.80 | 20.30 | 21.85 | 88,268 | 19.34 |
| August-2017 | 31,730.49 | 24.00 | 16.00 | 22.15 | 1,96,692 | 41.74 |
| September 2017 | 31,283.72 | 33.85 | 21.65 | 27.30 | 4,00,231 | 120.83 |
| October-2017 | 33,213.13 | 38.75 | 26.70 | 29.65 | 6,35,520 | 211.58 |
| November-2017 | 33,149.35 | 35.55 | 27.30 | 31.60 | 4,28,451 | 136.83 |
| December-2017 | 34,056.83 | 31.70 | 27.00 | 29.45 | 1,70,634 | 40.03 |
| January-2018 | 35,965.02 | 36.95 | 27.10 | 27.80 | 4,64,254 | 148.43 |
| February-2018 | 34,184.04 | 30.45 | 24.05 | 25.15 | 1,65,258 | 44.74 |
| March-2018 | 32,968.68 | 25.90 | 19.05 | 20.95 | 72,899 | 16.24 |

SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS**i. Share transfers**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them.

Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the MCA's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders/legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. Sub-division of shares

The Company had not subdivided any share in the past 5 years.

v. Dividend**a. Unclaimed Dividends & Transfer of Shares to IEPF Authority**

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will, in November, 2018 transfer to the said fund and shares, the dividends for the years ended 31st March, 2011 which have remained unclaimed / unpaid. The dates by which the dividend amounts are remains unpaid as on 31.03.2018 are as under:

| Financial Year | Date of Declaration | Rate of Dividend per Share Rs. | Due date for transfer to IEPF | Amount of dividend remains unpaid / unclaimed |
|----------------|---------------------|--------------------------------|-------------------------------|---|
| 2010-11 | 20.09.2011 | 0.50 | 26.10.2018 | 2,95,179.50 |
| 2011-12 | 29.09.2012 | 0.50 | 05.11.2019 | 1,98,957.00 |
| 2012-13 | 30.09.2013 | 0.50 | 05.11.2020 | 1,82,392.50 |
| 2013-14 | 30.09.2014 | 0.50 | 05.11.2021 | 1,93,595.00 |
| 2014-15 | 30.09.2015 | 0.50 | 05.11.2022 | 2,08,209.00 |

Individual reminders are sent each year to those Members by way of note to the notice of the Annual General Meeting to remained unclaimed for a period of seven years from the date they became due for payment, before transferring the monies to the Investor

Education & Protection Fund (IEPF). The information on unclaimed dividend is also posted on the website of the Company as aforesaid.

Further that pursuant to the provisions of section 124 of the Companies Act, 2013, the Company is required to transfer the shares held by the members who have not claimed/paid dividend for the consecutive period of 7 years. Therefore all members who have not claimed their dividend upto 2009-10 in any of the years thereafter, and shares remained in their names are liable to be transferred to the IEPF authority on the date as may be specified.

However, the Member of such shareholders may claim their unpaid dividend and the shares transferred if any to the IEPF authority by applying in Form IEPF-5 to the IEPF authority.

vi. Pending Investors' Grievances

Any Member/Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

vii. Dematerialization of shares & liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository of both NSDL & CDSL.

viii. Details of Demat Shares as on 31st March 2018

| | No. of Shareholders / Beneficial Owners | No. of Shares | % of Capital |
|-------------------------|---|------------------|---------------|
| NSDL | 1797 | 52,51,358 | 70.96 |
| CDSL | 1247 | 17,47,117 | 23.61 |
| Sub-Total | 3044 | 69,98,475 | 94.57 |
| Shares in physical form | 1970 | 4,01,525 | 05.43 |
| Grand Total | 5014 | 74,00,000 | 100.00 |

ix. Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of

Directors. No discrepancies were noticed during these audits.

x. Outstanding Convertible Instruments

There are no outstanding warrants or any convertible instruments.

Distribution of Shareholding as on March, 31, 2018

| Nos. of shares | No. of Owners | % of Share Holders | Share Amount (Rs) | % to Total |
|----------------|---------------|--------------------|--------------------|---------------|
| Upto 1000 | 2,670 | 53.24 | 23,24,740 | 3.14 |
| 1001 -2000 | 833 | 16.61 | 16,07,840 | 2.17 |
| 2001 -3000 | 294 | 5.86 | 8,47,370 | 1.15 |
| 3001 -4000 | 119 | 2.37 | 4,57,450 | 0.62 |
| 4001 -5000 | 302 | 6.02 | 14,97,760 | 2.02 |
| 5001 -10000 | 379 | 7.56 | 32,53,190 | 4.40 |
| 10001-20000 | 185 | 3.69 | 28,96,910 | 3.91 |
| 20001-30000 | 67 | 1.34 | 17,60,700 | 2.38 |
| 30001-40000 | 36 | 0.72 | 12,43,500 | 1.68 |
| 40001-50000 | 30 | 0.60 | 14,41,500 | 1.95 |
| 50001-100000 | 46 | 0.92 | 34,09,650 | 4.61 |
| 100001- Above | 54 | 1.08 | 5,32,59,390 | 71.97 |
| TOTAL | 5014 | 100.00 | 7,40,00,000 | 100.00 |

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the depositories.

Shareholding Pattern as on 31st March, 2018

| | No. of Shares held | % |
|---|--------------------|---------------|
| Promoters & directors | 34,91,430 | 47.18 |
| Banks, Financial Institutions, Insurance Companies & Mutual Funds | | |
| i. Banks | 2,415 | 0.03 |
| ii. Financial Institutions | 0 | 0 |
| iii. Insurance Companies | 0 | 0 |
| iv. Mutual Funds/UTI | 0 | 0 |
| Central & State Governments | 0 | 0 |
| Foreign Institutional Investors | 0 | 0 |
| NRIs / Foreign Nationals | 55,515 | 0.75 |
| Public and Others | 38,50,640 | 52.04 |
| TOTAL | 74,00,000 | 100.00 |

For and on behalf of the Board

Place: Indore
Date: 14th August, 2018

Harsh Vora
Managing Director
DIN 00149287

Sushil Rawka
Chairman
DIN 00156990

Compliance with Code of Business Conduct and Ethics

As provided SEBI (LODR) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2018.

For D & H India Limited

Place: Indore
Date: 14th August, 2018

Harsh Vora
Managing Director
DIN 00149287

ANNEXURE 'E'

**MANAGING DIRECTOR AND CFO CERTIFICATION
AS PER SEBI (LODR) REGULATIONS, 2015**

- a. We have reviewed financial statements and the Cash Flow Statement for the year 2017-18 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i) significant changes in internal control during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes of the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place: Indore
Date: 29th May, 2018

Harsh Vora
Managing Director /CEO
DIN 00149287

Sanat Kumar Jain
CFO

ANNEXURE 'F'

**AUDITORS' CERTIFICATE
ON CORPORATE GOVERNANCE**

To,
The Members
D&H INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by D & H India Limited for the year ended 31st March, 2018 as stipulated in Regulation 27 of SEBI (LODR) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance applicable as aforesaid.

As required by the Guidance Note issued by the ICAI, on the basis of information and explanations given to us, we have to state that no investor grievances were pending for a period of one month.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted its affairs.

For, M S Dahiya & Co
Chartered Accountants
Firm Regn. No.013855C

PLACE: Indore
DATE: 29th May, 2018

Harsh Firoda
Partner
Membership No. 409391

ANNEXURE 'G'

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

| (A) Conservation of energy | | | |
|--|--|--|-----------------|
| S.No. | Particulars | | |
| (i) | the steps taken or impact on conservation of energy; | The Company has installed LED lights, and alarming for wastage of lights at the plant and work stations. | |
| (ii) | the steps taken by the company for utilizing alternate sources of energy; | The Company has installed the DG Sets and solar lights | |
| (iii) | the capital investment on energy conservation equipments | Nil | |
| (B) Technology absorption | | | |
| (i) | the efforts made towards technology absorption | - | |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | - | |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year | Nil | |
| | (a) the details of technology imported | Nil | |
| | (b) the year of import | Nil | |
| | (c) whether the technology been fully absorbed | Nil | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons there of; and | Nil | |
| (iv) | the expenditure incurred on Research and Development | Nil | |
| (C) Foreign exchange earnings and Outgo | | 2017-18 | 2016-17 |
| (i) | The Foreign Exchange earned in terms of actual inflows during the year; | Rs. 45,92,799 | Rs. 18,70,290 |
| (ii) | And the Foreign Exchange outgo during the year in terms of actual outflows. | Rs. 3,57,19,394 | Rs. 2,51,42,678 |

For and on behalf of the Board

Place: Indore
Date: 14th August, 2018

Harsh Vora
Managing Director
DIN 00149287

Sushil Rawka
Chairman
DIN 00156990

ANNEXURE 'H'

EXTRACT OF ANNUAL RETURN -FORM MGT - 9
As on the financial year ended on 31st March, 2018

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

I. Registration and Other Details

| | |
|---|---|
| CIN | L28900MH1985PLC035822 |
| Registration Date | 30/03/1985 |
| Name of the Company | D & H India Limited |
| Category / Sub-Category of the Company | Company having Share Capital |
| Address of the Registered Office and contact details | A-204, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai-400086 Phone: 022-25006447 Email: ho@dnhindia.com |
| Whether listed company | Yes, With BSE Ltd. |
| Name, address and contact details of Registrar and Transfer Agent, if any | Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452001, 0731-2551745, ankit_4321@yahoo.com |

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company has been stated:

| Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|--|-----------------------------------|------------------------------------|
| Welding Consumables | 319-3190-31908 | 92.00% |

III. Name and Address of the Holding, Subsidiary and Associate Companies:

| Name and address of the Company | CIN / GLN | Holding/ Subsidiary/Associate | % of shares held | Applicable Section |
|-----------------------------------|-----------------------|-------------------------------|------------------|--------------------|
| V & H Fabricators Private Limited | U51226MP2005PTC017842 | Subsidiary | 100 | 2(87) |
| Commonwealth Mining Pvt. Ltd. | U14292MH2010PTC208622 | Associate | 50 | 2(6) |

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)

i) Category-wise Shareholding

| Category of Shareholder | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 2685430 | - | 2685430 | 36.29 | 2685430 | - | 2685430 | 36.29 | 0 |
| b) Central Govt. | - | - | - | - | - | - | - | - | 0 |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | 0 |
| d) Bodies Corporate | 806000 | | 806000 | 10.89 | 806000 | | 806000 | 10.89 | 0 |
| e) Banks / FI | - | - | - | - | - | - | - | - | 0 |
| f) Any Other.... | - | - | - | - | - | - | - | - | 0 |
| Sub-Total (A)(1): | 3491430 | - | 3491430 | 47.18 | 3491430 | - | 3491430 | 47.18 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | - | - | - | - | - | - | - | - | 0 |
| b) Other – Individuals | - | - | - | - | - | - | - | - | 0 |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | 0 |
| d) Banks / FI | - | - | - | - | - | - | - | - | 0 |
| e) Any Other... | - | - | - | - | - | - | - | - | 0 |
| Sub-Total (A)(2): | - | - | - | - | - | - | - | - | 0 |
| Total Shareholding of Promoters (A) = (A)(1) + (A)(2) | 3491430 | | 3491430 | 47.18 | 3491430 | - | 3491430 | 47.18 | 0 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | - | - | - | - | - | - | - | - | |
| a) Mutual Funds / UTI | - | - | - | - | - | - | - | - | |
| b) Banks / FI | 2415 | - | 2415 | 0.03 | 2415 | - | 2415 | 0.03 | 0 |
| c) Central Govt. | - | - | - | - | - | - | - | - | 0 |
| d) State Govt.(s) | - | - | - | - | - | - | - | - | 0 |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | 0 |
| f) Insurance Companies | - | - | - | - | - | - | - | - | 0 |
| g) FII's | - | - | - | - | - | - | - | - | 0 |

| | | | | | | | | | |
|--|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------|
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | 0 |
| i) Others (specify) | - | - | - | - | - | - | - | - | 0 |
| Sub-Total (B)(1): | 2415 | - | 2415 | 0.03 | 2415 | - | 2415 | 0.03 | 0 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 826776 | 7900 | 834676 | 11.28 | 595957 | 5400 | 601357 | 8.13 | (3.15) |
| ii) Overseas | - | - | - | - | - | - | - | - | |
| b) Individuals | | | | | | | | | |
| i) Individual Share holders holding nominal share capital upto Rs.2 lakh | 1541083 | 481525 | 2022608 | 27.33 | 1812568 | 332225 | 2144793 | 28.98 | 1.65 |
| ii) Individual Share holders holding nominalshare capital in excess of Rs.2 lakh | 963898 | 25800 | 989698 | 13.37 | 1065885 | 25800 | 1091685 | 14.75 | 1.38 |
| c) Others (specify) | | | | | | | | | |
| i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property | - | - | - | - | - | - | - | - | 0 |
| ii) Other Foreign Nationals | - | - | - | - | - | - | - | - | 0 |
| iii) Foreign Bodies | - | - | - | - | - | - | - | - | 0 |
| iv) NRI / OCBs | 13523 | 4700 | 54566 | 0.73 | 19025 | 36100 | 55125 | 0.74 | 0.04 |
| v) Clearing Members / Clearing House | 950 | - | 950 | 0.01 | 13195 | - | 13195 | 0.18 | 0.17 |
| vi) Trusts | - | - | - | - | - | - | - | - | 0 |
| vii) LLP | - | - | - | - | - | - | - | - | 0 |
| viii) Foreign Portfolio Investor (Corporate) | - | - | - | - | - | - | - | - | 0 |
| ix) Qualified Foreign Investor | - | - | - | - | - | - | - | - | 0 |
| Sub-Total (B)(2): | 3346230 | 559925 | 3908570 | 52.82 | 3507045 | 401525 | 3908570 | 52.82 | 0 |
| Total Public Share holding (B)=(B) (1)+ (B)(2) | 3348645 | 559925 | 3908570 | 52.82 | 3507045 | 401525 | 3908570 | 52.82 | 0 |
| Grand Total (A+B) | 6840075 | 559925 | 7400000 | 100.00 | 7000475 | 399525 | 7400000 | 100.00 | 0 |

ii) Shareholding of Promoters

| Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | |
| Corna Infra Limited | 806000 | 10.89 | - | 806000 | 10.89 | - | - |
| Harsh Kumar Vora (Huf) | 673600 | 9.10 | - | 673600 | 9.10 | - | - |
| Suchita Kakrecha | 537085 | 7.26 | - | 537085 | 7.26 | - | - |
| Priya Kakrecha | 317500 | 4.29 | - | 317500 | 4.29 | - | - |
| Harsh Vora | 311745 | 4.21 | - | 311745 | 4.21 | - | - |
| Kiran Vora | 193300 | 2.61 | - | 193300 | 2.61 | - | - |
| Saurabh Vora | 163600 | 2.21 | - | 163600 | 2.21 | - | - |
| Madhusudan Jain | 100500 | 1.36 | - | 100500 | 1.36 | - | - |
| Somu Kakrecha | 90000 | 1.22 | - | 90000 | 1.22 | - | - |
| Sushil Rawka | 63300 | 0.86 | - | 63300 | 0.86 | - | - |
| Satish Rawka | 53600 | 0.72 | - | 53600 | 0.72 | - | - |
| Atithi Vora | 50000 | 0.68 | - | 50000 | 0.68 | - | - |
| Suhani Vora | 50000 | 0.68 | - | 50000 | 0.68 | - | - |
| Venus Rawka | 36500 | 0.49 | - | 36500 | 0.49 | - | - |
| Siddharth Rawka | 24400 | 0.33 | - | 24400 | 0.33 | - | - |
| Saroj Rawka | 20300 | 0.27 | - | 20300 | 0.27 | - | - |
| Total | 3491430 | 47.18 | - | 3491430 | 47.18 | - | - |

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

| | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | 3491430 | 47.18 | | |
| Datewise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| At the end of the year | | | 3491430 | 47.18 |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | | Changes during the year | | | | | Reason |
|--|---|----------------------------------|-------------------------------------|----------------------------------|-------------------------|--------------------------|-------------------------|----------|----------|----------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company | Date | No. shares before Change | No. shares After Change | Increase | Decrease | |
| ENNAR STAR TRADE LIMITED | NOT IN LIST | 4.07 | 300948 | 4.07 | 30/06/17 | 13973 | 948 | - | 13025 | Transfer |
| | | | | | 19/01/18 | 948 | 300948 | 300000 | | acquire |
| DHIRAJ KUMAR LOHIA | 183384 | 2.47 | 208806 | 2.82 | 07/04/17 | 183384 | 185453 | 2069 | | acquire |
| | | | | | 14/04/17 | 185453 | 191656 | 6203 | | acquire |
| | | | | | 21/04/17 | 191656 | 206081 | 14425 | | acquire |
| | | | | | 25/08/17 | 206131 | 208806 | 2675 | | acquire |
| SUBRAMANIAN P PALANI | NOT IN LIST | - | 177280 | 2.39 | 11/08/17 | 0 | 7070 | 7070 | | acquire |
| | | | | | 18/08/17 | 7070 | 20320 | 13250 | | acquire |
| | | | | | 25/08/17 | 20320 | 25720 | 5400 | | acquire |
| | | | | | 01/09/17 | 25720 | 33726 | 8006 | | acquire |
| | | | | | 08/09/17 | 33726 | 48397 | 14671 | | acquire |
| | | | | | 15/09/17 | 48397 | 58510 | 10113 | | acquire |
| | | | | | 22/09/17 | 58510 | 64820 | 6310 | | acquire |
| | | | | | 30/09/17 | 64820 | 91358 | 26538 | | acquire |
| | | | | | 06/10/17 | 91358 | 95560 | 4202 | | acquire |
| | | | | | 13/10/17 | 95560 | 107350 | 11790 | | acquire |
| | | | | | 20/10/17 | 107350 | 116440 | 9090 | | acquire |
| | | | | | 03/11/17 | 116440 | 118690 | 2250 | | acquire |
| | | | | | 10/11/17 | 118690 | 125890 | 7200 | | acquire |
| | | | | | 01/12/17 | 125890 | 132190 | 6300 | | acquire |
| | | | | | 22/12/17 | 142684 | 152164 | 9480 | | acquire |
| 30/12/17 | 152164 | 161890 | 9726 | | acquire | | | | | |
| 05/01/18 | 161890 | 164535 | 2645 | | acquire | | | | | |
| 09/02/18 | 164535 | 168190 | 3655 | | acquire | | | | | |
| 16/02/18 | 168190 | 175480 | 7290 | | acquire | | | | | |
| 02/03/18 | 175480 | 177280 | 1800 | | acquire | | | | | |
| INVESTOR EDUCATION AND PROTECTION FUND | NOT IN LIST | | 154150 | 2.08 | 08/12/17 | 0 | 154150 | 154150 | | Transfer |
| PARASMAL BAM | 115325 | 1.56 | 115325 | 1.56 | | | | | | |

| | | | | | | | | | | |
|--------------------------------------|-------------|-------|-------------|-------|----------|--------|--------|-------|--------|---------|
| RAJASTHAN GLOBAL SECURITIES PVT.LTD. | 360816 | 4.92 | 67918 | 0.92 | 11/08/17 | 360816 | 355891 | | 4925 | Sale |
| | | | | | 18/08/17 | 355891 | 353371 | | 2520 | Sale |
| | | | | | 13/10/17 | 353371 | 351888 | | 1483 | Sale |
| | | | | | 20/10/17 | 351888 | 333356 | | 18532 | Sale |
| | | | | | 03/11/17 | 325806 | 309805 | | 16001 | Sale |
| | | | | | 10/11/17 | 309805 | 240034 | | 69771 | Sale |
| | | | | | 17/11/17 | 240034 | 226973 | | 13061 | Sale |
| | | | | | 08/12/17 | 211417 | 195649 | | 15768 | Sale |
| | | | | | 30/12/17 | 182587 | 162723 | | 19864 | Sale |
| | | | | | 05/01/18 | 162723 | 155858 | | 6865 | Sale |
| | | | | | 19/01/18 | 155858 | 127938 | | 27920 | Sale |
| | | | | | 26/01/18 | 127938 | 86922 | | 41016 | Sale |
| | | | | | 02/02/18 | 86922 | 67918 | | 19004 | Sale |
| O P CHUGH | 51541 | 0.70 | 66246 | 0.90 | 07/04/17 | 51541 | 56041 | 4500 | | acquire |
| | | | | | 09/06/17 | 56041 | 58036 | 1995 | | acquire |
| | | | | | 08/09/17 | 58036 | 66246 | 8210 | | acquire |
| LINCOLN P COELHO | 60000 | 0.81 | 60000 | 0.81 | - | - | - | - | - | - |
| EDELWEISS BROKING LTD9 | NOT IN LIST | - | 46985 | 0.63 | 16/03/18 | 45854 | 46985 | 1131 | | acquire |
| | | | | | 23/02/18 | 46979 | 45854 | | 1125 | Sale |
| | | | | | 16/02/18 | 45979 | 46979 | 1000 | | acquire |
| | | | | | 02/02/18 | 17547 | 45979 | 28432 | | acquire |
| | | | | | 26/01/18 | 5004 | 17547 | 12543 | | acquire |
| | | | | | 05/01/18 | 5954 | 4954 | | 1000 | Sale |
| | | | | | 01/12/17 | 3036 | 5954 | 2918 | | acquire |
| 03/11/17 | 0 | 3842 | 3842 | | acquire | | | | | |
| AMAN VORA | 44800 | 0.61 | 44800 | 0.61 | - | - | - | - | - | - |
| BHAGYALAXMI FISCAL (INDIA) PVT. LTD. | 320000 | 4.32 | NOT IN LIST | | 16/06/17 | 320000 | 300000 | | 20000 | Sale |
| | | | | | 12/01/18 | 300000 | 0 | | 300000 | Sale |
| SUJANMAL VORA | 203690 | 2.75 | 33390 | 0.45 | 07/04/17 | 203690 | 203090 | | 600 | Sale |
| | | | | | 30/06/17 | 203090 | 201090 | | 2000 | Sale |
| | | | | | 11/08/17 | 201090 | 181090 | | 20000 | Sale |
| | | | | | 18/08/17 | 181090 | 166090 | | 15000 | Sale |
| | | | | | 25/08/17 | 166090 | 156090 | | 10000 | Sale |
| | | | | | 15/09/17 | 156090 | 148390 | | 7700 | Sale |
| | | | | | 30/09/17 | 148390 | 143390 | | 5000 | Sale |
| | | | | | 06/10/17 | 143390 | 113390 | | 30000 | Sale |
| | | | | | 10/11/17 | 113390 | 103390 | | 10000 | Sale |
| | | | | | 01/12/17 | 103390 | 93390 | | 10000 | Sale |
| | | | | | 22/12/17 | 93390 | 73390 | | 20000 | Sale |
| | | | | | 16/02/18 | 73390 | 63390 | | 10000 | Sale |
| | | | | | 09/03/18 | 63390 | 53390 | | 10000 | Sale |
| 31/03/18 | 53390 | 33390 | | 20000 | Sale | | | | | |

Note: Details of the change in shareholding for less than 2% has been merged in the above said statement and increase/decreased is only shown for more than 2%. Further that the dates of changes has been taken as per information's made available by the share transfer agent based on the banpost.

v) Shareholding of Directors and Key Managerial Personnel

| For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| Mr. Harsh Vora, Managing Director | | | | |
| At the beginning of the year | 311745 | 4.21 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| At the end of the year | | | 311745 | 4.21 |
| Mr. Madhusudan Jain, Whole-time Director | | | | |
| At the beginning of the year | 100500 | 1.36 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| At the end of the year | | | 100500 | 1.36 |
| Mr.Saurabh Vora, Whole-time Director | | | | |
| At the beginning of the year | 163600 | 2.21 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): on dated 30.03.2015. | | | - | - |
| At the end of the year | | | 163600 | 2.21 |
| Mrs. Atithi Vora | | | | |
| At the beginning of the year | 50000 | 0.68 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| At the end of the year | | | 50,000 | 0.68 |
| Mr. Sushil Rawka, Non Executive Director | | | | |
| At the beginning of the year | 63300 | 0.86 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| At the end of the year | | | 63300 | 0.86 |
| Mr.Sanat Kumar Jain, CFO | | | | |
| At the beginning of the year | 400 | 0.005 | | |
| Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| At the end of the year | | | 400 | 0.005 |

Note: Shri Rajesh Sen, the Company Secretary, Shri Eshanya B. Gupta, And Shri Sunil Kathariya, Shri J. C. Kapur independent directors are not holding any share at the beginning or during the year and at the end of the financial year 2017-18s

IV. INDEBTNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|--------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 6,69,76,945 | 1,00,78,751 | 0 | 7,70,55,696 |
| ii) Interest due but not paid | 0 | 16,95,095 | 0 | 16,95,095 |
| iii) Interest accrued but not due | 2,43,633 | 0 | 0 | 2,43,633 |
| Total (i+ii+iii) | 6,72,20,578 | 1,17,73,846 | 0 | 7,89,94,424 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 3,83,50,442 | 1,78,50,000 | | 5,62,00,442 |
| Reduction | 1,90,80,995 | 2,96,23,846 | | 4,87,04,841 |
| Net Change | 1,92,69,447 | -1,17,73,846 | | 74,95,601 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 8,62,77,494 | 0 | | 8,62,77,494 |
| ii) Interest due but not paid | 0 | 0 | | 0 |
| iii) Interest accrued but not due | 2,12,531 | 0 | | 2,12,531 |
| Total (i+ii+iii) | 8,64,90,025 | 0 | | 8,64,90,025 |

VI. REMUNERATION OF DIRECTOR AND KMP

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

| S. No. | Particular of Remuneration | Mr. Harsh Vora Managing Director | Mr. Madhusudan Jain Whole-time Director | Mr. Saurabh Vora Whole Time Director | Mrs. Atithi Vora Whole time Director (upto 30.09.2017) | Total |
|--------|---|-------------------------------------|--|--|---|--------------------|
| 1 | Gross Salary | | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 58,24,690 | 48,58,643 | 11,70,000 | 4,20,000 | 1,18,53,333 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | 0 | 0 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0 | 0 | 0 | | 0 |
| 2 | Stock Options | 0 | 0 | 0 | | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | | 0 |
| 4 | Commission | | | | | |
| | - as % of profit | 0 | 0 | 0 | | 0 |
| | - others, specify... | 0 | 0 | 0 | | 0 |
| 5 | Others, please specify | | | | | |
| | Total | 58,24,690 | 48,58,643 | 11,70,000 | 4,20,000 | 1,18,53,333 |
| | Ceilings as per the Act | *60,00,000 | *94,09,552 | @42,00,000 | @42,00,000 | 2,38,09,552 |

* As per approval of the Central Government

@ as per minimum permissible limit under Schedule V of the Companies Act, 2013

1. Independent Directors:

| S. No. | Particular of Remuneration | Mr. J C Kapur | Mr. Sunil Kathariya | Mr. Eshanya B Gupta | Total |
|--------|---|---------------|---------------------|---------------------|---------------|
| 1 | -Fee for attending Board/Committee Meetings | 10,000 | 30,000 | 40,000 | 80,000 |
| 2 | -Commission | - | | | - |
| 3 | -Others, please specify | - | | | - |
| | Total B.1 | 10,000 | 30,000 | 40,000 | 80,000 |

2. Other Non Executive Directors:

| S.No. | Particular of Remuneration | Mr. Sushil Rawka | Total |
|-------|---|------------------|-------------|
| 1 | -Fee for attending Board/Committee Meetings | 20,000 | 20,000 |
| 2 | -Commission | - | - |
| 3 | -Others, please specify | - | - |
| | Total B.2 | 20,000 | 20,000 |
| | Total (B1+B2) | | 1,00,000 |
| | Total Managerial Remuneration | | 1,19,53,333 |
| | Overall Ceiling as per the Act | | 2,38,09,552 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S. No. | Particular of Remuneration | Mr. Rajesh Sen, CS | Mr.Sanat Kumar Jain CFO | Total |
|--------|---|--------------------|-------------------------|-----------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 4,57,002 | 16,14,836 | 20,71,838 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Options | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | | | |
| | - as % of profit | 0 | 0 | 0 |
| | - others, specify.... | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total C | 4,57,002 | 16,14,836 | 20,71,838 |

VII. PENALTY / PUNISHMENT / COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | AUTHORITY [RD / NCLT / COURT] | Appeal made, if any (give details) |
|------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. DIRECTOR | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. OTHER OFFICER IN DEFAULT | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

For and on behalf of the Board

Place: Indore
Date: 14th August, 2018

Harsh Vora
Managing Director
DIN 00149287

Sushil Rawka
Chairman
DIN 00156990

ANNEXURE 'I'

PARTICULARS OF EMPLOYEES

The applicable information required pursuant to Section 197 of the Companies Act, 2013 read with Rule (5) of the Companies(Appointment and Remuneration of Managerial Personnel), Rules 2014 in respect of the employees are as under.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, during the Financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial year 2017-18 are as under:

| Sr. No. | Name | Remuneration of Director/KMP for the FY 2017-18 | % increase in remuneration in the FY 2017-18 | Ratio of Remuneration of each Director to median remuneration of employees |
|---------|---|---|--|--|
| 1 | Mr. Harsh Vora Managing Director | 58,24,690/- | -6.94 | 26.72 |
| 2 | Mr. Madhusudan Jain Executive Director | 48,58,643/- | -5.99 | 22.29 |
| 3 | Mr. Saurabh Vora Executive Director | 11,70,000/- | 39.29 | 5.37 |
| 4 | Sanat Kumar Jain CFO | 16,14,836/- | 3.72 | N.A. |
| 5 | Rajesh Sen, CS | 4,57,002/- | 28.01 | N.A. |

- (i) The median remuneration of employees of the Company during the financial year was 2.18 Lac.
- (ii) In the financial year, there was an increase of average 8.46%, in the median remuneration of employees.
- (iii) The number of permanent employees on the roll of the company is 116 Employees.
- (iv) The Price earnings ratio as at 31.03.2018 is 45.54 and 31.03.2017 was 42.08
- (v) Based on Remuneration Policy of the Company, salary of the employees was increased at 9.18% and managerial remuneration was decreased at -1.80% this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.
- (vi) The Company affirms that remuneration is as per the remuneration policy of the Company:
- (vii) The information for remuneration paid in excess of Rs. 102.00 Lakh in the year or Rs. 8.50 Lakh p.m. for the part of the years required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 in respect of the employees are not applicable as none of the employee is drawing the remuneration in excess of the aforesaid limits.

Name of the top 10 employees in terms of remuneration drawn in the financial year 2017-18:A statement of top-10 employees in terms of remuneration drawn as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is as follows:-

| S. No. | Name of Employee | Designation | Remuneration received in Rs | Nature of Employment (Contractual / Otherwise) | Qualification & Experience | Date of commencement | Age (Year) | Last employment held before joining the company | Whether any such employee is a relative of any director / Manager of the company and if so name of such director or manager | Remarks |
|--------|--------------------|---------------------|-----------------------------|--|----------------------------|----------------------|------------|---|---|---------|
| 1 | Harsh Vora | Managing Director | 58,24,690 | Contractual | Graduate | 06/12/1990 | 55 | N A | Madhusudan Jain Saurabh Vora and Atithi Vora | |
| 2 | Madhusudan Jain | WTD | 48,58,643 | Contractual | Mechanical Engineer | 24/01/2004 | 52 | N A | Harsh Vora | |
| 3 | Sanat Jain | CFO | 16,14,836 | On roll | Graduate | 01/04/2014 | 62 | N A | N.A. | |
| 4 | Anil Sintre | SR. Executive | 15,38,200 | On roll | M. Sc (Chemistry) | 28.06.1992 | 63 | N A | N.A. | |
| 5 | Saurabh Vora | WTD | 11,70,000 | Contractual | B Tech | 01.10.2014 | 31 | N A | Harsh Vora and Atithi Vora | |
| 6 | Hemal U Patel | Marketing Executive | 11,47,396 | On roll | Graduat | 01.08.2014 | 41 | N A | N A | |
| 7 | Nirmal Kumar Dubey | Marketing Executive | 10,75,647 | On roll | Graduate | 18.04.2017 | 44 | N A | N A | |
| 8 | Shinu Kunjuman | Marketing Executive | 10,75,417 | On roll | Graduate | 07.03.2015 | 37 | N A | N A | |
| 9 | Ankit Kumar Jain | Accounts Executive | 7,85,908 | On roll | CA | 01.12.2012 | 29 | N A | N A | |
| 10 | Mukesh Vaish | SR. Executive | 7,56,760 | On roll | B. Sc | 01.11.2007 | 67 | N A | N A | |

INDEPENDENT AUDITOR'S REPORT

To the Members of **D & H INDIA LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **D & H INDIA LIMITED** ('the Company'), which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, including The Statement of Other Comprehensive Income, the Cash Flow statement and the Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

Management's Responsibility for the Standalone 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 and presentation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2018, and its Profit including Other Comprehensive Income, its cash flows and the Statement of Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e) on the basis of the written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements-Refer Note 32 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M. S. Dahiya & Co.**
Chartered Accountants
FRN : 013855C

(Harsh Firoda)
Partner
M. No. : 409391

Place: Indore
Date: 29/05/2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading of “report on other legal and regulatory requirements” of our report of even date)

- (i)
 - a. The proper records showing full particulars including quantitative details and situation of the fixed assets are being maintained by the company.
 - b. All the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As per information and explanations given to us, no material discrepancies were noticed.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii)
 - a. The inventory of the company has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of verification is reasonable, the discrepancies noticed on physical verification of inventory, as compared to book records were not material and have been properly dealt with in the books of account.
- (iii)

The Company has granted loan to two body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

 - a. In our opinion, other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - b. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount and payment of interest.
 - c. There are not any repayment schedule and the loans are repayable on demand, hence we are unable to comment on overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv)

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v)

In our opinion and according to the information & explanations given to us, the company has not accepted deposits as per directives issued by Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of Companies Act and Rules framed there under.
- (vi)

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been 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)
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2018.
 - b. According to the information and explanations given to us, there are no material dues of duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Sales tax & Entry tax have not been deposited by the Company on account of disputes :

| Nature of Statute | Nature of the dues | Period to which the amount relates | Amount in Rs. | Forum where the dispute is pending |
|-------------------|--------------------|------------------------------------|---------------|------------------------------------|
| CST | Regular assessment | 2006-07 | 5,77,794 | Appeal Board, Bhopal |
| | | 2008-09 | 1,24,977 | Appeal Board, Bhopal |
| | | 2009-10 | 3,84,322 | Appeal Board, Indore |
| | | 2010-11 | 4,97,994 | Appeal Board, Indore |
| | | 2011-12 | 6,38,890 | Appeal Board, Indore |
| | | 2012-13 | 4,52,500 | Appeal Board, Indore |
| | | 2013-14 | 3,14,868 | Appeal Board, Indore |
| | | 2014-15 | 9,76,264 | Depty Commissioner Appeal |
| Entry Tax | Regular assessment | 2005-06 | 1,11,968 | Appeal Board, Bhopal |
| | | 2006-07 | 2,58,747 | Appeal Board, Bhopal |
| | | 2008-09 | 30,272 | Appeal Board, Bhopal |
| | | 2013-14 | 1,01,259 | Depty Commissioner Appeal |

- (viii) According to the records of the company, examined by us and the information & explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
- (ix) According to the records of the company, examined by us and the information & explanations given to us, term loan taken have been applied for the purposes for which they were raised. Further the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the records of the company, examined by us and the information & explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence this clause is not applicable to the Company and not commented.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the explanation and information given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **M.S. Dahiya & Co.**
Chartered Accountants
FRN : 013855C

(Harsh Firoda)
Partner
M. No. : 409391

Place: Indore
Date: 29/05/2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF D & H INDIA LTD.

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

We have audited the internal financial controls over financial reporting of **D & H INDIA LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.

Opinion

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

For **M.S. Dahiya & Co.**
Chartered Accountants
FRN : 013855C

Place: Indore
Date: 29/05/2018

(Harsh Firoda)
Partner
M. No. : 409391

Balance Sheet as at 31st March, 2018

| Particulars | Note No. | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 31.03.2016 RUPEES |
|---|----------|----------------------------|----------------------------|----------------------------|
| (1) ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | 1.1 | 18,33,20,664 | 19,84,15,487 | 20,83,68,266 |
| (b) Intangible assets under development | 1.2 | 13,79,283 | 13,79,283 | 13,79,283 |
| (c) Financial Assets | | | | |
| Investments | 2 | 1,92,75,871 | 188,95,099 | 1,74,81,899 |
| (d) Other non-current assets | 3 | 59,23,396 | 51,54,919 | 51,49,487 |
| Total Non-Current Assets | | 20,98,99,214 | 22,38,44,788 | 23,23,78,936 |
| (2) Current assets | | | | |
| (a) Inventories | 4 | 22,94,42,699 | 20,42,57,866 | 17,48,82,436 |
| (b) Financial Assets | | | | |
| Trade receivables | 5 | 14,28,08,266 | 12,49,97,851 | 13,72,71,266 |
| Cash and cash equivalents | 6 | 72,18,192 | 1,09,94,133 | 1,33,36,390 |
| Loans | 7 | 1,92,11,102 | 1,84,87,924 | 93,22,175 |
| (c) Other current assets | 8 | 88,92,416 | 1,05,82,444 | 96,00,513 |
| Total Current Assets | | 40,75,72,674 | 36,93,20,218 | 34,44,12,781 |
| Total Assets | | 61,74,71,888 | 59,31,65,005 | 57,67,91,717 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| (a) Equity Share capital | 9 | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |
| (b) Other Equity | 10 | 22,25,30,482 | 21,91,05,054 | 21,41,17,864 |
| Total Equity | | 29,65,30,482 | 29,31,05,054 | 28,81,17,864 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 11 | 2,12,64,497 | 2,46,59,698 | 3,88,38,599 |
| (b) Deferred tax liabilities (Net) | 12 | 1,67,08,062 | 1,68,80,068 | 1,62,64,324 |
| (c) Other Non current liabilities | 13 | 51,74,834 | - | - |
| Total Non-current liabilities | | 431,47,393 | 4,15,39,766 | 5,51,02,923 |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 14 | 9,07,79,050 | 10,34,20,780 | 8,01,59,921 |
| Trade payables | 15 | 13,00,82,118 | 8,98,78,532 | 9,10,57,250 |
| Other financial liabilities | 16 | 2,48,96,292 | 2,04,89,823 | 2,14,36,886 |
| (b) Other current liabilities | 17 | 2,26,63,499 | 1,97,52,320 | 1,99,36,123 |
| (c) Provisions | 18 | 93,73,054 | 2,49,78,728 | 2,09,80,750 |
| Total Current liabilities | | 27,77,94,013 | 25,85,20,184 | 23,35,70,930 |
| Total Liabilities | | 32,09,41,406 | 30,00,59,951 | 28,86,73,853 |
| Total Equity and Liabilities | | 61,74,71,888 | 59,31,65,005 | 57,67,91,717 |

See Significant Accounting Policies & Notes 1-37 are an integral part of these financial statements.

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

For and on behalf of the Board

(Harsh Firoda)
Partner
M.No. 409391

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

Place: Indore
Date: 29.05.2018

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2018

| | Particulars | Note No. | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES |
|-------|---|----------|----------------------------|----------------------------|
| I. | Revenue from operations(Gross) | 19 | 70,67,72,771 | 67,60,38,509 |
| | Less : Excise Duty | | 1,98,61,423 | 7,50,28,123 |
| | Revenue from operations(Net) | | 68,69,11,349 | 60,10,10,386 |
| II. | Other Income | 20 | 20,18,550 | 7,45,623 |
| III. | Total Income (I +II) | | 68,89,29,899 | 60,17,56,009 |
| IV. | <u>Expenses:</u> | | | |
| | Cost of material consumed | 21 | 49,64,45,391 | 41,46,39,465 |
| | Purchase of Stock-in-Trade | | - | 7,37,161 |
| | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 22 | (1,96,66,423) | (3,63,01,171) |
| | Employee benefit expense | 23 | 8,48,78,499 | 7,87,10,426 |
| | Financial costs | 24 | 1,49,16,307 | 1,62,63,134 |
| | Depreciation and amortization expense | 1.1 | 1,72,55,528 | 1,74,32,889 |
| | Other expenses | 25 | 8,99,62,040 | 10,44,44,448 |
| | Total Expenses (IV) | | 68,37,91,342 | 59,59,26,352 |
| V. | Profit before exceptional item and tax (III - IV) | | 51,38,557 | 58,29,657 |
| VI. | Prior Period Adjustments | | 7,70,227 | 4,89,923 |
| VII. | Profit before tax (V - VI) | | 43,68,330 | 53,39,734 |
| VIII. | Tax expense: | | | |
| | (1) Current tax | | 13,82,700 | 11,50,000 |
| | (2) Deferred tax | 12 | (1,72,006) | 6,15,744 |
| IX. | Profit/(Loss) for the period (VII-VIII) | | 31,57,636 | 35,73,990 |
| X | Other Comprehensive Income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | 2,67,792 | 14,13,200 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XI. | Total Comprehensive Income for the Year (IX-X) | | 34,25,428 | 49,87,190 |
| XII. | Earning per equity share of face value of Rs. 10 each | 26 | | |
| | (1) Basic | | 0.46 | 0.67 |
| | (2) Diluted | | 0.46 | 0.67 |

See Significant Accounting Policies & Notes 1-37 are an integral part of these financial statements.

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

For and on behalf of the Board

(Harsh Firoda)
Partner
M.No. 409391

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

Place: Indore
Date: 29.05.2018

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR 2017-18

| | 31.03.2018 | 31.03.2017 |
|---|---------------|---------------|
| A. Cash flow from Operating Activities | | |
| Net profit before tax & Extraordinary items | 51,38,557 | 58,29,657 |
| Adjustment for : Depreciation | 1,72,55,528 | 1,74,32,889 |
| Deferred Revenue Expenditure | - | - |
| Preliminary Expenditure | - | - |
| Loss/(Profit) on sale of fixed assets | (1,23,000) | - |
| Other Income | (18,95,550) | (7,45,623) |
| Interest Paid / Bank Charges | 1,49,16,307 | 1,62,63,134 |
| Operating Profit before working Capital Changes Adjustment for: | 3,52,91,842 | 3,87,80,057 |
| Trade & other receivable | (1,78,10,415) | 1,22,73,415 |
| Inventories | (2,51,84,833) | (2,93,75,430) |
| Trade Payables & Other Provisions | 3,12,70,277 | 28,88,394 |
| Cash generated from Operations | 2,35,66,871 | 2,45,66,436 |
| Direct Tax paid | (11,50,000) | (12,00,000) |
| Cash flow before extraordinary items | 2,24,16,871 | 2,33,66,436 |
| Extraordinary items | (7,70,227) | (4,89,923) |
| Net Cash from Operating Activities | 2,16,46,644 | 2,28,76,512 |
| B. Cash Flow from Investing Activities | | |
| Purchase of fixed assets (Net) | (20,37,709) | (74,80,109) |
| Loans & Advances | 1,98,373 | (1,13,03,112) |
| Interest received / Misc Receipts | 14,49,671 | 7,15,979 |
| Purchase/ Sale of Non Current Investments | (1,12,980) | - |
| Dividend Income | 33,296 | 29,644 |
| Net cash used in Investing Activities | (4,69,349) | (1,80,37,598) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from capital subsidy | 60,00,000 | - |
| Proceeds from long term & Short term borrowings | (1,60,36,931) | 90,81,958 |
| Interest Paid | (1,49,16,307) | (1,62,63,134) |
| Dividend Paid (Including Dividend Distribution Tax) | - | - |
| Net cash used in Financing Activities | (2,49,53,238) | (71,81,176) |
| Net increase in Cash and Cash equivalent (A+B+C) | (37,75,941) | (23,42,257) |
| Cash & Cash Equivalents As at 01.04.2017 | 1,09,94,133 | 1,33,36,390 |
| Cash & Cash Equivalents As at 31.03.2018 | 72,18,192 | 1,09,94,133 |

for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

For and on behalf of the Board

(Harsh Firoda)
Partner
M.No. 409391

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

Place: Indore
Date: 29.05.2018

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

Statement of Changes in Equity For The Year Ended 31st March 2018

A. Equity Share Capital

| Balance at the beginning of the reporting period i.e 1st April 2016 | Changes in equity share capital during the year 2016-17 | Balance at the end of the reporting period i.e 31st March 2017 | Changes in equity share capital during the year 2017-18 | Balance at the end of the reporting period i.e 31st March 2018 |
|---|---|--|---|--|
| 7,40,00,000 | - | 7,40,00,000 | - | 7,40,00,000 |

B. Other Equity

| | Balance at the 1st of April 2016 | Total Comprehensive Income for the year | Divid ends | Transfer to retained earnings | Balance at the 31st march 2017 | Total Comprehensive Income for the year | Divid ends | Transfer to retained earnings | Balance at the 31st march 2018 |
|--|----------------------------------|---|------------|-------------------------------|--------------------------------|---|------------|-------------------------------|--------------------------------|
| Share application money pending allotment | - | - | - | - | - | - | - | - | - |
| Reserve & Surplus | | | | | | | | | |
| Capital Reserve | 1,58,00,000 | - | - | - | 1,58,00,000 | - | - | - | 1,58,00,000 |
| Securities Premium Reserve | 2,14,84,800 | - | - | - | 2,14,84,800 | - | - | - | 2,14,84,800 |
| General Reserve | 6,80,00,000 | - | - | - | 6,80,00,000 | - | - | - | 6,80,00,000 |
| Retained Earnings | 10,88,33,064 | 35,73,990 | - | - | 11,24,07,054 | 31,57,636 | - | - | 11,55,64,690 |
| Other items of Other Comprehensive Income (specify nature) | - | 14,13,200 | - | - | 14,13,200 | 2,67,792 | - | - | 16,80,992 |
| Total | 21,41,17,864 | 49,87,190 | - | - | 21,91,05,054 | 34,25,428 | - | - | 22,25,30,482 |

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

For and on behalf of the Board

(Harsh Firoda)
Partner
M.No. 409391

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

Place: Indore
Date: 29.05.2018

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS :-**A. Corporate Information**

D & H India Limited is engaged in Manufacturing business primarily dealing in Welding Electrodes & Consumables, CO2 Wire, M Core Wire, Flux Powder, Flux cored Wire, Stainless Steel Wire & other similar activities. The company has manufacturing plants in India and sales primarily in India.

The company is a public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra, India. Its shares are listed on the Bombay Stock Exchange Ltd. (BSE).

B. SIGNIFICANT ACCOUNTING POLICIES :-**B.1 Basis of Preparation & Presentation**

These financial statements for the year ended 31st March, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss are provided in notes.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These financial statements are the Company's first IND AS standalone financial statements.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :-**(a) Use of Estimates**

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

(b) Property, Plant & Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(C) Intangible Assets Under Development

Intangible Assets Under Development comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Upon first-time adoption of Ind AS, the Company has elected to measure its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(D) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

(E) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(F) Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(G) Other Income

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend : Dividend from Investment are recognized when the right to receive payment is established.

(H) Provisions, Contingent Liabilities And Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statement.

(I) Cash Flow Statement

Cash flow are reported using indirect method. The cash flow from operating, financing and investing activities of the company are segregated.

(J) Employees Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Post employment benefits such as Gratuity liability is funded as per group gratuity scheme of Life Insurance of Corporation of India.

(K) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(L) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss.

(M) Taxation

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(N) Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates. Non monetary foreign currency items are carried at cost.
- (iii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account, except in cases where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

(O) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For

the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(P) Government Grants and subsidies

Grants & Subsidies from the government are recognized when there is reasonable assurance that the company will comply with the conditions attached to them, and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related cost.

When the grant or subsidy relates to capital assets, it is recognized as deferred income and released to profit & loss a/c on a systematic basis over the periods necessary to match them with the related cost.

(Q) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting.

B. Subsequent measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates at cost less impairment loss.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(ii) Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying Amounts approximate fair value due to the short maturity of these instruments.

(R) FIRST TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These financial statements for the year ended 31st March, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

A. Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

(i) *Deemed cost for property, plant and equipment and intangible assets*

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

(ii) *Investments in subsidiaries and joint ventures*

The Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

B. Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) *Estimates*

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) *Classification and measurement of financial assets*

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Note -1.1- PROPERTY ,PLANT & EQUIPMENT

| Particulars | Gross Block | | | | | | | Depreciation | | | | | | | Net Block | | |
|-----------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | As On 01.04.16 Rupees | Total Addition Rupees | Total Deduction Rupees | As On 01.04.17 Rupees | Total Addition Rupees | Total Deduction Rupees | As On 31.03.18 Rupees | As On 01.04.16 Rupees | For The Year Rupees | Written Back Rupees | Up To 31.03.17 Rupees | For The Year Rupees | Written Back Rupees | Up To 31.03.18 Rupees | As On 31.03.18 Rupees | As On 31.03.17 Rupees | As On 31.03.16 Rupees |
| Lease Hold Land | 4994321 | - | - | 4994321 | - | - | 4994321 | | | | | | | | 4994321 | 4994321 | 4994321 |
| Free Hold Land | 4853296 | - | - | 4853296 | - | - | 4853296 | | | | | | | | 4853296 | 4853296 | 4853296 |
| Office Building | 2504370 | - | - | 2504370 | - | - | 2504370 | 951866 | 344475 | - | 1296341 | 211,250 | - | 1507591 | 996779 | 1208029 | 1552504 |
| Factory Building | 98332779 | 69844 | - | 98402623 | 230,642 | - | 98633265 | 19600859 | 2877620 | - | 22478479 | 2,844,227 | - | 25322706 | 73310559 | 75924144 | 78731920 |
| Plant & Machinery | 138678549 | 2707930 | - | 141386479 | 1,060,031 | - | 142446510 | 42453971 | 11103254 | - | 53557225 | 11,188,692 | - | 64745917 | 77700593 | 87829254 | 96224578 |
| Electric Installation | 15302622 | 810554 | - | 16113176 | 645,397 | - | 16758573 | 5535711 | 1788938 | - | 7324650 | 1,172,368 | - | 8497018 | 8261555 | 8788526 | 9766911 |
| Laboratory Equip. | 684645 | 68415 | - | 753059 | 70,120 | - | 823179 | 201950 | 45411 | - | 247361 | 226,504 | - | 473864 | 349315 | 505698 | 482695 |
| Vehicles | 9467495 | 3074115 | - | 12541610 | - | 1091074 | 11450536 | 2718085 | 124733 | - | 2842818 | 1,084,510 | 749,255 | 3178073 | 8272463 | 9698792 | 6749410 |
| Furniture & Fixtures | 5091959 | 178903 | - | 5270862 | 43,762 | - | 5314624 | 2017587 | 587716 | - | 2605303 | 261,942 | - | 2867245 | 2447379 | 2665559 | 3074372 |
| Office Equipment | 2905874 | 375061 | - | 3280935 | 186,831 | - | 3467766 | 1378001 | 516702 | - | 1894704 | 177,830 | - | 2072534 | 1395232 | 1386231 | 1527873 |
| Computers | 1880899 | 195288 | - | 2076187 | 265,741 | - | 2341928 | 1470513 | 44038 | - | 1514551 | 88,204 | - | 1602755 | 739173 | 561636 | 410386 |
| Total | 284696809 | 7480109 | - | 292176918 | 2502524 | 1091074 | 293588368 | 76328541 | 17432889 | - | 93761429 | 17255528 | 749255 | 110267702 | 183320664 | 198415487 | 208368266 |

Note -1.2 - Intangible Assets under development include SAP under development.

NOTES TO THE FINANCIAL STATEMENT

| Note No | | AS AT 31.03.2018 RUPEES | | AS AT 31.03.2017 RUPEES | | AS AT 01.04.2016 RUPEES | |
|---------|--|-------------------------------|-------------|-------------------------------|-------------|-------------------------------|-------------|
| | | Quantity | Amount | Quantity | Amount | Quantity | Amount |
| 1 | 2 | | | | | | |
| 2 | Non-current investments | | | | | | |
| a | Investment Measured at cost | | | | | | |
| | <i>In Equity Shares of Subsidiary Company Unquoted, fully paid up</i> | | | | | | |
| | V&H Fabricators Pvt. Ltd. (wholly Owned Subsidiary) | 512500 | 1,72,37,500 | 512500 | 1,72,37,500 | 512500 | 1,72,37,500 |
| | <i>In Equity Shares of Associate Company Unquoted, fully paid up</i> | | | | | | |
| | Commonwealth Mining Pvt.Ltd | 9000 | 90,000 | 9,000 | 90,000 | 9,000 | 90,000 |
| | Total of Investment Measured at Cost | | 1,73,27,500 | | 1,73,27,500 | | 1,73,27,500 |
| b | Investment Measured at Fair Value through other Comprehensive Income | | | | | | |
| | <i>In Equity Shares ,Quoted, fully paid up</i> | | | | | | |
| | Tata Consultancy Services | 616 | 17,55,169 | 616 | 14,97,989 | 616 | 1,30,900 |
| | Hindalco Industries | 200 | 42,840 | 200 | 39,010 | 200 | 8,810 |
| | National Aluminium | 400 | 26,652 | 400 | 30,600 | 400 | 14,689 |
| | IB Housing Financial | 100 | 1,23,710 | - | - | - | - |
| | Total of Investment Measured at Fair Value through other Comprehensive Income | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Total Non current Investment(a+b) | | 1,92,75,871 | | 1,88,95,099 | | 15,85,895 |
| | Aggregate amount of quoted investments | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Market Value of quoted investment | | 19,48,371 | | 15,67,599 | | 15,67,599 |
| | Aggregate amount of unquoted investments | | 1,73,27,500 | | 1,73,27,500 | | 1,73,27,500 |
| 2.1 | Category -wise Non current Investment | | | | | | |
| | Investment Measured at cost | | 1,73,27,500 | | 173,27,500 | | 1,73,27,500 |
| | Investment Measured at Fair Value through other Comprehensive Income | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Total Non current Investment | | 1,92,75,871 | | 1,88,95,099 | | 1,74,81,899 |

| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|------------|--|-------------------------------|-------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 4 |
| 3 | Other non-current assets | | | |
| | Security Deposits | 59,23,396 | 51,54,919 | 51,49,487 |
| | Total | 59,23,396 | 51,54,919 | 51,49,487 |
| 4 | Inventories | | | |
| | Raw materials | 7,37,09,425 | 5,38,62,711 | 5,97,48,575 |
| | Work in progress | 1,85,29,789 | 1,52,86,767 | 1,46,60,248 |
| | Finished goods | 13,45,76,939 | 13,16,72,269 | 9,43,54,307 |
| | Stock in trade | - | 11,11,521 | 27,54,831 |
| | Stores and spares | 26,26,546 | 23,24,598 | 33,64,475 |
| | Total | 22,94,42,699 | 20,42,57,866 | 17,48,82,436 |
| 5 | Trade receivables | | | |
| | Unsecured & considered good : | | | |
| | Exceeding Six months | 2,69,25,420 | 2,74,72,963 | 33,740,838 |
| | Others | 11,58,82,846 | 9,75,24,888 | 10,35,30,428 |
| | Total | 14,28,08,266 | 12,49,97,851 | 13,72,71,266 |
| 6 | Cash and cash equivalents | | | |
| | Balances with banks in india | 6,72,196 | 7,03,815 | 38,77,184 |
| | Cash on hand | 4,84,861 | 8,80,903 | 9,54,816 |
| | FDR with Banks | 60,61,134 | 94,09,415 | 85,04,390 |
| | Total | 72,18,192 | 1,09,94,133 | 1,33,36,390 |
| 6.1 | Fixed Deposit maintained by the company with bank, which can be withdrawn by the company at any point of time. | | | |
| 7 | Loans | | | |
| | Unsecured Considered good | | | |
| | Loans & Advances to related parties (Wholly owned Subsidiary Company & Associates) | 35,46,210 | 28,86,506 | 30,95,356 |
| | Other Loans and advances * | 1,56,64,892 | 1,56,01,418 | 62,26,819 |
| | Total | 1,92,11,102 | 1,84,87,924 | 93,22,175 |
| 7.1 | *Other Loans and advances includes Advance to Vendors / Service Providers. | | | |
| 8 | Other Current Assets | | | |
| | Balance with Government Authorities | 73,32,550 | 98,88,464 | 89,95,259 |
| | Prepaid Expenses | 15,59,866 | 6,93,980 | 6,05,254 |
| | Total | 88,92,416 | 1,05,82,444 | 96,00,513 |
| 9 | Share Capital | | | |
| | Equity Share Capital : | | | |
| | Authorised Share capital | 10,00,00,000 | 10,00,00,000 | 10,00,00,000 |
| | 1,00,00,000 Equity Shares of Rs.10/- Each | | | |
| | Issued, subscribed & fully paid share capital | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |
| | 74,00,000 Equity Shares of Rs.10/- each (Fully Paid up) | | | |
| | Total | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |

| 9.1 | Reconciliation of Number of Shares | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|-----|---|-------------------------------|-------------------------------|-------------------------------|
| | Equity Shares : | No. of Shares | No. of Shares | No. of Shares |
| | Balance as at the beginning of the year | 74,00,000 | 74,00,000 | 74,00,000 |
| | Add : Shares Issued During the period | - | - | - |
| | Balance As at the end of the year | 74,00,000 | 74,00,000 | 74,00,000 |
| 9.2 | Terms/Rights attached to equity Shares | | | |
| | Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. | | | |

| 9.3 | Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|-----|--|-------------------------------|-------------------------------|-------------------------------|
| | equity Shares : | No. of Shares | No. of Shares | No. of Shares |
| | 1. Corna Infra Limited | 8,06,000 (10.89%) | 8,06,000 (10.89%) | 8,06,000 (10.89%) |
| | 2. Harsh Vora (HUF) | 6,73,600 (9.10%) | 6,73,600 (9.10%) | 6,73,600 (9.10%) |
| | 3. Suchita Kakrecha | 5,37,085 (7.26%) | 5,37,085 (7.26%) | 5,37,085 (7.26%) |

| 9.4 | Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees. | | | |
|---------|--|-------------------------------|-------------------------------|-------------------------------|
| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
| 1 | 2 | 3 | 4 | 4 |
| 10 | Other Equity | | | |
| | Capital Reserves | | | |
| | Balance As Per last Balance Sheet | 1,58,00,000 | 1,58,00,000 | 1,58,00,000 |
| | Total | 1,58,00,000 | 1,58,00,000 | 1,58,00,000 |
| | Securities Premium Reserve | | | |
| | As Per last Balance Sheet | 2,14,84,800 | 2,14,84,800 | 2,14,84,800 |
| | Total | 2,14,84,800 | 2,14,84,800 | 2,14,84,800 |
| | General Reserve | | | |
| | As Per last Balance Sheet | 6,80,00,000 | 6,80,00,000 | 6,80,00,000 |
| | Add : Amount Transferred from Surplus Balance in Statement of profit & Loss | - | - | - |
| | Total | 6,80,00,000 | 6,80,00,000 | 6,80,00,000 |
| | Retained Earning | | | |
| | As Per last Balance Sheet | 11,24,07,054 | 10,88,33,064 | 10,48,37,399 |
| | Profit for the Year | 31,57,636 | 35,73,990 | 39,95,665 |
| | Less : Appropriations/Allocations | - | - | - |
| | Total | 11,55,64,690 | 11,24,07,054 | 10,88,33,064 |

| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|---------|---|-------------------------------|-------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 4 |

| Other Comprehensive Income(OCI) | | | | |
|--|---------------------------------|---------------------|---------------------|---------------------|
| | As Per last Balance Sheet | 14,13,200 | - | - |
| | Movement in OCI during the Year | 2,67,792 | 14,13,200 | - |
| | Total | 16,80,992 | 14,13,200 | - |
| | Grand Total | 22,25,30,482 | 21,91,05,054 | 21,41,17,864 |

| 11 | Borrowings- Non Current | | | |
|----|---|--------------------|--------------------|--------------------|
| | Secured | | | |
| | Term Loans from Banks : | | | |
| | a) HDFC Bank Ltd. (Term Loan) | 2,08,47,487 | 2,30,08,629 | 32,952,526 |
| | b) HDFC Bank Ltd. (Car Loan) | - | 5,30,585 | 14,38,538 |
| | c) HDFC Bank Ltd.(WCTL) | - | - | 44,47,535 |
| | Term Loans from Others: | | | |
| | a) Toyota Financial Services Ltd.(Car Loan) | 4,17,010 | 11,20,484 | - |
| | Total | 2,12,64,497 | 2,46,59,698 | 3,88,38,599 |

| 11.1 | Nature of Security and terms of repayment for secured borrowings | |
|------|--|---|
| | Nature of Security | Terms of Repayment |
| | a) Term Loan From HDFC Bank amounting Rs. 50/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayable in 60 Monthly installment of Rs. 112617/-@ MCLR+1.55% starting from 07/05/2014 |
| | b) Term Loan From HDFC Bank amounting Rs. 150/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayable in 60 Monthly installment of Rs. 337851/-@ MCLR+1.55% starting from 07/06/2014 |
| | c) Working capital Term Loan From HDFC Bank amounting Rs. 175/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayable in 36 Monthly installment of Rs. 581250/-@ MCLR+1.55% starting from 07/12/2014 |
| | d) Four Vehicle Loans from HDFC Bank amounting to Rs. 33.20/- Lakhs (Previous Year Two vehicle loan amounting Rs. 15.45/- Lakhs) is secured against respective Vehicles. | All loans Repayable in 36 Monthly INSTALLMENT RATE STARTING FROM 05/08/2014 21127/- 10.50% 07/12/2014 29090/- 10.50% 07/09/2015 18622/- 10.25% 05/04/2016 38636/- 9.85% |

| | |
|--|---|
| e) Term Loan From HDFC Bank amounting Rs. 300/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayable in 60 Month installment of Rs. 671130/-@ MCLR+1.55% starting from 15/10/2015 |
| f) One Vehicle Loans from TOYOTA FINANCIAL SERVICES INDIA LIMITED amounting to Rs. 20.00/- Lakhs is secured against respective Vehicles. | All loans Repayable in 36 Monthly installment INSTALLMENT RATE STARTING FROM 23/10/2016 63580/- 8.97% |
| g) Term Loan From HDFC Bank amounting Rs. 200/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayable in 60 Monthly installment of Rs. 642531/-@ MCLR+1.55% starting from 22/08/2017 |

| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|-------------|---|-------------------------------|-------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 4 |
| 12 | Deferred Tax Liability (Net) | | | |
| | At the start of the year | 1,68,80,068 | 1,62,64,324 | 1,56,36,910 |
| | Charge/(credit) to statement of profit & loss | (1,72,006) | 6,15,744 | 6,27,414 |
| | At the end of the year | 1,67,08,062 | 1,68,80,068 | 1,62,64,324 |
| 12.1 | Deferred Tax Liability/(Assets) in relation to | | | |
| | Property, Plant & Equipment | 1,85,34,572 | 1,86,77,593 | 1,80,65,442 |
| | Provision | (18,26,510) | (17,97,525) | (18,01,118) |
| | Total | 1,67,08,062 | 1,68,80,068 | 1,62,64,324 |
| 13 | Other non current liabilities | | | |
| | Deffered Income | | | |
| | Government grant Received | 60,00,000 | - | - |
| | Less: Transferred to other Income | 4,12,583 | - | - |
| | Less: Shown Under other current liabilities | 4,12,583 | - | - |
| | Total | 51,74,834 | - | - |
| 14 | Borrowing-Current | | | |
| | Secured | | | |
| | From Bank | | | |
| | Loan repayable on demand from HDFC Banks (CC A/C) | 4,56,16,512 | 2,63,86,629 | 76,24,585 |
| | LC & Buyers Credit of HDFC Bank | 2,58,99,035 | 5,01,96,762 | 4,99,43,103 |
| | Channel Finance Facility From Axis Bank | 1,92,63,503 | 1,50,63,543 | 36,22,850 |
| | Unsecured | | | |
| | Froms Directors | - | 35,98,862 | 80,58,045 |
| | From Others | - | 81,74,984 | 1,09,11,338 |
| | Total | 9,07,79,050 | 10,34,20,780 | 8,01,59,921 |

| | |
|------|--|
| 14.1 | Working capital limit and LC/Buyers Credit limit are secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, Chattisgarh, Post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. |
| 14.2 | Channel Finance facility From Axis Bank are secured by post dated cheques. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain |
| 14.3 | Unsecured Loan Taken from Directors are from their owned fund & Maximum tenure of repayment of unsecured loan is within six month. |
| 14.4 | Interest on unsecured loan is provided @ 12% P.A. and in the year 2015-16 @ 15% P.A. |

| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|---------|--|-------------------------------|-------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 4 |
| 15 | Trade Payables | | | |
| | (i) Total Outstanding dues of micro & small enterprises | - | - | - |
| | (ii) Total Outstanding dues of creditors other than micro and small enterprises | 13,00,82,118 | 8,98,78,532 | 9,10,57,250 |
| | Total | 13,00,82,118 | 8,98,78,532 | 9,10,57,250 |
| 15.1 | In the absence of information from all suppliers of their status being small / micro enterprises, all the units are classified into other. | | | |

| | | | | |
|----|--|--------------------|--------------------|-------------------|
| 16 | Other Financial liabilities | | | |
| | Current maturities of long term debt | 1,93,96,484 | 1,59,30,618 | 1,59,16,608 |
| | Interest Accrued but not due on borrowings | 2,12,531 | 2,43,633 | 3,49,284 |
| | Cheque In Transit | 52,87,276 | 43,15,572 | 51,70,994 |
| | Total | 2,48,96,292 | 2,04,89,823 | 21,436,886 |

| | | | | |
|----|-------------------------------------|--------------------|--------------------|--------------------|
| 17 | Other current liabilities | | | |
| | Sundry Staff Payable | 32,18,715 | 29,04,742 | 44,80,399 |
| | Advance Received From Customer | 48,30,235 | 69,11,189 | 47,11,626 |
| | Dealer Deposits | 37,02,005 | 38,44,842 | 40,04,842 |
| | Statutory Dues Payables | 62,64,823 | 20,34,461 | 29,30,092 |
| | Deferred Income (Government Grant) | 4,12,583 | - | - |
| | Others | 42,35,138 | 40,57,086 | 38,09,164 |
| | Total | 2,26,63,499 | 1,97,52,320 | 1,99,36,123 |

| | | | | |
|----|---|------------------|--------------------|--------------------|
| 18 | Provisions- Current | | | |
| | Provision for employee benefits | 36,68,362 | 31,26,900 | 28,36,702 |
| | Provision for Income Tax (Net of Advance Tax) | 8,82,700 | 11,50,000 | 12,00,000 |
| | Others* | 48,21,991 | 2,07,01,828 | 1,69,44,048 |
| | Total | 93,73,053 | 2,49,78,728 | 2,09,80,750 |

18.1 In previous year other provisions includes the diff. of excise duty on opening & closing stock of finished goods.

| | | | |
|----|---------------------------------|---------------------|---------------------|
| 19 | Revenue from Operations | | |
| | Revenue from - Sale of products | 70,67,30,356 | 67,59,57,399 |
| | Other operating revenues | 42,415 | 81,110 |
| | Total | 70,67,72,771 | 67,60,38,509 |

| | | | |
|----|------------------------------------|------------------|-----------------|
| 20 | Other Income | | |
| | Interest income | 14,01,969 | 615,011 |
| | Dividend income | 33,296 | 29,644 |
| | Profit On Sale of Fixed Assets | 1,23,000 | - |
| | Deferred Income (Government Grant) | 4,12,583 | - |
| | Other non-operating income | 47,702 | 1,00,968 |
| | Total | 20,18,550 | 7,45,623 |

| | | | |
|-----------|--|----------------------|----------------------|
| 21 | Cost of Material Consumed Wire, Chemicals, Packing Material | 49,64,45,391 | 41,46,39,465 |
| 22 | Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade | | |
| | Inventories at Close | | |
| | Finished Goods | 13,45,76,939 | 13,16,72,269 |
| | Semi Finished Goods | 1,85,29,789 | 1,52,86,767 |
| | Stock In Trade | - | 11,11,521 |
| | Total | 15,31,06,728 | 14,80,70,557 |
| | Inventories at Commencement | | |
| | Finished Goods | 13,16,72,269 | 9,43,54,307 |
| | Semi Finished Goods | 1,52,86,767 | 1,46,60,248 |
| | Stock In Trade | 11,11,521 | 27,54,831 |
| | Less: Reversal of provision of Excise duty on Finished Goods | (1,46,30,252) | - |
| | Total | 13,34,40,305 | 11,17,69,386 |
| | Increase In Inventories | (1,96,66,423) | (3,63,01,171) |
| 23 | Employee Benefits Expense | | |
| | Salaries and wages | 7,44,07,010 | 6,88,80,814 |
| | Salaries (Research & Development Staff) | 29,66,821 | 28,92,016 |
| | Contribution to provident and other funds | 59,79,366 | 53,44,896 |
| | Staff welfare expenses | 15,25,302 | 15,92,699 |
| | Total | 8,48,78,499 | 7,87,10,426 |
| 23.1 | Defined Benefit plans : a. The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 1,91,505/- for future gratuity benefits of the employees of company. b. Company has made provision for benefit related to the leave encashment as per the policy of the company. | | |
| 24 | Finance Costs | | |
| | Interest expenses | 1,35,91,456 | 1,41,16,214 |
| | Other borrowing costs | 13,24,852 | 21,46,920 |
| | Total | 1,49,16,307 | 1,62,63,134 |
| 24.1 | Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatabillod Unit amounting to Rs. Nil (P.Y. 739406/-). | | |
| 25 | Other Expenses | | |
| | Manufacturing Expenses : | | |
| | Consumption of stores and spare parts & Others(Indigenous) | 36,36,479 | 49,24,262 |
| | Power and fuel | 2,24,39,015 | 2,30,98,408 |
| | Repairs to buildings | 6,32,221 | 6,99,741 |
| | Repairs to machinery | 36,19,155 | 31,22,144 |
| | Repairs to others | 8,70,289 | 5,26,816 |
| | Research & Development Expenses | 1,67,952 | 2,10,657 |
| | Laboratory Expenses | 2,17,433 | 2,98,611 |
| | Packing & Other Expenses | 40,193 | 2,06,734 |
| | Difference In Excise Duty on Opening / Closing Stock | - | 37,85,286 |
| | Administrative Expenses : | | |
| | Rates and Taxes, excluding taxes on income | 4,71,807 | 4,75,726 |
| | Rent | 13,53,865 | 8,48,935 |
| | Printing & Stationery | 7,55,730 | 7,89,939 |
| | Postage & Telegram | 2,63,765 | 5,37,848 |
| | Telephone Charges | 10,01,971 | 12,99,532 |
| | Travelling Exp. Staff & others | 31,89,800 | 24,05,437 |
| | Vehicle Expenses | 38,64,814 | 37,49,870 |
| | Payment To Auditors | 1,00,000 | 1,01,000 |

| | | |
|---|--------------------|---------------------|
| Legal & Professional Charges | 72,78,723 | 71,99,411 |
| Membership & Testing Fees | 22,53,448 | 24,96,591 |
| Exc.Diff,In.Foreign.Currency | 3,16,909 | 2,16,323 |
| Insurance Expenses | 11,60,957 | 7,86,593 |
| Office General & Misc. Exp. | 31,49,586 | 24,97,650 |
| Director's Sitting Fees | 1,00,000 | 1,70,000 |
| Donation | 2,23,554 | 1,91,300 |
| Selling & Distribution Expense : | | |
| Duties & Taxes | 57,66,521 | 2,31,94,702 |
| Freight & Cartage Outward | 1,80,63,786 | 1,01,65,319 |
| Advertisement & Publicity | 1,34,180 | 1,06,657 |
| Sales Promotion etc. | 29,92,907 | 18,90,451 |
| Commission & Discount | 58,96,980 | 77,65,331 |
| Bad Debts Written off | - | 6,83,174 |
| Total | 8,99,62,040 | 10,44,44,448 |

25.1 The Excise duty related to the difference between the closing stock and opening stock is Nil. (Previous Year Rs. (3785286/-) has been shown in other manufacturing expenses.

| | | | |
|------|----------------------------|-----------------|-----------------|
| 25.2 | Payment to Auditors | | |
| i | Audit Fees | 70,000 | 70,000 |
| ii | Tax Audit Fees | 30,000 | 30,000 |
| iii | Certification fees | - | 1,000 |
| | | 1,00,000 | 1,01,000 |

| | | | |
|-----|--|-----------|-----------|
| 26 | Earning Per Share | | |
| i | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 34,25,428 | 49,87,190 |
| ii | Weighted Average number of equity shares used as denominator for calculating EPS | 74,00,000 | 74,00,000 |
| iii | Basic earning per share | 0.46 | 0.67 |
| iv | Diluted earning per share | 0.46 | 0.67 |
| v | Face Value per equity share | 10 | 10 |

27 **Related Party Disclosures**

As per Ind As 24, the disclosures of transaction with the related parties are given below

Subsidiary Company

V & H Fabricators Pvt. Ltd.(Wholly Owned)

Associate Company

Commonwealth Mining Private Limited

Key Managerial Persons

Shri Harsh Vora (Managing Director)

Shri Madhusudan Jain (Whole Time Director)

Shri Saurabh Vora (Whole Time Director)

Smt. Atithi Vora (Whole Time Director upto 30-09-2017,Thereafter Non executive Director)

Shri Sanat Jain (Chief Financial Officer)

Shri Rajesh Sen (Company Secretary)

Enterprises Over which Key Managerial Person are able to Exercise Significant Influence

Vora Wires Industries (India) Limited

Corna Infra Limited

| Transactions with related Parties | | | |
|--|---|--------------------|--------------------|
| | Nature of Transactions | 31.03.2018 | 31.03.2017 |
| | Sale of Goods | - | 36,931 |
| | Purchase of Capital Goods | - | 6,84,000 |
| | Purchase of Raw Material | - | 7,24,233 |
| | Receiving of Services | 95,840 | 1,79,928 |
| | Rent Received | 7,500 | - |
| | Loan & Advances Given | 3,25,000 | - |
| | Unsecured Loan Taken | 1,78,50,000 | 2,67,00,000 |
| | Repayment of Unsecured Loan | 2,96,23,846 | 3,54,21,122 |
| | Interest Paid | 11,57,621 | 16,95,095 |
| | Interest Received | 3,71,893 | - |
| | Remuneration to Director | 1,26,93,333 | 1,31,07,027 |
| | Remuneration to other Key Managerial Person | 20,71,838 | 19,13,984 |
| | Outstanding Balances | | |
| | Trade & Other Receivables | 35,87,095 | 29,28,028 |
| | Trade & Other Paybles | 22,39,433 | 1,35,74,178 |
| 28 | Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation / reconciliation. | | |
| 29 | In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business. | | |
| 30 | Amortization of lease hold land is not being done as the same is on perpetual lease. | | |
| 31 | Segment Reporting | | |
| | a) Business Segment : | | |
| | The Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment. | | |
| | b) Geographical Segment : | | |
| | Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment. | | |
| 32 | Contingent Liabilities & Commitments(To the extent not provided for) | | |
| i | Guarantees given on behalf of the company | 9,70,794 | 29,06,000 |
| ii | CST Demand (in appeal) | 39,67,609 | 47,58,537 |
| iii | Entry Tax Demand (in appeal) | 5,02,246 | 4,81,280 |
| | Total | 54,40,649 | 81,45,817 |
| 32.1 | Some of the cases are pending before the Hon'ble courts but management believes that the ultimate outcome of these proceedings will not have a material adverse effects on the Company's financial position and results of operation. | | |
| 33 | Value of Imports on(CIF Basis) | | |
| | Raw Material | 3,57,19,394 | 2,50,47,072 |
| | Trading Goods | - | 95,606 |
| | Total | 3,57,19,394 | 2,51,42,678 |
| 34 | Expenditure in foreign exchange | 3,57,19,394 | 2,51,42,678 |
| 35 | Earning in foreign exchange | | |
| | FOB Value of Export | 45,92,799 | 18,70,290 |
| 36 | These financial statements have been prepared in the format prescribed by the revised Schedule III (Division II) to the companies Act 2013. Previous period figures have been recasted / restated to confirm to the current period Figures. Current period figure have been rounded off to the nearest Rupee. | | |

| 37 FIRST TIME IND AS ADOPTION RECONCILIATION | | | | | | |
|---|-----------------------|--------------------------------|-----------------------------|------------------------------------|--------------------------------|-----------------------------|
| 37.1 Effect of Ind As adoption on the standalone balance sheet as at 31 st march 2017 & 1 st april 2016 | | | | | | |
| Particulars | As at 31st March 2017 | | | As at 1st April 2016 | | |
| | As Per Previous Gaap | Effect of Transition to Ind As | As per Ind AS Balance sheet | As Per Previous Gaap Balance Sheet | Effect of Transition to Ind As | As per Ind AS Balance sheet |
| (1) ASSETS | Balance | | | | | |
| Non-current assets | | | | | | |
| (a) Property, Plant and Equipment | 19,84,15,487 | | 19,84,15,487 | 20,83,68,266 | | 20,83,68,266 |
| (b) Intangible assets under development | 13,79,283 | | 13,79,283 | 13,79,283 | | 13,79,283 |
| (c) Financial Assets | | | | | | |
| Investments | 1,74,81,899 | 14,13,200 | 1,88,95,099 | 1,74,81,899 | | 1,74,81,899 |
| (d) Other non-current assets | 51,54,919 | | 51,54,919 | 51,49,487 | | 51,49,487 |
| (2) Current assets | | | | | | |
| (a) Inventories | 20,42,57,866 | | 20,42,57,866 | 17,48,82,436 | | 17,48,82,436 |
| (b) Financial Assets | | | | | | |
| Trade receivables | 12,49,97,851 | | 12,49,97,851 | 13,72,71,266 | | 13,72,71,266 |
| Cash and cash equivalents | 1,09,94,133 | | 1,09,94,133 | 1,33,36,390 | | 1,33,36,390 |
| Loans | 1,84,87,924 | | 1,84,87,924 | 93,22,175 | | 93,22,175 |
| (c) Other current assets | 1,05,82,444 | | 1,05,82,444 | 96,00,513 | | 96,00,513 |
| Total Assets | 59,17,51,805 | 14,13,200 | 59,31,65,005 | 57,67,91,717 | | 57,67,91,717 |
| EQUITY AND LIABILITIES | | | | | | |
| Equity | | | | | | |
| (a) Equity Share capital | 7,40,00,000 | | 7,40,00,000 | 7,40,00,000 | | 7,40,00,000 |
| (b) Other Equity | 21,76,91,854 | 14,13,200 | 21,91,05,054 | 21,41,17,864 | | 21,41,17,864 |
| LIABILITIES | | | | | | |
| Non-current liabilities | | | | | | |
| (a) Financial Liabilities | | | | | | |
| Borrowings | 2,46,59,698 | | 2,46,59,698 | 3,88,38,599 | | 3,88,38,599 |
| (b) Deferred tax liabilities (Net) | 1,68,80,068 | | 1,68,80,068 | 1,62,64,324 | | 1,62,64,324 |
| Current liabilities | | | | | | |
| (a) Financial Liabilities | | | | | | |
| Borrowings | 10,34,20,780 | | 10,34,20,780 | 8,01,59,921 | | 8,01,59,921 |
| Trade payables | 8,98,78,532 | | 8,98,78,532 | 9,10,57,250 | | 9,10,57,250 |
| Other financial liabilities | 2,04,89,823 | | 2,04,89,823 | 2,14,36,886 | | 2,14,36,886 |
| (b) Other current liabilities | 1,97,52,320 | | 1,97,52,320 | 1,99,36,123 | | 1,99,36,123 |
| (c) Provisions | 2,49,78,728 | | 2,49,78,728 | 2,09,80,750 | | 2,09,80,750 |
| (d) Current Tax Liabilities (Net) | | | | | | |
| Total Equity and Liabilities | 59,17,51,805 | 14,13,200 | 59,31,65,005 | 57,67,91,717 | | 57,67,91,717 |

| 37.2 Reconciliation of Profit and other Equity between Ind AS and Previous GAAP | | | |
|---|---------------------------------------|-------------------------------------|-------------------------------------|
| Nature of Adjustment | Net Profit Year Ended 31st March 2017 | Other Equity As At 31 st March 2017 | Other Equity As At 31 st March 2017 |
| Net profit/Other Equity as per Previous Indian Gaap | 35,73,990 | 21,76,91,854 | 21,41,17,864 |
| 1) Changes In accounting policy | - | - | - |
| 2) Fair Valuation of Financial Assets Note -1 | - | 14,13,200 | - |
| 3) Deffered Tax | - | - | - |
| 4) Other | - | - | - |
| Net Profit before OCI/Other Euity as per IND AS | 35,73,990 | 21,91,05,054 | 21,41,17,864 |

Note-1: Fair Valuation of Financial Assets- The company has valued financial assets(Other than Investment in subsidiary & Associates, which are accounted at cost), at fair value. Impact of fair value change as on the date of transition, is recognised in opening reserve & changes thereafter are recognised in other comprehensive income.

| 37.3 Effect of IND AS adoption on the statement of Profit & Loss for the Year Ended 31st March 2017 | | | |
|---|---------------------|--------------------------------|---------------------|
| Particulars | Previous GAAP | Effect on Transition to IND AS | As Per IND AS |
| Revenue from operations(Gross) | 67,60,38,509 | - | 67,60,38,509 |
| Less : Excise Duty | 7,50,28,123 | - | 7,50,28,123 |
| Revenue from operations(Net) | 60,10,10,386 | - | 60,10,10,386 |
| Other Income | 7,45,623 | - | 7,45,623 |
| Total Income (I +II) | 60,17,56,009 | - | 60,17,56,009 |
| <u>Expenses:</u> | | | |
| Cost of materials consumed | 41,46,39,465 | - | 41,46,39,465 |
| Purchase of Stock-in-Trade | 7,37,161 | - | 7,37,161 |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | (3,63,01,171) | - | (3,63,01,171) |
| Employee benefit expense | 7,87,10,426 | - | 7,87,10,426 |
| Financial costs | 1,62,63,134 | - | 1,62,63,134 |
| Depreciation and amortization expense | 1,74,32,889 | - | 1,74,32,889 |
| Other expenses | 10,44,44,448 | - | 10,44,44,448 |
| Total Expenses (IV) | 59,59,26,352 | - | 59,59,26,352 |
| Profit before exceptional item and tax (III - IV) | 58,29,657 | - | 58,29,657 |
| Prior Period Adjustments | 4,89,923 | - | 4,89,923 |
| Profit before tax (V - VI) | 53,39,734 | - | 53,39,734 |
| Extraordinary Items | 0 | - | 0 |
| Tax expense: | | | |
| (1) Current tax | 11,50,000 | - | 11,50,000 |
| (2) Deferred tax | 6,15,744 | - | 6,15,744 |
| Profit/(Loss) for the period (VII-VIII) | 35,73,990 | - | 35,73,990 |

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

(Harsh Firoda)
Partner
M.No. 409391

Place: Indore
Date: 29.05.2018

For and on behalf of the Board

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of **D & H INDIA LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **D & H INDIA LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary and associate (the Holding Company and its subsidiary and associate together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated State of Affairs of the Group as at 31st March, 2018, and their consolidated profit including consolidated Other Comprehensive Income, its consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and associate companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 35 to The Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M.S. Dahiya & Co.**
Chartered Accountants
FRN : 013855C

(Harsh Firoda)
Partner
M. No. : 409391

Place: Indore
Date: 29/05/2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF D & H INDIA LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of **D & H INDIA LIMITED** ("the Holding Company") and its subsidiary and associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.

Opinion

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

For **M.S. Dahiya & Co.**
Chartered Accountants
FRN : 013855C

(Harsh Firoda)
Partner
M. No. : 409391

Place: Indore
Date: 29/05/2018

Consolidated Balance Sheet as at 31st March, 2018

| Particulars | Note No. | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|---|----------|-------------------------------|-------------------------------|-------------------------------|
| (1) ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | 1.1 | 18,46,10,669 | 19,99,27,060 | 21,00,44,107 |
| (b) Intangible assets under development | 1.2 | 16,25,969 | 16,25,969 | 16,25,969 |
| (c) Goodwill | | 68,88,212 | 68,88,212 | 68,88,212 |
| (c) Financial Assets | | | | |
| Investments | 2 | 1,9,87,456 | 16,04,274 | 1,86,336 |
| (d) Other non-current assets | 3 | 79,26,056 | 79,16,123 | 78,72,837 |
| Total Non-Current Assets | | 20,30,38,362 | 21,79,61,638 | 22,66,17,461 |
| (2) Current assets | | | | |
| (a) Inventories | 4 | 23,50,29,762 | 20,99,84,780 | 18,14,49,347 |
| (b) Financial Assets | | | | |
| Trade receivables | 5 | 15,05,69,519 | 13,33,16,136 | 14,58,66,780 |
| Cash and cash equivalents | 6 | 1,15,29,115 | 1,44,39,312 | 1,65,28,112 |
| Loans | 7 | 1,56,89,892 | 1,56,02,418 | 62,27,819 |
| (c) Other current assets | 8 | 94,80,547 | 1,11,93,534 | 1,01,97,846 |
| Total Current Assets | | 42,22,98,835 | 38,45,36,180 | 36,02,69,904 |
| Total Assets | | 62,53,37,197 | 60,24,97,817 | 58,68,87,364 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| (a) Equity Share capital | 9 | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |
| (b) Other Equity | 10 | 22,80,66,382 | 22,58,98,347 | 22,15,76,186 |
| Total Equity | | 30,20,66,382 | 29,98,98,347 | 29,55,76,186 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 11 | 2,30,94,497 | 2,65,89,698 | 4,09,68,599 |
| (b) Deferred tax liabilities (Net) | 12 | 1,69,76,457 | 1,71,94,654 | 1,63,87,543 |
| (c) Other Non current liabilities | 13 | 51,74,834 | - | - |
| Total Non-current liabilities | | 4,52,45,788 | 4,37,84,352 | 5,73,56,142 |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 14 | 9,07,79,050 | 10,34,20,780 | 8,02,84,921 |
| Trade payables | 15 | 13,00,82,119 | 8,98,78,532 | 9,10,57,250 |
| Other financial liabilities | 16 | 2,48,96,293 | 2,04,89,823 | 2,14,36,886 |
| (b) Other current liabilities | 17 | 2,26,83,840 | 1,98,02,530 | 2,00,33,000 |
| (c) Provisions | 18 | 95,83,725 | 2,52,23,450 | 2,11,42,980 |
| Total Current liabilities | | 27,80,25,027 | 25,88,15,116 | 23,39,55,035 |
| Total Liabilities | | 32,32,70,815 | 30,25,99,469 | 29,13,11,177 |
| Total Equity and Liabilities | | 62,53,37,197 | 60,24,97,817 | 58,68,87,364 |

See Significant Accounting Policies & Notes 1-40 are an integral part of these financial statements.

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.

Chartered Accountants

FRN-013855C

(Harsh Firoda)

Partner

M.No. 409391

Place: Indore

Date: 29.05.2018

For and on behalf of the Board

(Harsh Vora)

Managing Director

DIN: 00149287

(Sushil Rawka)

Director

DIN: 00156990

(Rajesh sen)

Company Secretary

FCS: 7689

(Sanat Jain)

Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

| | Particulars | Note No | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES |
|-------|---|---------|-------------------------------|-------------------------------|
| I. | Revenue from operations(Gross) | 19 | 70,68,63,775 | 67,72,89,085 |
| | Less : Excise Duty | | 1,98,61,423 | 7,50,28,123 |
| | Revenue from operations(Net) | | 68,70,02,353 | 60,22,60,962 |
| II. | Other Income | 20 | 21,99,311 | 15,05,794 |
| III. | Total Income (I +II) | | 68,92,01,664 | 60,37,66,756 |
| IV. | <u>Expenses:</u> | | | |
| | Cost of materials consumed | 21 | 49,68,23,777 | 41,46,46,529 |
| | Purchase of Stock-in-Trade | | - | 7,37,161 |
| | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 22 | (1,96,66,423) | (3,53,46,171) |
| | Employee benefit expense | 23 | 8,53,50,949 | 7,96,98,736 |
| | Financial costs | 24 | 1,52,91,174 | 1,62,69,623 |
| | Depreciation and amortization expense | 1.1 | 1,74,77,096 | 1,76,58,517 |
| | Other expenses | 25 | 9,00,92,527 | 10,47,36,358 |
| | Total Expenses (IV) | | 68,53,69,100 | 59,84,00,753 |
| V. | Profit before exceptional item and tax (III - IV) | | 38,32,564 | 53,66,003 |
| VI. | Prior Period Adjustments | | 7,70,227 | 5,04,669 |
| VII. | Profit before tax (V - VI) | | 30,62,337 | 48,61,334 |
| VIII. | Tax expense: | | | |
| | (1) Current tax | | 13,82,700 | 1,150,000 |
| | (2) Deferred tax | 12 | (2,18,197) | 8,07,111 |
| IX. | Profit/(Loss) for the period (VII-VIII) | | 18,97,834 | 29,04,223 |
| X | Other Comprehensive Income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | 2,67,792 | 14,13,200 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XI. | Total Comprehensive Income for the Year (IX-X) | | 21,65,626 | 43,17,423 |
| XII. | Earning per equity share of face value of Rs. 10 each | 26 | | |
| | (1) Basic | | 0.29 | 0.58 |
| | (2) Diluted | | 0.29 | 0.58 |

See Significant Accounting Policies & Notes 1-40 are an integral part of these financial statements.

**As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C**

For and on behalf of the Board

**(Harsh Firoda)
Partner
M.No. 409391**

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

**Place: Indore
Date: 29.05.2018**

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2017-18

| | 31.03.2018 | 31.03.2017 |
|---|---------------|---------------|
| A. Cash flow from Operating Activities | | |
| Net profit before tax & Extraordinary items | 38,32,564 | 53,66,003 |
| Adjustment for : Depreciation | 1,74,77,096 | 1,76,58,517 |
| Deferred Revenue Expenditure | - | - |
| Preliminary Expenditure | - | - |
| Loss/(Profit) on sale of fixed assets | (1,23,000) | (5,81,272) |
| Other Income | (20,76,311) | (9,24,522) |
| Interest Paid / Bank Charges | 1,52,91,174 | 1,62,69,623 |
| Operating Profit before working Capital Changes Adjustment for: | 3,44,01,523 | 3,77,88,349 |
| Trade & other receivable | (1,72,53,383) | 1,25,50,644 |
| Inventories | (2,50,44,982) | (2,85,35,433) |
| Trade Payables & Other Provisions | 3,11,53,239 | 29,24,219 |
| Cash generated from Operations | 2,32,56,397 | 2,47,27,779 |
| Direct Tax paid | (11,50,000) | (12,00,000) |
| Cash flow before extraordinary items | 2,21,06,397 | 2,35,27,779 |
| Extraordinary items | (7,70,227) | (5,04,669) |
| Net Cash from Operating Activities | 2,13,36,170 | 2,30,23,109 |
| B. Cash Flow from Investing Activities | | |
| Purchase of fixed assets (Net) | (20,37,709) | (69,60,199) |
| Loans & Advances | 16,15,580 | (1,15,63,573) |
| Interest received / Misc Receipts | 16,30,432 | 8,94,878 |
| Purchase/ Sale of Non Current Investments | (1,15,390) | - |
| Dividend Income | 33,296 | 29,644 |
| Net cash used in Investing Activities | 11,26,209 | (1,75,99,250) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from capital subsidy | 60,00,000 | - |
| Proceeds from long term & Short term borrowings | (1,61,36,931) | 87,56,958 |
| Interest Paid | (1,52,91,174) | (1,62,69,623) |
| Dividend Paid (Including Dividend Distribution Tax) | - | - |
| Net cash used in Financing Activities | (2,54,28,105) | (75,12,665) |
| Net increase in Cash and Cash equivalent (A+B+C) | (29,65,724) | (20,88,807) |
| Cash & Cash Equivalents As at 01.04.2017 | 1,44,39,312 | 1,65,28,112 |
| Cash & Cash Equivalents As at 31.03.2018 | 1,15,29,115 | 1,44,39,312 |

For and on behalf of M/S M.S Dahiya & CO.

Chartered Accountants
FRN-013855C(Harsh Firoda)
Partner
M.No. 409391Place: Indore
Date: 29.05.2018

For and on behalf of the Board

(Harsh Vora)
Managing Director
DIN: 00149287(Rajesh sen)
Company Secretary
FCS: 7689(Sushil Rawka)
Director
DIN: 00156990(Sanat Jain)
Chief Financial Officer

Consolidated Statement of Changes in Equity For The Year Ended 31st March 2018

A. Equity Share Capital

| Balance at the beginning of the reporting period i.e 1st April 2016 | Changes in equity share capital during the year 2016-17 | Balance at the end of the reporting period i.e 31st March 2017 | Changes in equity share capital during the year 2017-18 | Balance at the end of the reporting period i.e 31st March 2018 |
|---|---|--|---|--|
| 7,40,00,000 | - | 7,40,00,000 | - | 7,40,00,000 |

B. Other Equity

| | Balance at the 1st of April 2016 | Total Comprehensive Income for the year | Divid ends | Transfer to retained earnings | Balance at the 31st march 2017 | Total Comprehensive Income for the year | Divid ends | Transfer to retained earnings | Balance at the 31st march 2018 |
|---|----------------------------------|---|------------|-------------------------------|--------------------------------|---|------------|-------------------------------|--------------------------------|
| Share application money pending allotment | - | - | - | - | - | - | - | - | - |
| Reserve & Surplus | | | | | | | | | |
| Capital Reserve | 1,58,00,000 | - | - | - | 1,58,00,000 | - | - | - | 1,58,00,000 |
| Securities Premium Reserve | 2,94,34,800 | - | - | - | 2,94,34,800 | - | - | - | 2,94,34,800 |
| General Reserve | 6,80,00,000 | - | - | - | 6,80,00,000 | - | - | - | 6,80,00,000 |
| Retained Earnings | 10,83,41,386 | 29,08,961 | - | - | 11,12,50,347 | 19,00,243 | - | - | 11,31,50,590 |
| Other items of Other Comprehensive Income | - | 14,13,200 | - | - | 14,13,200 | 2,67,792 | - | - | 16,80,992 |
| Total | 22,15,76,186 | 43,22,161 | - | - | 22,58,98,347 | 21,68,035 | - | - | 22,80,66,382 |

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

For and on behalf of the Board

(Harsh Firoda)
Partner
M.No. 409391

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

Place: Indore
Date: 29.05.2018

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**A. SIGNIFICANT ACCOUNTING POLICIES:-****A.1. Basis of Preparation & Presentation**

These financial statements for the year ended 31st March, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss are provided in notes.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These financial statements are the Company's first IND AS standalone financial statements.

A.2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to D & H India Limited ('the Company') and its subsidiary & Associate Company. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with "Ind-As".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) The audited financial statements of subsidiaries and associates have been prepared in accordance with the Ind AS.
- d) The consolidated financial statements are prepared using uniform accounting policies are presented in the same manner as the Company's standalone financial statements.
- e) Investment in associate company has been accounted under the equity method as per Ind AS 28 – Investments in Associates and Joint Ventures.
- f) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- g) Other Significant accounting policies

These are set out under "Significant accounting Policies" as given in the company's standalone financial statement.

Note -1.1- PROPERTY ,PLANT & EQUIPMENT

| Particulars | Gross Block | | | | | | Depreciation | | | | | | Net Block | | | | |
|-----------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | As On 01.04.16 Rupees | Total Addition Rupees | Total Deduction Rupees | As On 01.04.17 Rupees | Total Addition Rupees | Total Deduction Rupees | As On 31.03.18 Rupees | As On 01.04.16 Rupees | For The Year Rupees | Written Back Rupees | Up To 31.03.17 Rupees | For The Year Rupees | Written Back Rupees | Up To 31.03.18 Rupees | As On 31.03.18 Rupees | As On 31.03.17 Rupees | As On 01.04.16 Rupees |
| Lease Hold Land | 49,94,321 | - | - | 49,94,321 | - | - | 49,94,321 | - | - | - | - | - | - | - | 49,94,321 | 49,94,321 | 49,94,321 |
| Free Hold Land | 48,53,296 | - | - | 48,53,296 | - | - | 48,53,296 | - | - | - | - | - | - | - | 48,53,296 | 48,53,296 | 48,53,296 |
| Office Building | 25,04,370 | - | - | 25,04,370 | - | - | 25,04,370 | 9,51,866 | 3,44,475 | - | 12,96,341 | 2,11,250 | - | 15,07,591 | 9,96,779 | 12,08,029 | 15,52,504 |
| Factory Building | 9,76,57,320 | 69,844 | - | 9,77,27,164 | 230642 | - | 9,79,57,806 | 1,96,00,859 | 28,77,620 | - | 2,24,78,479 | 28,44,227 | - | 2,53,22,706 | 7,26,35,100 | 7,52,48,685 | 7,80,56,461 |
| Plant & Machinery | 14,19,44,358 | 27,07,930 | - | 14,46,52,288 | 1060031 | - | 14,57,12,319 | 4,35,87,966 | 1,13,17,853 | - | 5,49,05,819 | 1,14,03,291 | - | 6,63,09,110 | 7,94,03,209 | 8,97,46,468 | 9,83,56,392 |
| Electric Installation | 1,53,02,622 | 8,10,554 | - | 1,61,13,176 | 645397 | - | 1,67,58,573 | 55,35,711 | 17,88,938 | - | 73,24,650 | 11,72,368 | - | 84,97,018 | 82,61,555 | 87,88,526 | 97,66,911 |
| Laboratory Equip. | 6,84,645 | 68,415 | - | 7,53,059 | 70120 | - | 8,23,180 | 2,01,950 | 45,411 | - | 2,47,361 | 2,26,504 | - | 4,73,864 | 3,49,315 | 5,05,699 | 4,82,695 |
| Vehicles | 99,99,995 | 30,74,115 | 20,000 | 1,30,54,110 | - | 10,91,074 | 1,19,63,036 | 32,06,979 | 1,27,880 | 5,070 | 33,29,789 | 10,84,510 | 7,49,255 | 36,65,044 | 82,97,992 | 97,24,321 | 67,93,016 |
| Commercial Vehicle | 25,61,836 | - | 20,55,970 | 5,05,866 | - | - | 5,05,866 | 24,33,744 | 0 | 19,53,172 | 4,80,572 | 0 | - | 4,80,572 | 25,294 | 25,294 | 1,28,092 |
| Furniture & Fixtures | 51,62,709 | 1,78,903 | - | 53,41,612 | 43762 | - | 53,85,374 | 20,45,152 | 5,95,598 | - | 26,40,750 | 2,68,911 | - | 29,09,661 | 24,75,713 | 27,00,862 | 31,17,557 |
| Office Equipment | 29,05,874 | 3,75,061 | - | 32,80,935 | 186831 | - | 34,67,766 | 13,78,001 | 5,16,702 | - | 18,94,704 | 1,77,830 | - | 20,72,534 | 13,95,232 | 13,86,231 | 15,27,873 |
| Computers | 18,85,500 | 1,95,288 | - | 20,80,788 | 265741 | - | 23,46,529 | 14,70,513 | 44,038 | - | 15,14,551 | 88,204 | - | 16,02,755 | 7,43,774 | 5,66,237 | 4,14,987 |
| Nursery Shed | - | 1,79,090 | - | 1,79,090 | - | - | 1,79,090 | - | - | - | - | - | - | - | 1,79,090 | 1,79,090 | 0 |
| Total | 29,04,56,846 | 76,59,199 | 20,75,970 | 29,60,40,075 | 2502524 | 10,91,074 | 29,74,51,525 | 8,04,12,741 | 1,76,58,515 | 19,58,242 | 9,61,13,015 | 1,74,77,096 | 7,49,255 | 11,28,40,856 | 18,46,10,669 | 19,99,27,060 | 21,00,44,107 |

Note -1.2 - Intangible Assets under development include SAP under development.

| Note No | 2 | AS AT 31.03.2018 RUPEES | | AS AT 31.03.2017 RUPEES | | AS AT 01.04.2016 RUPEES | |
|---------|--|-------------------------------|------------------|-------------------------------|------------------|-------------------------------|------------------|
| | | Quantity | Amount | Quantity | Amount | Quantity | Amount |
| 2 | Non-current investments | | | | | | |
| a | Investment Measured at cost(Accounted using Equity Method) <i>In Equity Shares of Associate Company Unquoted, fully paid up</i> | | | | | | |
| | Commonwealth Mining Pvt.Ltd | 9000 | 39,085 | 9,000 | 36,675 | 9,000 | 31,937 |
| | Total of Investment Measured at Cost | | 39,085 | | 36,675 | | 31,937 |
| b | Investment Measured at Fair Value through other Comprehensive Income <i>In Equity Shares ,Quoted, fully paid up</i> | | | | | | |
| | Tata Consultancy Services | 616 | 17,55,169 | 616 | 14,97,989 | 616 | 1,30,900 |
| | Hindalco Industries | 200 | 42,840 | 200 | 39,010 | 200 | 8,810 |
| | National Aluminium | 400 | 26,652 | 400 | 30,600 | 400 | 14,689 |
| | IB Housing Financial | 100 | 1,23,710 | - | - | - | - |
| | Total of Investment Measured at Fair Value through other Comprehensive Income | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Total Non current Investment(a+b) | | 19,87,456 | | 16,04,274 | | 15,85,895 |
| | Aggregate amount of quoted investments | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Market Value of quoted investment | | 19,48,371 | | 15,67,599 | | 15,67,599 |
| | Aggregate amount of unquoted investments | | 39,085 | | 36,675 | | 31,937 |
| 2.1 | Category -wise Non current Investment | | | | | | |
| | Investment Measured at cost (Accounted using equity method) | | 39,085 | | 36,675 | | 31,937 |
| | Investment Measured at Fair Value through other Comprehensive Income | | 19,48,371 | | 15,67,599 | | 1,54,399 |
| | Total Non current Investment | | 19,87,456 | | 16,04,274 | | 1,86,336 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

| Note No | | AS AT 31.03.2018 RUPEES | AS AT 31.03.2017 RUPEES | AS AT 01.04.2016 RUPEES |
|------------|--|-------------------------------|-------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 4 |
| 3 | Other non-current assets | | | |
| | Security Deposits | 62,82,056 | 62,29,865 | 65,63,837 |
| | Deposit & Advances | 16,44,000 | 16,86,258 | 13,09,000 |
| | Total | 79,26,056 | 79,16,123 | 78,72,837 |
| 4 | Inventories | | | |
| | Raw materials | 7,37,09,425 | 5,38,62,711 | 6,19,60,486 |
| | Work in progress | 2,19,29,789 | 1,86,86,767 | 1,90,15,248 |
| | Finished goods | 13,45,76,939 | 13,16,72,269 | 9,43,54,307 |
| | Stock in trade | - | 11,11,521 | 27,54,831 |
| | Stores and spares | 48,13,609 | 46,51,512 | 33,64,475 |
| | Total | 23,50,29,762 | 20,99,84,780 | 18,14,49,347 |
| 5 | Trade receivables | | | |
| | Unsecured & considered good : | | | |
| | Exceeding Six months | 3,39,24,542 | 3,44,05,248 | 4,09,50,352 |
| | Others | 11,66,44,977 | 9,89,10,888 | 10,49,16,428 |
| | Total | 15,05,69,519 | 13,33,16,136 | 14,58,66,780 |
| 6 | Cash and cash equivalents | | | |
| | Balances with banks in india | 15,24,949 | 8,44,114 | 38,99,476 |
| | Cash on hand | 14,24,685 | 16,31,852 | 17,29,213 |
| | FDR with Banks | 85,79,480 | 119,63,346 | 1,08,99,423 |
| | Total | 1,15,29,115 | 1,44,39,312 | 1,65,28,112 |
| 6.1 | Fixed Deposit maintained by the company with bank, which can be withdrawn by the company at any point of time. | | | |
| 7 | Loans | | | |
| | Unsecured Considered good | | | |
| | Loans & Advances to related parties (Wholly owned Subsidiary Company & Associates) | 25,000 | - | - |
| | Other Loans and advances * | 1,56,64,892 | 1,56,02,418 | 62,27,819 |
| | Total | 1,56,89,892 | 1,56,02,418 | 62,27,819 |
| 7.1 | *Other Loans and advances includes Advance to Vendors / Service Providers. | | | |
| 8 | Other Current Assets | | | |
| | Balance with Government Authorities | 79,19,477 | 1,04,97,637 | 95,86,068 |
| | Prepaid Expenses | 15,61,070 | 6,95,897 | 6,11,778 |
| | Total | 94,80,547 | 1,11,93,534 | 1,01,97,846 |
| 9 | Share Capital | | | |
| | Equity Share Capital : | | | |
| | Authorised Share capital | 10,00,00,000 | 10,00,00,000 | 10,00,00,000 |
| | 1,00,00,000 Equity Shares of Rs.10/- Each | | | |
| | Issued, subscribed & fully paid share capital | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |
| | 74,00,000 Equity Shares of Rs.10/- each (Fully Paid up) | | | |
| | Total | 7,40,00,000 | 7,40,00,000 | 7,40,00,000 |

| 9.1 | Reconciliation of Number of Shares Equity Shares : | AS AT | AS AT | AS AT |
|-----|---|----------------------|----------------------|----------------------|
| | | 31.03.2018 RUPEES | 31.03.2017 RUPEES | 01.04.2016 RUPEES |
| | | No. of Shares | No. of Shares | No. of Shares |
| | Balance as at the beginning of the year | 74,00,000 | 74,00,000 | 74,00,000 |
| | Add : Shares Issued During the period | - | - | - |
| | Balance As at the end of the year | 74,00,000 | 74,00,000 | 74,00,000 |
| 9.2 | Terms/Rights attached to equity Shares | | | |
| | Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. | | | |

| 9.3 | Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company equity Shares : | AS AT | AS AT | AS AT |
|-----|--|----------------------|----------------------|----------------------|
| | | 31.03.2018 RUPEES | 31.03.2017 RUPEES | 01.04.2016 RUPEES |
| | | No. of Shares | No. of Shares | No. of Shares |
| | 1. Corna Infra Limited | 8,06,000 (10.89%) | 8,06,000 (10.89%) | 8,06,000 (10.89%) |
| | 2. Harsh Vora (HUF) | 6,73,600 (9.10%) | 6,73,600 (9.10%) | 6,73,600 (9.10%) |
| | 3. Suchita Kakrecha | 5,37,085 (7.26%) | 5,37,085 (7.26%) | 5,37,085 (7.26%) |
| 9.4 | Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees. | | | |

| 10 Other Equity | | | | |
|---|--|---------------------|---------------------|---------------------|
| Capital Reserves | | | | |
| Balance As Per last Balance Sheet | | 1,58,00,000 | 1,58,00,000 | 1,58,00,000 |
| | | - | - | - |
| Total | | 1,58,00,000 | 1,58,00,000 | 1,58,00,000 |
| Securities Premium Reserve | | | | |
| As Per last Balance Sheet | | 2,94,34,800 | 2,94,34,800 | 2,94,34,800 |
| | | - | - | - |
| Total | | 2,94,34,800 | 2,94,34,800 | 2,94,34,800 |
| General Reserve | | | | |
| As Per last Balance Sheet | | 6,80,00,000 | 6,80,00,000 | 6,80,00,000 |
| Add : Amount Transferred from Surplus Balance in Statement of profit & Loss | | - | - | - |
| Total | | 6,80,00,000 | 6,80,00,000 | 6,80,00,000 |
| Retained Earning | | | | |
| As Per last Balance Sheet | | 11,12,50,347 | 10,83,41,386 | 10,54,27,504 |
| Profit for the Year | | 18,97,834 | 29,04,223 | 29,10,048 |
| Share In Profit of Commonwealth Mining Private Limited(Net) | | 2,409 | 4,738 | 3,834 |
| Less : Appropriations/Allocations | | - | - | - |
| Total | | 11,31,50,590 | 11,12,50,347 | 10,83,41,386 |

| Other Comprehensive Income(OCI) | | | |
|--|---------------------|---------------------|---------------------|
| As Per last Balance Sheet | 14,13,200 | - | - |
| Movement in OCI during the Year | 2,67,792 | 14,13,200 | - |
| Total | 16,80,992 | 14,13,200 | - |
| Grand Total | 22,80,66,382 | 22,58,98,347 | 22,15,76,186 |

| 11 | Borrowings- Non Current | | | |
|-----------|---|--------------------|--------------------|--------------------|
| | Secured | | | |
| | Term Loans from Banks : | | | |
| | a) HDFC Bank Ltd. (Term Loan) | 2,08,47,487 | 2,30,08,629 | 3,29,52,526 |
| | b) HDFC Bank Ltd. (Car Loan) | - | 5,30,585 | 14,38,538 |
| | c) HDFC Bank Ltd.(WCTL) | - | - | 44,47,535 |
| | Term Loans from Others: | | | |
| | a) Toyota Financial Services Ltd.(Car Loan) | 4,17,010 | 11,20,484 | - |
| | Unsecured | | | |
| | Other Loans & Advances | 18,30,000 | 19,30,000 | 21,30,000 |
| | Total | 2,30,94,497 | 2,65,89,698 | 4,09,68,599 |

| 11.1 | Nature of Security and terms of repayment for secured borrowings | |
|-------------|--|---|
| | Nature of Security | Terms of Repayment |
| | a) Term Loan From HDFC Bank amounting Rs. 50/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayble in 60 Monthly installment of Rs. 112617/-@ MCLR+1.55% startng from 07/05/2014 |
| | b) Term Loan From HDFC Bank amounting Rs. 150/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayble in 60 Monthly installment of Rs. 337851/-@ MCLR+1.55% startng from 07/06/2014 |
| | c) Working capital Term Loan From HDFC Bank amounting Rs. 175/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayble in 36 Monthly installment of Rs. 581250/-@ MCLR+1.55% startng from 07/12/2014 |
| | d) Four Vehicle Loans from HDFC Bank amounting to Rs. 33.20/- Lakhs (Previous Year Two vehicle loan amounting Rs. 15.45/- Lakhs) is secured against respective Vehicles. | All loans Repayble in 36 Monthly installment INSTALLMENT RATE STARTING FROM 21127/- 10.50% 05/08/2014 29090/- 10.50% 07/12/2014 18622/- 10.25% 07/09/2015 38636/- 9.85% 05/04/2016 |

| | |
|--|---|
| e) Term Loan From HDFC Bank amounting Rs. 300/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayble in 60 Month installment of Rs. 671130/- @ MCLR+1.55% starting from 15/10/2015 |
| f) One Vehicle Loans from TOYOTA FINANCIAL SERVICES INDIA LIMITED amounting to Rs. 20.00/- Lakhs is secured against respective Vehicles. | All loans Repayble in 36 Monthly installment INSTALLMENT RATE STARTING FROM 63580/- 8.97% 23/10/2016 |
| g) Term Loan From HDFC Bank amounting Rs. 200/- Lakhs is secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, chattisgarh, post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. | Repayble in 60 Monthly installment of Rs. 642531/- @ MCLR+1.55% starting from 22/08/2017 |

| | | | | |
|-----------|---|-------------|-------------|-------------|
| 12 | Deferred Tax Liability (Net) | | | |
| | At the start of the year | 1,71,94,654 | 1,63,87,543 | 1,57,61,161 |
| | Charge/(credit) to statement of profit & loss | (2,18,197) | 8,07,111 | 6,26,382 |
| | At the end of the year | 1,69,76,457 | 1,71,94,654 | 1,63,87,543 |

| | | | | |
|-------------|---|-------------|-------------|-------------|
| 12.1 | Deferred Tax Liability/(Assets) in relation to | | | |
| | Property, Plant & Equipment | 1,88,02,967 | 1,89,92,179 | 1,81,88,661 |
| | Provision | (18,26,510) | (17,97,525) | (18,01,118) |
| | Total | 1,69,76,457 | 1,71,94,654 | 1,63,87,543 |

| | | | | |
|-----------|---|-----------|---|---|
| 13 | Other non current liabilities | | | |
| | Deffered Income | | | |
| | Government grant Received | 60,00,000 | - | - |
| | Less: Transferred to other Income | 4,12,583 | - | - |
| | Less: Shown Under other current liabilities | 4,12,583 | - | - |
| | Total | 51,74,834 | - | - |

| | | | | |
|-----------|---|-------------|--------------|-------------|
| 14 | Borrowing-Current | | | |
| | Secured | | | |
| | From Bank | | | |
| | Loan repayable on demand from HDFC Banks (CC A/C) | 4,56,16,512 | 2,63,86,629 | 76,24,585 |
| | LC & Buyers Credit of HDFC Bank | 2,58,99,035 | 5,01,96,762 | 4,99,43,103 |
| | Channel Finance Facility From Axis Bank | 1,92,63,503 | 1,50,63,543 | 36,22,850 |
| | Unsecured | | | |
| | Froms Directors | - | 35,98,862 | 81,83,045 |
| | From Others | - | 81,74,984 | 1,09,11,338 |
| | Total | 9,07,79,050 | 10,34,20,780 | 8,02,84,921 |

| | |
|------|--|
| 14.1 | Working capital limit and LC/Buyers Credit limit are secured by way of Hypothecation by First and exclusive charges of Stock, Book debts & Plant & Machinery. & Collateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & industrial property situated at village: Borai, District Durg, Chattisgarh, Post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain. |
| 14.2 | Channel Finance facility From Axis Bank are secured by post dated cheques & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain |
| 14.3 | Unsecured Loan Taken from Directors are from their owned fund & Maximum tenure of repayment of unsecured loan is within six month. |
| 14.4 | Interest on unsecured loan is provided @ 12% P.A. & in The Year 2015-16 @ 15% P.A. |

| | | | | |
|-----------|--|---------------------|--------------------|--------------------|
| 15 | Trade Payables | | | |
| | (i) Total Outstanding dues of micro & small enterprises | - | - | - |
| | (ii) Total Outstanding dues of creditors other than micro and small enterprises | 13,00,82,119 | 8,98,78,532 | 9,10,57,250 |
| | Total | 13,00,82,119 | 8,98,78,532 | 9,10,57,250 |
| 15.1 | In the absence of information from all suppliers of their status being small / micro enterprises, all the units are classified into other. | | | |

| | | | | |
|-----------|--|--------------------|--------------------|--------------------|
| 16 | Other Financial liabilities | | | |
| | Current maturities of long term debt | 1,93,96,484 | 1,59,30,618 | 1,59,16,608 |
| | Interest Accrued but not due on borrowings | 2,12,531 | 2,43,633 | 3,49,284 |
| | Cheque In Transit | 52,87,276 | 43,15,572 | 51,70,994 |
| | Total | 2,48,96,293 | 2,04,89,823 | 2,14,36,886 |

| | | | | |
|-----------|-------------------------------------|--------------------|--------------------|--------------------|
| 17 | Other current liabilities | | | |
| | Sundry Staff Payable | 32,18,715 | 29,04,742 | 44,80,399 |
| | Advance Received From Customer | 48,30,235 | 69,11,189 | 47,11,626 |
| | Dealer Deposits | 37,02,005 | 38,44,842 | 40,04,842 |
| | Statutory Dues Payables | 62,64,823 | 20,34,461 | 29,30,092 |
| | Deferred Income (Government Grant) | 4,12,583 | - | - |
| | Others | 42,55,478 | 41,07,296 | 39,06,041 |
| | Total | 2,26,83,840 | 1,98,02,530 | 2,00,33,000 |

| | | | | |
|-----------|---|------------------|--------------------|--------------------|
| 18 | Provisions- Current | | | |
| | Provision for employee benefits | 37,14,835 | 31,52,931 | 29,76,432 |
| | Provision for Income Tax (Net of Advance Tax) | 8,82,700 | 11,50,000 | 12,00,000 |
| | Others* | 49,86,189 | 2,09,20,519 | 1,69,66,548 |
| | Total | 95,83,725 | 2,52,23,450 | 2,11,42,980 |
| 18.1 | In previous year other provisions includes the diff. of excise duty on opening & closing stock of finished goods. | | | |

| | | | |
|-----------|---------------------------------|---------------------|---------------------|
| 19 | Revenue from Operations | | |
| | Revenue from - Sale of products | 70,68,21,360 | 67,72,07,975 |
| | Other operating revenues | 42,415 | 81,110 |
| | Total | 70,68,63,775 | 67,72,89,085 |

| | | | |
|-----------|------------------------------------|------------------|------------------|
| 20 | Other Income | | |
| | Interest income | 15,82,730 | 7,93,910 |
| | Dividend income | 33,296 | 29,644 |
| | Profit On Sale of Fixed Assets | 1,23,000 | - |
| | Deferred Income (Government Grant) | 4,12,583 | - |
| | Other non-operating income | 47,702 | 6,82,240 |
| | Total | 21,99,311 | 15,05,794 |

| | | | |
|-----------|-----------------------------------|---------------------|--------------|
| 21 | Cost of Material Consumed | | |
| | Wire, Chemicals, Packing Material | 49,68,23,777 | 41,46,46,529 |

| | | | |
|-----------|--|----------------------|---------------|
| 22 | Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade | | |
| | Inventories at Close | | |
| | Finished Goods | 13,45,76,939 | 13,16,72,269 |
| | Semi Finished Goods | 2,19,29,789 | 1,86,86,767 |
| | Stock In Trade | - | 11,11,521 |
| | Total | 15,65,06,728 | 15,14,70,557 |
| | Inventories at Commencement | | |
| | Finished Goods | 13,16,72,269 | 9,43,54,307 |
| | Semi Finished Goods | 1,86,86,767 | 1,90,15,248 |
| | Stock In Trade | 11,11,521 | 27,54,831 |
| | Less: Reversal of provision of Excise duty on Finished Goods | (1,46,30,252) | - |
| | Total | 13,68,40,305 | 11,61,24,386 |
| | Increase In Inventories | (1,96,66,423) | (3,53,46,171) |

| | | | |
|-----------|---|--------------------|--------------------|
| 23 | Employee Benefits Expense | | |
| | Salaries and wages | 7,48,64,010 | 6,98,38,224 |
| | Salaries (Research & Development Staff) | 29,66,821 | 28,92,016 |
| | Contribution to provident and other funds | 59,94,816 | 53,75,796 |
| | Staff welfare expenses | 15,25,302 | 15,92,699 |
| | Total | 8,53,50,949 | 7,96,98,736 |

| | |
|-------------|--|
| 23.1 | Defined Benefit plans : |
| | a. The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 1,91,505/- for future gratuity benefits of the employees of company. |
| | b. Company has made provision for benefit related to the leave encashment as per the policy of the company. |

| | | | |
|-----------|-----------------------|--------------------|--------------------|
| 24 | Finance Costs | | |
| | Interest expenses | 1,39,64,474 | 1,41,16,589 |
| | Other borrowing costs | 13,26,701 | 21,53,034 |
| | Total | 1,52,91,174 | 1,62,69,623 |

| | |
|-------------|--|
| 24.1 | Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatbillod Unit amounting to Rs. Nil (P.Y. 739406/-). |
|-------------|--|

| | | | |
|-----------|--|--------------------|---------------------|
| 25 | Other Expenses | | |
| | Manufacturing Expenses : | | |
| | Consumption of stores and spare parts & Others(Indigenous) | 16,97,279 | 49,24,262 |
| | Power and fuel | 2,24,39,015 | 2,31,05,408 |
| | Repairs to buildings | 6,32,221 | 6,99,741 |
| | Repairs to machinery | 55,58,355 | 31,22,144 |
| | Repairs to others | 8,70,289 | 5,26,816 |
| | Research & Development Expenses | 1,67,952 | 2,10,657 |
| | Laboratory Expenses | 2,17,433 | 2,98,611 |
| | Packing & Other Expenses | 40,193 | 2,06,734 |
| | Difference In Excise Duty on Opening / Closing Stock | - | 37,85,286 |
| | Administrative Expenses : | | |
| | Rates and Taxes, excluding taxes on income | 4,71,807 | 4,75,726 |
| | Rent | 14,13,865 | 8,99,935 |
| | Printing & Stationery | 7,55,730 | 7,90,699 |
| | Postage & Telegram | 2,63,765 | 5,37,953 |
| | Telephone Charges | 10,01,971 | 13,01,872 |
| | Travelling Exp. Staff & others | 31,89,800 | 25,75,219 |
| | Vehicle Expenses | 38,64,814 | 37,56,670 |
| | Payment To Auditors | 1,15,340 | 1,15,885 |
| | Legal & Professional Charges | 72,85,173 | 72,04,611 |
| | Membership & Testing Fees | 22,53,448 | 24,96,591 |
| | Exc.Diff.In.Foreign.Currency | 3,16,909 | 2,16,323 |
| | Insurance Expenses | 11,68,645 | 8,07,886 |
| | Office General & Misc. Exp. | 31,67,082 | 25,07,895 |
| | Director's Sitting Fees | 1,00,000 | 1,70,000 |
| | Donation | 2,23,554 | 1,91,300 |
| | Selling & Distribution Expense : | | |
| | Duties & Taxes | 57,90,034 | 2,31,97,202 |
| | Freight & Cartage Outward | 1,80,63,786 | 1,01,65,319 |
| | Advertisement & Publicity | 1,34,180 | 1,06,657 |
| | Sales Promotion etc. | 29,92,907 | 18,90,451 |
| | Commission & Discount | 58,96,980 | 77,65,331 |
| | Bad Debts Written off | - | 6,83,174 |
| | Total | 9,00,92,527 | 10,47,36,358 |

25.1 The Excise duty related to the difference between the closing stock and opening stock is Nil. (Previous Year Rs. (3785286/-) has been shown in other manufacturing expenses.

| | | | |
|-------------|----------------------------|-----------------|-----------------|
| 25.2 | Payment to Auditors | | |
| i | Audit Fees | 85,340 | 81,450 |
| ii | Tax Audit Fees | 30,000 | 33,435 |
| iii | Certification fees | - | 1,000 |
| | | 1,15,340 | 1,15,885 |

| | | | |
|-----------|--|-----------|-----------|
| 26 | Earning Per Share | | |
| i | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 21,65,626 | 43,17,423 |
| ii | Weighted Average number of equity shares used as denominator for calculating EPS | 74,00,000 | 74,00,000 |
| iii | Basic earning per share | 0.29 | 0.58 |
| iv | Diluted earning per share | 0.29 | 0.58 |
| v | Face Value per equity share | 10 | 10 |

| | |
|-----------|--|
| 27 | <p>Related Party Disclosures As per Ind AS the disclosures of transaction with the related parties are given below</p> <p>Subsidiary Company V & H Fabricators Pvt. Ltd.(Wholly Owned)</p> <p>Associate Company Commonwealth Mining Private Limited</p> <p>Key Managerial Persons Shri Harsh Kumar Vora (Managing Director) Shri Madhusudan Jain (Whole Time Director) Shri Saurabh Vora (Whole Time Director) Smt. Atithi Vora (Whole Time Director upto 30-09-2017,Thereafter Non Executive Director) Shri V. Manoharan (Director) Shri Sanat Jain (Chief Financial Officer) Shri Rajesh Sen (Company Secretary)</p> <p>Enterprises Over which Key Managerial Person are able to Exercise Significant Influence Vora Wires Industries (India) Limited Corna Infra Limited</p> |
|-----------|--|

Transactions with related Parties

| Nature of Transactions | 31.03.2018 | 31.03.2017 |
|---|-------------|-------------|
| Sale of Goods | - | 36,931 |
| Purchase of Capital Goods | - | - |
| Purchase of Raw Material | - | 7,24,233 |
| Receiving of Services | 95,840 | - |
| Rent Received | 7,500 | - |
| Loan & Advances Given | 25,000 | - |
| Unsecured Loan Taken | 1,78,50,000 | 2,67,00,000 |
| Repayment of Unsecured Loan | 2,96,23,846 | 3,54,21,122 |
| Interest Paid | 11,57,621 | 16,95,095 |
| Interest Received | - | - |
| Remuneration to Director | 1,31,50,333 | 1,40,14,027 |
| Remuneration to other Key Managerial Person | 20,71,838 | 19,13,984 |
| Outstanding Balances | | |
| As on 31.03.2018 | | |
| Trade & Other Receivables | 35,87,095 | 41,522 |
| Trade & Other Paybles | 57,60,643 | 1,64,60,684 |

28 Enterprises consolidated as subsidiary & Associates in accordance with Indian Accounting Standard 110/28 in Consolidated Financial statement

| S.NO | Name Of Enterprises | Country Of Incorporation | Proportion Of Ownership Interest |
|------|-------------------------------------|--------------------------|----------------------------------|
| 1 | V & H Fabricators Private Limited | India | 100% |
| 2 | Commonwealth Mining Private Limited | India | 50% |

| | | | |
|----------------|---|---------------------------------|--------------------------------|
| 29 | Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary/Associates | | |
| | Net Assets i.e Total Assets Minus Total Liabilities | | |
| Part -A | Name of the Enterprise | As % of Consolidated | Amount (In Rupees) |
| | Parent D & H India Limited | 94.89 | 29,65,30,482 |
| | Subsidiaries | | |
| | India V & H Fabricators Private Limited | 5.10 | 1,59,36,107 |
| | Foreign | Nil | Nil |
| | Minority Interest In All Subsidiaries | - | - |
| | Associates (Investment As Per the Equity Method) | | |
| | India Commonwealth Mining Private Limited | 0.01 | 39,084 |
| | Foreign | Nil | Nil |
| | Joint ventures (As per Proportionate consolidation / Investment As per Equity Method) | | |
| | India | Nil | Nil |
| | Foreign | Nil | Nil |
| | Total | 100.00 | 31,25,05,673 |

| | | | |
|---------------|--|---------------------------------|--------------------------------|
| | Share In Profit Or Loss | | |
| Part-B | Name of the Enterprise | As % of Consolidated | Amount (In Rupees) |
| | Parent D & H India Limited | 158.00 | 34,25,428 |
| | Subsidiaries | | |
| | India V & H Fabricators Private Limited | (58.11) | (12,59,801) |
| | Foreign | Nil | Nil |
| | Minority Interest In All Subsidiaries | (0.00) | (0.00) |
| | Associates (Investment As Per the Equity Method) | | |
| | India Commonwealth Mining Private Limited | 0.11 | 2,410 |
| | Foreign | Nil | Nil |
| | Joint ventures (As per Proportionate consolidation / Investment As per Equity Method) | | |
| | India | Nil | Nil |
| | Foreign | Nil | Nil |
| | Total | 100.00 | 21,68,037 |

| | | |
|--|---|--|
| 30 | Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies) | |
| Part "A": Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Rs) | | |
| 1. Sl. No. | | 1 |
| 2. Name of the subsidiary | | V & H Fabricators Private Limited |
| 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period | | No |
| 4. Reporting currency and Exchangerate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | | INR |
| 5. Equity Share capital | | 51,25,000 |
| 6. Other Equity | | 1,08,11,107 |
| 7. Total assets | | 2,17,86,723 |
| 8. Total Liabilities | | 58,50,616 |
| 9. Investments | | - |
| 10. Turnover | | 12,50,576 |
| 11. Profit before taxation | | (13,05,992) |
| 12. Provision for taxation(Including Deffered Tax) | | (46,191) |
| 13. Profit After taxation | | (12,59,801) |
| 14. Other Comprehensive Income | | - |
| 15. Total Comprehensive Income | | (12,59,801) |
| 16 .Proposed Dividend | | - |
| 17. % of Share Holding | | 100 |
| 1. Names of subsidiaries which are yet to commence operations | | N.A |
| 2. Names of subsidiaries which have been liquidated or sold during the year | | N.A |
| Part "B": Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures | | |
| S.NO | | 1 |
| Name of Associates/Joint Ventures | | COMMONWEALTH MINING PRIVATE LIMITED |
| 1. Latest audited Balance Sheet Date | | 3/31/2018 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end | | |
| Numbers of Share | | 9,000 |
| Amount of Investment in Associates/Joint Venture | | 90,000 |
| Extend of Holding % | | 50% |
| 3. Description of how there is significant influence | | Share holding Upto 50% |
| 4. Reason why the associate/joint venture is not consolidated | | N.A |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet | | 39,085 |
| 6. Profit / Loss for the year | | |
| i. Considered in Consolidation | | 2,410 |
| i. Not Considered in Consolidation | | 2,409 |
| 1. Names of associates or joint ventures which are yet to commence operations. | | COMMONWEALTH MINING PRIVATE LIMITED |
| 2. Names of associates or joint ventures which have been liquidated or sold | | N.A |

| | | | |
|------|---|--------------------|--------------------|
| 31 | Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation / reconciliation. | | |
| 32 | In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business. | | |
| 33 | Amortization of lease hold land is not being done as the same is on perpetual lease. | | |
| 34 | <p>Segment Reporting</p> <p>a) Business Segment : The Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.</p> <p>b) Geographical Segment : Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.</p> | | |
| 35 | Contingent Liabilities & Commitments (To the Extent not provided for) | | |
| i | Guarantees given on behalf of the company | 9,70,794 | 29,06,000 |
| ii | CST Demand (in appeal) | 39,67,609 | 47,58,537 |
| iii | Entry Tax Demand (in appeal) | 5,02,246 | 4,81,280 |
| | Total | 54,40,649 | 81,45,817 |
| 35.1 | Some of the cases are pending before the Hon'ble courts but management believes that the ultimate outcome of these proceedings will not have a material adverse effects on the Company's financial position and results of operation. | | |
| 36 | Value of Imports on (CIF Basis) | | |
| | Raw Material | 3,57,19,394 | 2,50,47,072 |
| | Trading Goods | - | 95,606 |
| | Total | 3,57,19,394 | 2,51,42,678 |
| 37 | Expenditure in foreign exchange | 3,57,19,394 | 2,51,42,678 |
| 38 | Earning in foreign exchange | | |
| | FOB Value of Export | 45,92,799 | 18,70,290 |
| 39 | These financial statements have been prepared in the format prescribed by the revised Schedule III (Division II) to the companies Act 2013. Previous period figures have been recasted/ restated to confirm to the current period Figures. Current period figure have been rounded off to the nearest Rupee. | | |

| 40 FIRST TIME IND AS ADOPTION RECONCILIATION | | | | | | |
|---|---------------------------------------|-------------------------------------|-----------------------------------|------------------------------------|--------------------------------|-----------------------------|
| 40.1 Effect of Ind As adoption on the consolidated balance sheet as at 31 st | | | | | | |
| Particulars | As Per Previous Gaap Balance Sheet | Effect of Transition to Ind As | As per Ind AS Balance sheet | As Per Previous Gaap Balance Sheet | Effect of Transition to Ind As | As per Ind AS Balance sheet |
| (1) ASSETS | | | | | | |
| Non-current assets | | | | | | |
| (a) Property, Plant and Equipment | 19,99,27,060 | | 19,99,27,060 | 21,00,44,107 | | 21,00,44,107 |
| (b) Intangible assets under evelopment | 16,25,969 | | 16,25,969 | 16,25,969 | | 16,25,969 |
| (c) Goodwill | 68,88,212 | | 68,88,212 | 68,88,212 | | 68,88,212 |
| (c) Financial Assets | | | | | | |
| Investments | 1,91,074 | 14,13,200 | 16,04,274 | 1,86,336 | | 1,86,336 |
| (d) Other non-current assets | 79,16,123 | | 79,16,123 | 78,72,837 | | 78,72,837 |
| (2) Current assets | | | | | | |
| (a) Inventories | 20,99,84,780 | | 20,99,84,780 | 18,14,49,347 | | 18,14,49,347 |
| (b) Financial Assets | | | | | | |
| Trade receivables | 13,33,16,136 | | 13,33,16,136 | 14,58,66,780 | | 14,58,66,780 |
| Cash and cash equivalents | 1,44,39,312 | | 1,44,39,312 | 1,65,28,112 | | 1,65,28,112 |
| Loans | 1,56,02,418 | | 1,56,02,418 | 62,27,819 | | 62,27,819 |
| (c) Other current assets | 1,11,93,534 | | 1,11,93,534 | 1,01,97,846 | | 1,01,97,846 |
| Total Assets | 60,10,84,617 | 1,413,200 | 60,24,97,817 | 58,68,87,364 | | 58,68,87,364 |
| EQUITY AND LIABILITIES | | | | | | |
| Equity | | | | | | |
| (a) Equity Share capital | 7,40,00,000 | | 7,40,00,000 | 7,40,00,000 | | 7,40,00,000 |
| (b) Other Equity | 22,44,85,148 | 1,413,200 | 22,58,98,347 | 22,15,76,186 | | 22,15,76,186 |
| LIABILITIES | | | | | | |
| Non-current liabilities | | | | | | |
| (a) Financial Liabilities | | | | | | |
| Borrowings | 2,65,89,698 | | 2,65,89,698 | 4,09,68,599 | | 4,09,68,599 |
| (b) Deferred tax liabilities (Net) | 1,71,94,654 | | 1,71,94,654 | 1,63,87,543 | | 1,63,87,543 |
| (c) Other Non current liabilities | - | | - | - | | - |
| Current liabilities | | | | | | |
| (a) Financial Liabilities | | | | | | |
| Borrowings | 10,34,20,780 | | 10,34,20,780 | 8,02,84,921 | | 8,02,84,921 |
| Trade payables | 8,98,78,532 | | 8,98,78,532 | 9,10,57,250 | | 9,10,57,250 |
| Other financial liabilities | 2,04,89,823 | | 2,04,89,823 | 2,14,36,886 | | 2,14,36,886 |
| (b) Other current liabilities | 1,98,02,530 | | 1,98,02,530 | 2,00,33,000 | | 2,00,33,000 |
| (c) Provisions | 2,52,23,450 | | 2,52,23,450 | 2,11,42,980 | | 2,11,42,980 |
| Total Equity and Liabilities | 60,10,84,617 | 14,13,200 | 60,24,97,817 | 58,68,87,364 | | 58,68,87,364 |
| 40.2 Reconciliation of Profit and other Equity between Ind AS and Previous GAAP | | | | | | |
| Nature of Adjustment | Net Profit Year Ended 31st March 2017 | Other Equity As At 31 st March 2017 | Other Equity As At 1ST April 2016 | | | |
| Net profit/Other Equity as per Previous Indian Gaap | 35,73,990 | 22,44,85,148 | 22,15,76,186 | | | |
| 1) Changes In accounting policy | | | | | | |
| 2) Fair Valuation of Financial Assets Note -1 | - | 14,13,200 | - | | | |
| 3) Deffered Tax | | | | | | |
| 4) Other | | | | | | |
| Net Profit before OCI/Other Euity as per IND AS | 35,73,990 | 22,58,98,348 | 22,15,76,186 | | | |
| Note-1: Fair Valuation of Financial Assets- The company has valued financial assets(Other than Investment in subsidiary & Associates, which are accounted at cost), at fair value. Impact of fair value change as on the date of transition, is recognised in opening reserve & changes thereafter are recognised in other comprehensive income. | | | | | | |

| 40.3 Effect of IND AS adoption on the statement of Profit & Loss for the Year Ended 31st March 2017 | | | |
|---|---------------------|--------------------------------|---------------------|
| Particulars | Previous GAAP | Effect on Transition to IND AS | As Per IND AS |
| | | | |
| Less : Excise Duty | 7,50,28,123 | - | 7,50,28,123 |
| Revenue from operations(Net) | 60,22,60,962 | - | 60,22,60,962 |
| Other Income | 15,05,794 | - | 15,05,794 |
| Total Income (I +II) | 60,37,66,756 | - | 60,37,66,756 |
| <i>Expenses:</i> | | | |
| Cost of materials consumed | 41,46,46,529 | - | 41,46,46,529 |
| Purchase of Stock-in-Trade | 7,37,161 | - | 7,37,161 |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | (3,53,46,171) | - | (3,53,46,171) |
| Employee benefit expense | 7,96,98,736 | - | 7,96,98,736 |
| Financial costs | 1,62,69,623 | - | 1,62,69,623 |
| Depreciation and amortization expense | 1,76,58,517 | - | 1,76,58,517 |
| Other expenses | 10,47,36,358 | - | 10,47,36,358 |
| Total Expenses (IV) | 59,84,00,753 | - | 59,84,00,753 |
| Profit before exceptional item and tax (III - IV) | 53,66,003 | - | 53,66,003 |
| Prior Period Adjustments | 5,04,669 | - | 5,04,669 |
| Profit before tax (V - VI) | 48,61,334 | - | 48,61,334 |
| Tax expense: | | | |
| (1) Current tax | 11,50,000 | - | 11,50,000 |
| (2) Deferred tax | 8,07,111 | - | 8,07,111 |
| Profit/(Loss) for the period (VII-VIII) | 29,04,223 | - | 29,04,223 |

As per our report of even date attached
for and on behalf of M/S M.S Dahiya & CO.
Chartered Accountants
FRN-013855C

(Harsh Firoda)
Partner
M.No. 409391

Place: Indore
Date: 29.05.2018

For and on behalf of the Board

(Harsh Vora)
Managing Director
DIN: 00149287

(Sushil Rawka)
Director
DIN: 00156990

(Rajesh sen)
Company Secretary
FCS: 7689

(Sanat Jain)
Chief Financial Officer

PROXY FORM
FORM MGT-11

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

D & H INDIA LIMITED

CIN: L28900MH1985PLC035822

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086

Name of the member (s):.....

Registered Address:.....

E-mail Id :

Folio No./DP ID/ClientID.....

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

1. Name :.....
Address:.....
Email Id:.....
Sign :.....or failing him.....
2. Name :.....
Address:.....
Email Id:.....
Sign :.....or failing him.....

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on 29th September, 2018 at 10.00 a.m. at Lavender Bough, Next to Swaminarayan Temple, 90 feet Road Garodia Nagar, Ghatkopar (East), Mumbai - 400077 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions |
|---|
| 1. To receive, consider and adopt the Standalone and Consolidated Financial Statements containing the Audited Balance Sheet as at 31 st March, 2018 and the statement of Profit & Loss and Cash Flow Statement of the Company for the year ended 31 st March, 2018 and the Reports of the Board and Auditors thereon. |
| 2. To re-appoint Mrs. Atithi Vora (DIN: 06899964) as a director who retires by rotation. |
| 3. To Appointment of M/s M S Dahiya & Co., Chartered Accountant, as Statutory Auditors and fixing their Remuneration. |
| 4. To revision in remuneration of Mr. Saurabh Vora (DIN: 02750484), as a Whole-time Director |
| 5. To re-appoint Mr. Madhusudan Jain (DIN: 00145329), as a Whole-time Director. |
| 6. To consider and authorize Board of Directors to provide loans, give guarantee and security to a company / Body Corporate in which Director's are interested as per section 185 of the Companies Act, 2013. |

Signed this ____ day of _____ 2018.

Signature of Shareholder

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 not less than 48 hours before the commencement of the meeting.**

Intentionally Left Blank

D & H INDIA LIMITED

CIN: L28900MH1985PLC035822

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086

ADMISSION SLIP

Equity Folio No. :

DP ID* :

Client ID* :

No. of Shares held. :

No. of Shares held :

I hereby record my presence at the 33rd Annual General Meeting of the Company being held at Lavender Bough, 90 feet Road Garodia Nagar, Ghatkopar (East), Mumbai - 400077 on Saturday the 29th day of September, 2018 at 10.00 A.M.

Name of the Member
(In block letters)

Name of the Proxy holder
(IN BLOCK LETTERS)

Signature of the Member / Proxy

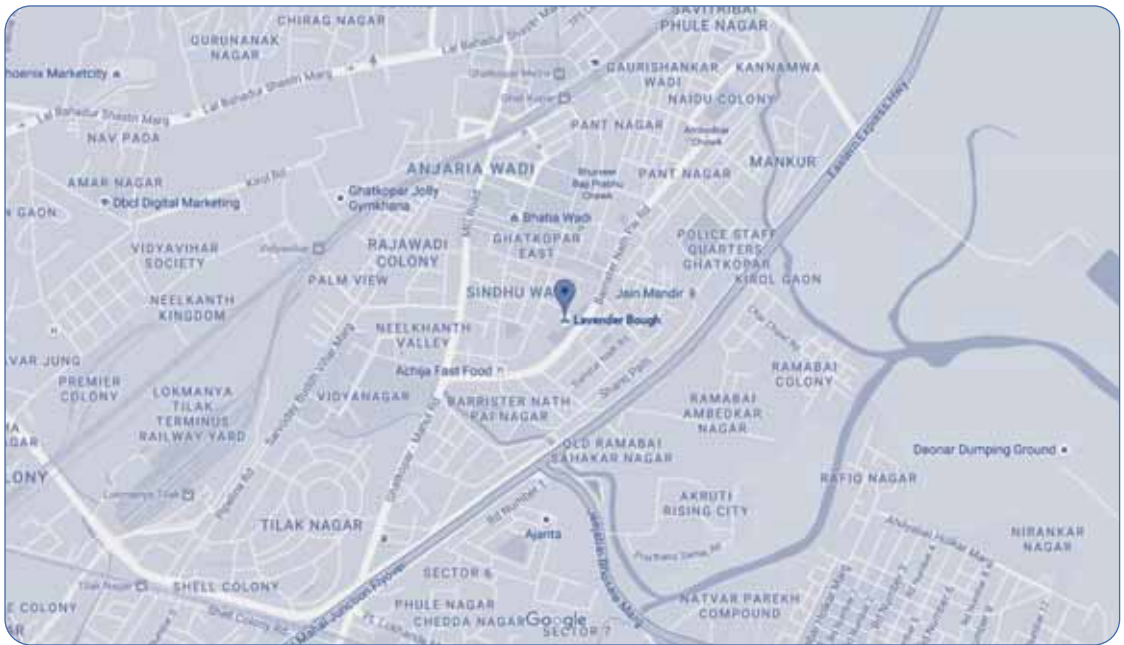
Note: A member/ proxy wishing to attend the meeting must complete this Admission slip before coming to the meeting and hand it over at the entrance.

* Applicable for investors holding shares in electronic form.

.....

Route Map of AGM Venue

Venue: Lavender Bough, 90 feet Road, Garodia Nagar, Ghatkopar (East), Mumbai - 400077





Igniting Solutions

Return if not delivered :

D & H INDIA LIMITED

Formerly 'D & H Welding Electrodes (India) Ltd'

CIN:L28900MH1985PLC035822

Plot 'A' Sector 'A' Industrial Area; Sanwer Road,
Indore-452 015 (M.P.)

To,
