EVOLVE

EVEREST

EVEREST INDUSTRIES LIMITED

ANNUAL REPORT

2017-18

CONTENTS

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Caution regarding forward-looking statements

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

A V Somani, *Chairman*

M L Gupta, *Vice Chairman*

Amitabh Das Mundhra, *Independent Director*

B L Taparia, *Independent Director*

Bhavna G Doshi, *Independent Director*

Manish Sanghi, *Managing Director*

Y Srinivasa Rao, *Executive Director*

COMPANY SECRETARY

Neeraj Kohli

AUDITORS

M/s S R Batliboi & Co. LLP

BANKERS

Axis Bank Limited

DBS Bank Limited

HDFC Bank Limited

ICICI Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

Yes Bank Limited

REGISTERED OFFICE

Gat 152, Lakhmapur, Taluka Dindori,
Nashik - 422 202

REGISTRAR AND SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area,
Phase – I, New Delhi - 110 020

MANAGEMENT

Board of Directors

A V Somani – Chairman
MBA from University of Pittsburgh, USA, PGDBM from SP Jain Institute of Management and Research, B.Com., M.Com from Sydenham College of Commerce & Economics. He has 27 years of experience in real estate, construction, building products, textiles and information technology management.

M L Gupta – Vice Chairman
B.Tech. (Hons.) from IIT Kharagpur. He has 45 years of experience in Cement and Building Products industry in production and commercial decision making. He was the Managing Director of Everest from 2002 to 2010.

Manish Sanghi – Managing Director
B.E. (Mech), PGDM (IIM-A). He has extensive marketing experience in rural and industrial marketing across a wide geography with companies like Castrol, BHEL, Eicher and General Motors. He joined Everest in 2001 as Marketing Director and is the Managing Director since 2010.

Y Srinivasa Rao – Executive Director
B.Sc. Engg. (Mech). He worked at Samtel Group in the operations team and joined Everest in 1997 to head various plants. He is an expert in operations and project management. He has successfully enabled technology transfer from Europe and South America for fibre cement products.

Amitabh Das Mundhra – Independent Director
As Promoter and former Whole Time Director of Simplex Infrastructure Ltd., he has rich experience in handling large infrastructure projects in real estate, transport and power sectors and managing complex commercial contracts.

Bhavna G Doshi – Independent Director
Fellow member of Institute of Chartered Accountants of India. She is an expert in taxation, restructuring, business valuation and has contributed immensely on the Board of several Indian companies and MNCs.

B L Taparia – Independent Director
B.com., L.L.B., F.C.S. He has more than 40 years of experience in legal , secretarial, finance and accounts, taxation and corporate governance as former Whole Time Director of Ambuja Cements Ltd.

Key Management Personnel

Nikhil Dujari – CFO
Member of Institute of Chartered Accountants of India. He has 20 years of experience in accounting, finance, banking and contract restructuring and has worked with E&Y, PWC, Alstom and New Holland Group.

Neeraj Kohli – Company Secretary
B.com (Hons) from Shri Ram College Commerce, Fellow Member of the Institute of Company Secretaries of India, Associate Member of the Institute of Cost Accountants of India and LLB from Delhi University.

Koushik Sarkar – President – Corporate Strategy
B.Tech. (Civil) from IIT Kharagpur and PGDM (IIM-B). He has 30 years of experience in manufacturing and marketing of building materials at Asian Paints, Akzo Nobel Paints, Saint Gobain and USG Boral in India and Europe.

Rahul Chopra – Senior Vice President & Business Head – Building Products (Roofing)
B.A.(Economics). He joined Everest in Sales in 1987. He is today an expert in rural marketing, market activation, brand building and managing a large sales force and multiple products lines.

S Krishnakumar – Senior Vice President & Business Head – Steel Buildings
BE (Mechanical) and EMBA, SPJIMR. He has 25 years of experience in manufacturing, engineering, project management and sales at L&T Heavy Engineering and Oerlikon Textile.

Sanjay Joshi – Senior Vice President & Business Head – Building Products (Boards & Panels)
B.Sc. (Tech), PGDM (IIM-C). He has 15 years of experience in product development, marketing and sales force effectiveness at Asian Paints and SB J Von Compunders.

FROM THE CHAIRMAN'S DESK

Last year's results, adversely impacted by demonetization and steel price increases, spurred our resolve to bounce back smarter and stronger.

Deep soul-searching and an extremely focused effort by Team Everest to examine every cost structure, transform and evolve our business models, and reset out path forward has filled us with determination to forge ahead.

Innovation. Customer service. Value addition. Cost control. Revenue enhancement. Market leadership. Deeper penetration. Speedy execution. These words dominated every discussion and every decision. Every member of Team Everest is abuzz with renewed energy.

And here we are!

The impact is visible in this year's result. It will be sustained in the years to come, enhanced by new initiatives in the wings.

The most exciting time in Everest's history lies ahead. The best is yet to come...

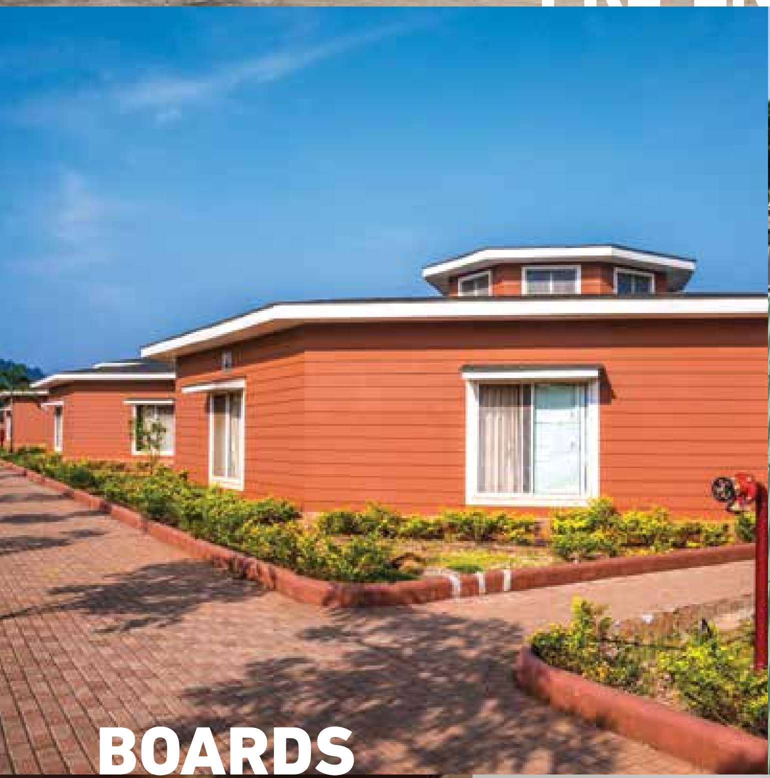
A V Somani

In 1934 Everest started its journey as India's first manufacturer of Fibre Cement Roofing sheets.

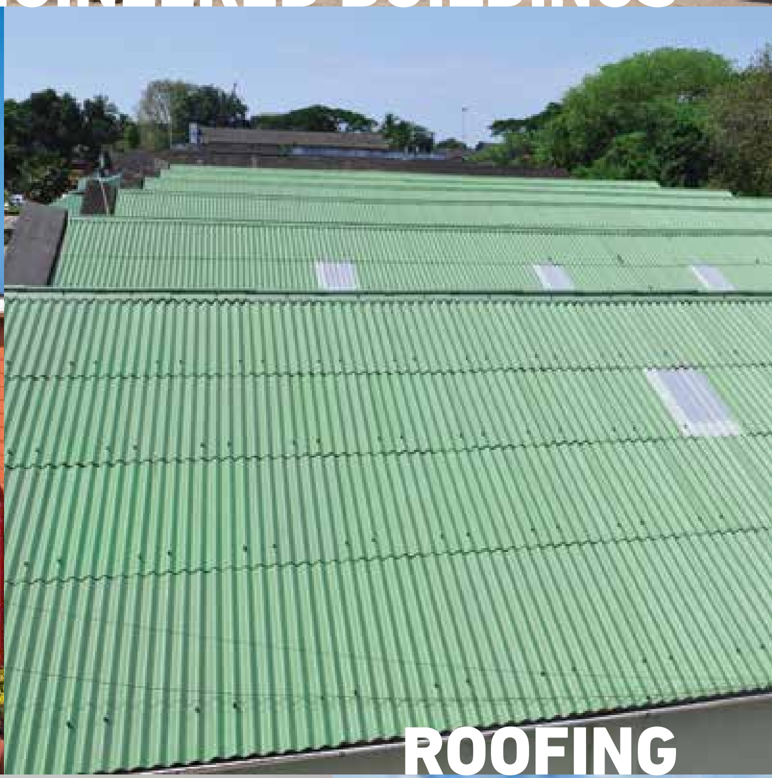
Over the last 8 decades, Everest has evolved to become a multi-product company and a solution provider to its customers. Today Everest offers new-age building products for walls, floors and ceilings in addition to roofs. It offers complete building solutions which have high aesthetic value, are safe, durable and enables rapid construction. The products are environment-friendly. Everest Pre-Engineered Buildings are manufactured and built as per world-class design standards. Everest retains its leadership in Roofing market and now also offers rooftop Solar solutions and is committed to provide strength, speed and safety.

2006.

PRE-ENGINEERED BUILDINGS



BOARDS



ROOFING

SMART STEEL BUILDINGS

PANELS

SOLAR

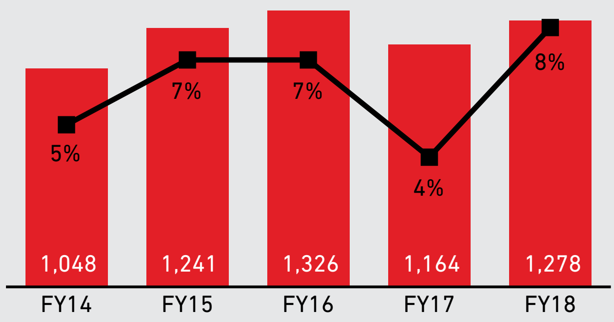
FINANCIAL HIGHLIGHTS

REVENUE
₹ **1,278** Crores
10% YOY

PAT
₹ **51** Crores
2450% YOY

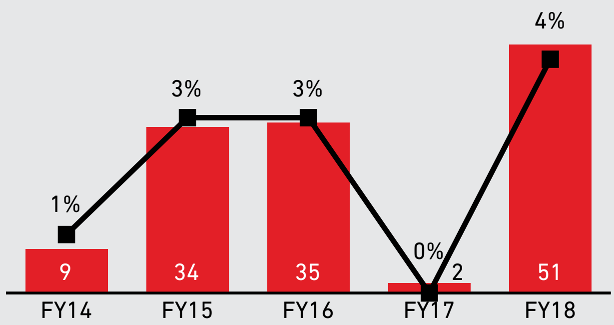
OPERATING CASH FLOW
₹ **151** Crores
152% YOY

Revenue (₹ Crores) and EBITDA Margin (%)



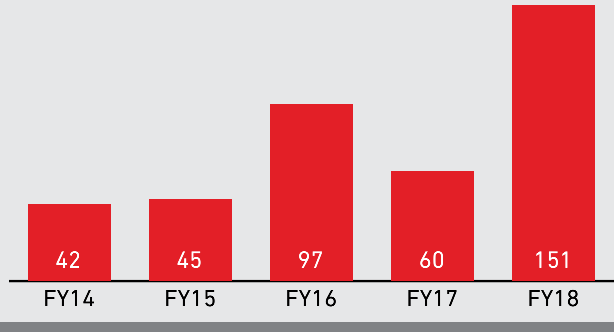
Revenue grew by 10% against 6.5% GDP growth

PAT (₹ Crores) & PAT Margin (%)



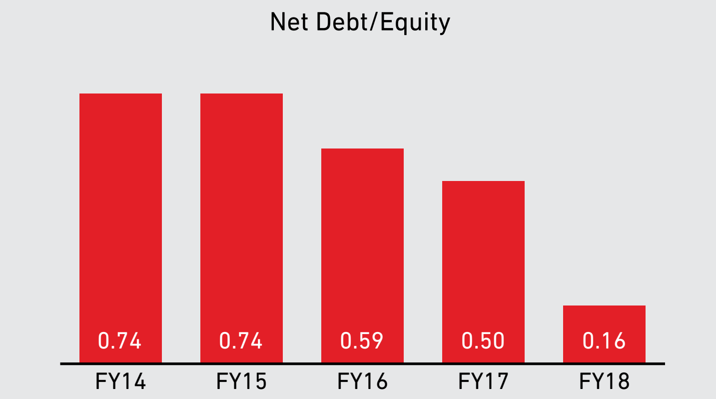
PAT and EBIDTA margins showed improvements

Operating Cash Flow (₹ Crores)



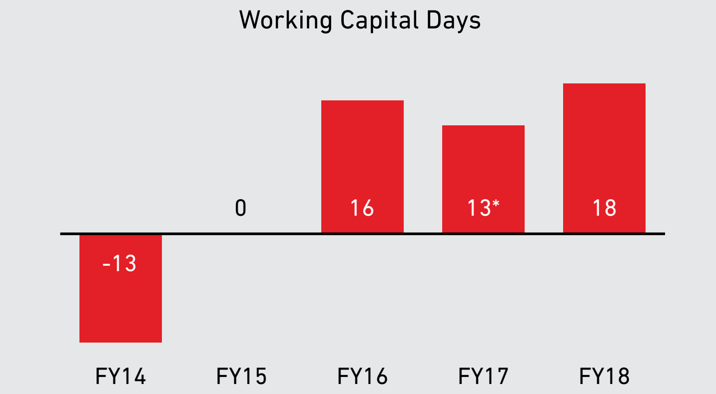
Highest ever operating cash flow

Standalone Figures for 2017-18



Consistent debt reduction

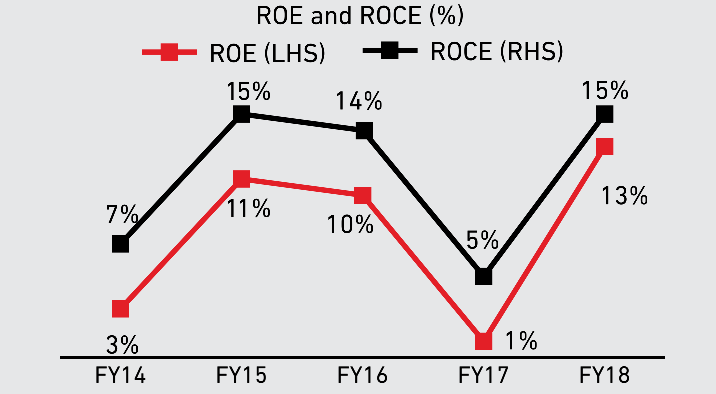
NET DEBT/EQUITY
0.16
(68)% YOY



Lowest working capital days in the industry

*As Per Ind AS

WORKING CAPITAL DAYS
18



Stable ROE and ROCE

ROE
0.13%
ROCE
0.15%

Standalone Figures for 2017-18

ABOUT EVEREST

Everest was established in 1934 and has over 8 decades of experience in building products. It is the pioneer of fibre cement products in India. The Company offers a complete range of roofing, ceiling, wall, flooring and cladding products and pre-engineered steel buildings for industrial, commercial and residential applications. The Company has introduced modern products and solutions to meet the contemporary requirements of the construction industry. The Company's building products & solutions are available in more than 1,00,000 villages and 600 cities in India and also in many countries globally. The Company has designed and erected more than 2200 Pre-Engineered Steel Buildings across 275 cities in India.

OUR REACH

1,00,000+
VILLAGES

600+
CITIES

2,200+
PEB PROJECTS

OUR VISION

Everest will be the deepest penetrated housing and building solutions provider by delivering Strength, Speed and Safety to its customers in all its target markets.

BUSINESS SEGMENTS

The Company has two distinct business segments – Building Products and Steel Buildings.

Our Building Products business (64% of the revenue), offers a wide range of roofing products as well as accessories and fibre cement boards and panels. They cater to rural & urban housing and commercial markets.

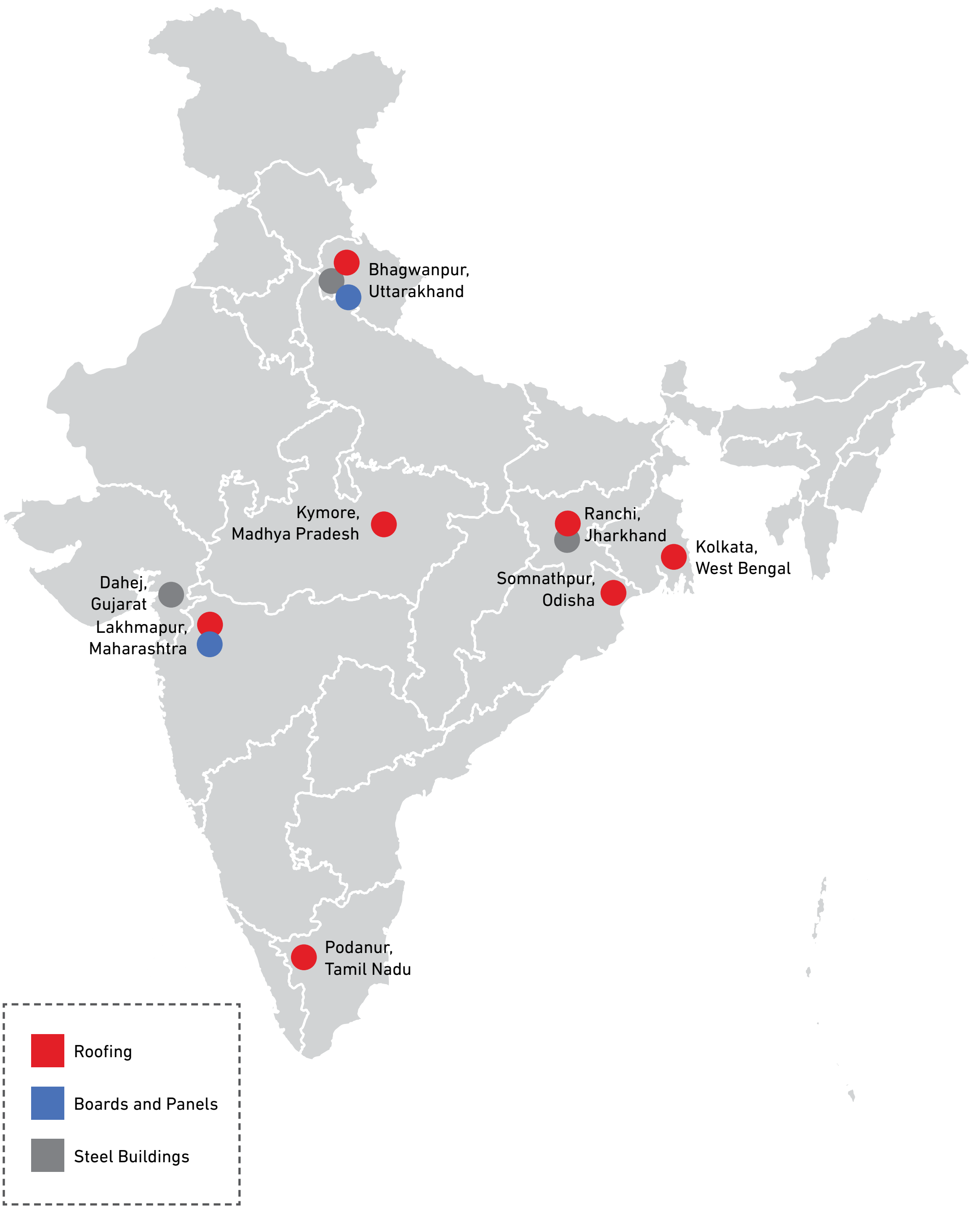
The Steel Buildings segment (36% of the revenue) provides unique, customised Pre-Engineered Buildings and Smart Steel Buildings for industrial, commercial and logistics applications.

OPERATIONS

STEEL BUILDING PLANTS
72,000 MTPA

TOTAL CAPACITY

BUILDING PRODUCTS PLANTS
8,80,000 MTPA



BUILDING PRODUCTS

ROOFING

Everest has a large portfolio of roofing products and solutions with applications across residential, commercial, and industrial uses. Everest constantly endeavours to amalgamate research and development practices with contemporary demand. The company has continually demonstrated an ability to introduce new and improved products. The company has 7 roofing production lines and a strong distribution across the country.

Everest Fibre Cement Roofing sheets are the best value options for someone looking for a durable, *pucca* roof. Rural consumers use these sheets for residential roofing as well as in making cattle sheds, poultry sheds, grain storage and other household extensions. They also find extensive use in industries, workshops, godowns, toilets and many more. The corrugated fibre cement sheets are made from the highest quality cement and imported chrysotile fibre through a unique fibre mesh technology.

Everest Super is a premium coloured fibre cement roofing sheet, completely developed with in-house R&D, to meet the needs of evolving rural consumer. Everest Super comes in 3 different colours. It has special water repellent properties, anti-fungal properties and provides cooling indoors. This waterproof and colourful product is a cost effective alternative to metal roofing sheets.

02 DURASTEEL ROOFS

To expand its roofing product portfolio, Everest has manufactured and distributed coloured profiled metal roofing sheets under the brand name Everest Durasteel Roofs. It is ideal for both residential and commercial applications.

03 ROOFLIGHT

The Company also markets high quality polycarbonate roofing sheets, manufactured using virgin polycarbonate resins, Everest Rooflight. With high sunlight transmission, these roofing sheets help conserve electricity while enhancing the quality of the work environment.

Everest Hi-Tech, a non-asbestos and non-metal roofing sheet, enhances the product mix of the Company to cater to commercial and industrial needs of customers. Everest Hi-Tech roofing sheets are reinforced with High Impact Polypropylene (HIPP) fibres, which replace chrysotile as a raw material in the product. Highly resistant to the forces of nature, the product conforms to the highest international standards.

04 HI-TECH

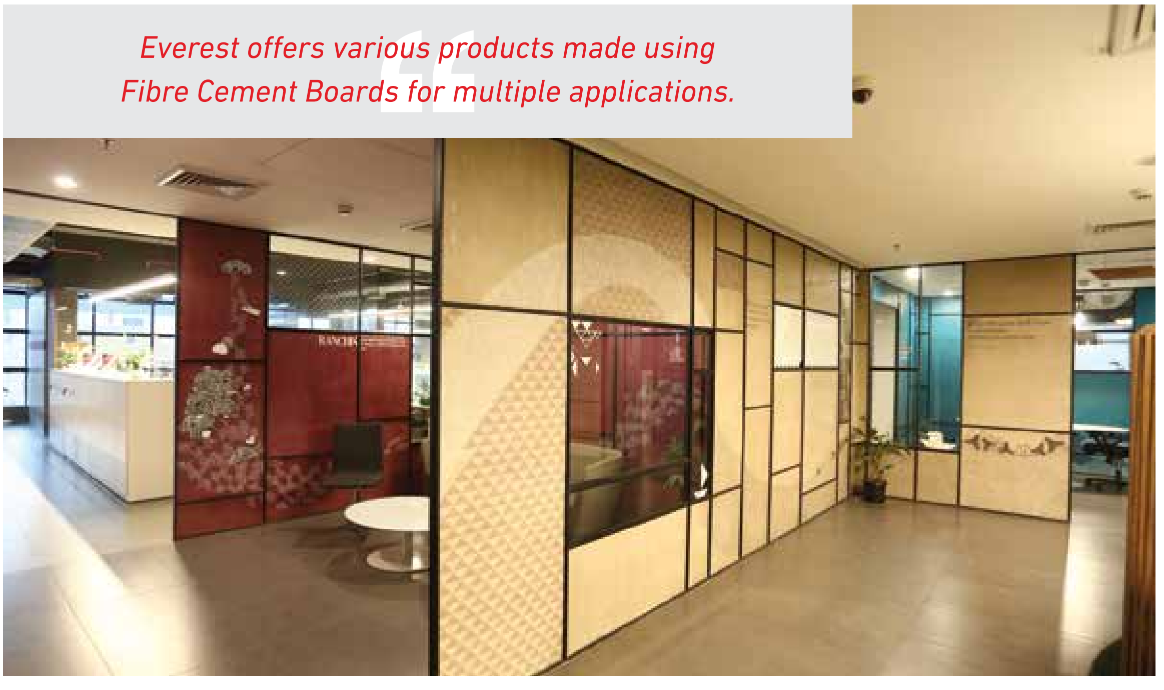
BUILDING PRODUCTS (CONTD.)

BOARDS AND PANELS

Fibre Cement Boards are made from a mixture of Ordinary Portland Cement, treated cellulose fibres, finely ground silica quartz, and fly ash. These products are used for cladding, ceiling, facades, dry walls etc. and are changing the dynamics of construction industry by promoting the adoption of light weight, safer, dry and faster methods of construction. The unique feature of these boards and panels is that they can be very easily customized, in width and length as well as the finish, to meet the requirements of the customer.

Everest Fibre Cement Boards made using Hatchek process enabled with unique HPSC Technology and offers superior resistance to moisture, termite, and fire unlike other conventional wood based reconstituted material like Plywood, Particle Board, MDF etc. making it ideal for variety of applications in residential, commercial and industrial segment. Everest Fibre Cement Boards, in combination with different substrate framework like timber, steel and aluminium offers advanced dry construction solutions in both Interior and Exterior applications leveraging space utilization to the maximum while saving on time of construction.

Everest offers various products made using Fibre Cement Boards for multiple applications.



01
CEMENT WOOD PLANKS

Everest Cement Wood Planks - These are wood textured boards used for internal and external cladding, which adds on to the aesthetic value of the built-up space without compromising on safety of the space and environment.

02
DESIGNER CEILINGS

Everest Designer Ceilings – These boards are used for making false ceilings. These are ideally suited for wet area ceilings due to their high moisture resistance properties.

03
HEAVY DUTY BOARDS

Everest Heavy Duty Boards – These are high density boards with extra strength and are ideal for applications like facades, mezzanine flooring, external wall panelling and internal wall partitions etc.

04
RAPICON WALLS

Everest Rapicon Walls - As a dry wall construction solution, the Company offers Rapicon Walls. These readymade wall panels are the fastest way of putting up a wall and are made from Aerated Concrete Cement Blocks sandwiched between two Everest Fibre Cement Boards on either side.

STEEL BUILDINGS

Everest is one of the leading Pre-Engineered Building providers in the country. The Company has successfully delivered more than 2,200 steel building projects. The scope of delivery involves designing, manufacturing and erection of the structures. In the last decade, Everest has emerged as one of the most trusted brands in the PEB industry, fuelled by a highly skilled in-house design team equipped with world class software and 3 state-of-the-art manufacturing facilities.

Everest Pre-Engineered Building (PEB) structures are designed on sophisticated computer software such as TEKLA, STAAD Pro, MBS and AutoCAD. The building components are manufactured in a controlled factory environment with high focus on consistency in quality.

Everest PEBs find application in various commercial and industrial infrastructure projects such as warehouses, factory buildings, shipyards, metro rail workshops and office buildings.

01 PRE-ENGINEERED BUILDINGS

Everest Smart Steel Buildings are Light Gauge Steel Frame (LGSF) structures, mainly used for low-rise construction such as industrial staff accommodations, site offices, rooftop extensions, schools, hospitals, villas and cottages. The primary advantage of Everest Smart Steel Buildings is that these structures are significantly quicker to build and ideal for hilly, high seismic and other challenging terrain.

Everest Steel Buildings provide significant reduction in construction time with the added benefit of being an environment friendly construction method that requires only a fraction of the natural resources (water, sand) compared to conventional building practices.

Steel is the primary raw material, comprising about 70-75% of the total cost. Steel plates and galvalume coated steel are used in these structures and are procured from quality suppliers.

02 SMART STEEL BUILDINGS

MARKETING

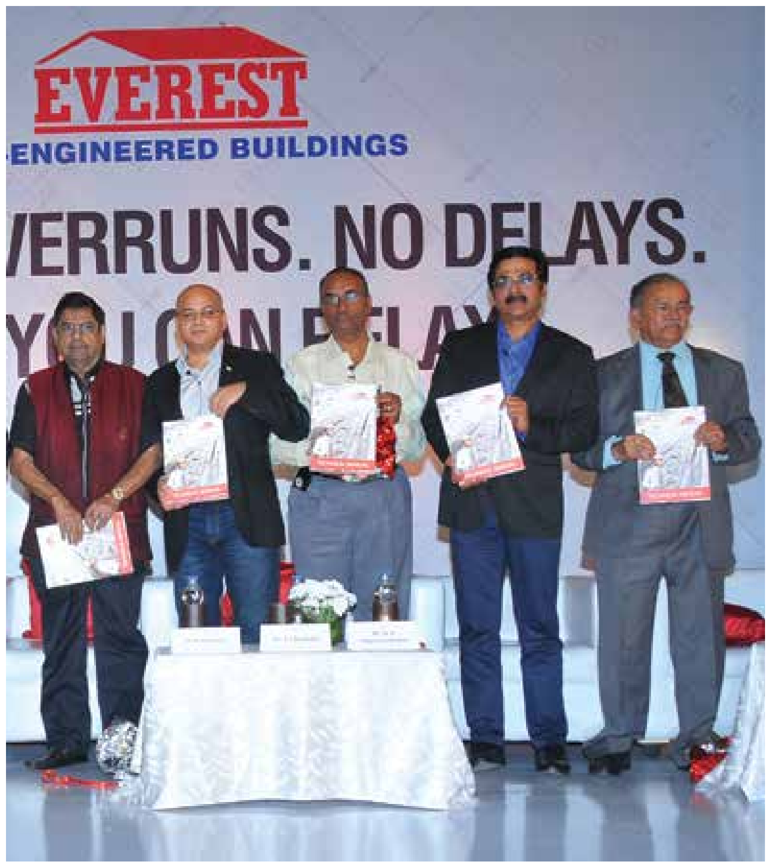
The company undertakes various marketing initiatives, from participating in exhibitions to reaching out to influencers like architects and interior designers, advertising across platforms like radio, print and television in order to enhance the awareness of its product usage as well as increase brand visibility. In this financial year, the company launched its television advertisement campaign for its new roofing product Everest Super targeting rural consumers in its key markets, the impact of which is expected during the first quarter of the new fiscal. Extensive wall paintings and customised rural marketing communication initiatives in our strategic and important markets have helped increase market share and create awareness on the new product launch.

The company partnered with some of the leading Architectural events and exhibitions to enhance its brand reach and product awareness amongst the Architecture & Design fraternity.

Everest has signed cricketer Wriddhiman Saha as its new brand ambassador. A promotional campaign for Everest Super featuring Saha has been rolled out in the West Bengal market which has caught high consumer eyeballs.

Launch of the first Technical Manual for Pre-Engineered Buildings in India

The company partnered with some of the leading Architectural events and exhibitions to enhance its brand reach and product awareness amongst the Architecture & Design fraternity. The company also developed and launched the first Technical manual for Pre-Engineered Buiildings in India, and organised a series of launch events for Industrial and Infrastructure architects as well as structural consultants across major cities to build thought leadership for the brand, which was well covered by the media as well.



NEW PROCUCT LAUNCHES

Everest Super – After successfully test marketing in select geographies the previous year, Everest launched its new coloured fibre cement roofing sheet - Everest Super across markets this year. It is India's first coloured fibre cement roofing sheet that comes with 3-in-1 benefits of being water repellent, anti-fungal and low on heat absorption. With increasing discretionary income and changing lifestyle, there has been an evident shift of rural consumers towards the more premium Everest Super.

EVEREST SUPER

Everest Durasteel Roofs – We have set up a new metal roofing plant in Maharashtra with 15,000 MTPA capacity. An aggressive marketing initiative has been launched to increase distribution of the Company's coloured metal roofing sheets - Everest Durasteel Roofs in the strategic markets catered to by the Maharashtra plant. Results of these are expected in the next fiscal year.

EVEREST DURASTEEL ROOFS

Everest Solar – This unique proposition of turnkey rooftop solar solutions for Industrial and Commercial PEBs. Everest Rooftop Solar systems are designed to provide clean and affordable energy to factories and warehouses. From designing solar compliant roofs, to solar panel procurement, arranging funding linkages, installation and servicing, the Company now provides turnkey Rooftop Solar solutions to various industries. Everest is known for Roofing as well as PEBs and Everest Solar integrates our database and skill set of these two business segments with rooftop solar projects.

EVEREST SOLAR

RAHO RANGEEN – A COLOURFUL FUTURE

THE BEGINNING

In rural India where everything is so colourful, roofs were one thing that were uncharacteristically dull. Everest Super, the first coloured Fibre Cement Roofing sheet has been introduced to fill this void. It started with test marketing in Tamil Nadu and Punjab in 2016, and found encouraging customer acceptance and feedback.

After improvements in the product features and delivery, Everest Super was launched PAN-India in 2017 in three colours – Terracotta Red, Sunshine Yellow and Forest Green. With the message of ***"Raho Rangeen!"***, the product aims to transform patchy, blackened roofs to remain colourful and beautiful.

THE STORY SO FAR

Households in rural India are quickly transitioning to Everest Super. Everyday there are reports of village houses being made with Everest Super cement sheets, in pattern often using more than one colour. In north India, animal husbandry and poultry farming is popular. Everest Super is helping change the mundane look of poultry farm roofs to more colourful ones. Animal sheds are being made with Everest Super. Even more evolved roofing applications like factories, amusement parks and dhabas are using this product.

The distribution network was apprehensive of their ability to sell a product variant at 25% premium. Local level engagement with channel partners to establish the product's 3-in-1 benefits was undertaken. Once the product was seen by the customers, the network found immense confidence. So satisfied are customers, that repeat purchases of Everest Super are 40% higher than those of traditional Fibre Cement Roofing sheets.

For roofers, who play important role in customer purchase journey, an exciting incentive program with daily prizes to be won was launched. More than 8000 roofers have been enrolled in the program so far. Roofer meetings are conducted at the outlets and product benefits explained, along with distributing the sales tools to them. In the month of March Everest Super TV campaign was launched. More than 7 crore people in the target group were exposed to the TV commercial, which has received rave reviews from the trade and customers.

THE FUTURE

Everest Super has made a mark across all regions and over the years we expect coloured roofing to become the mainstay for roofing sheets in the country. The value addition benefits accrue not only to the customer, but also to the retailer, distributer and roofer.

ज़िंदगी रंगीन
तो छत क्यों न
हो रंगीन?

FAST CONSTRUCTION FOR FMCG COMPANY

THE TASK

One of the fastest growing FMCG companies wanted to set up their largest manufacturing facility as a mega herbal and food park in a remote location in North East India. The customer needed the plant to be operational in just 4 months to meet the deadline of 31st March, 2017. Hence two buildings of 10,00,000 sq. ft. had to be completed in just 4 months. Everest was entrusted with this tight schedule. The foundation stone was laid by the Chief Minister of Assam in November, 2016 and the buildings were delivered in February, 2017.

THE CHALLENGES

Everest Pre-Engineered Buildings team started work at the site immediately after the foundation laying ceremony. However, soon we faced a major problem with availability of adequate manpower due to the remote location of the site. There was also a severe shortage of required machineries for installation and erection in the entire eastern region for such a mega project. Everest mobilized manpower and machinery from neighbouring states to prevent any delay in the project schedule. Special procedures were put in place to ensure health and safety of the labour coming from other areas as they were not accustomed to the environment of hilly areas.

9,98,890 sq. ft.
FACTORY

BUILT IN
120 days

THE RESULT

Everest delivered the project exactly as per schedule and the operation at the plant started on 23rd March, 2017. Inaugurating the plant, the CEO of the FMCG conglomerate mentioned, "Amazing, awesome but true in just 120 days the construction of our processing unit has been completed ..... it is historical and unprecedented work in the remote North-Eastern part of the country...." The Managing Director of the State Industrial Infrastructure Development Corporation told media, "This is a record in Assam of a factory going commercial within such a short period of time".

BUILDING NEW-AGE BRAND AMBASSADORS

CHALLENGE

Fibre Cement Boards and Panels are new-age construction materials and techniques which help build fast, strong, safe, and green. However, as the cement boards industry is still in its early days, there is a lack of awareness amongst young Architects about the applications of these sustainable building materials. This results in them being unaware of globally evolving methods of construction. Increased adoption of these new age materials and building methods would help promote sustainable construction and benefit their users.

ACTION

Everest realised this major need gap and being a market leader, it took upon the responsibility of building awareness and educating the students of Architecture across the country on Fibre Cement Boards and their various applications. Everest partnered with the team of Festival of Architecture and Interior Designing (FOAID) to institute an educative series titled as ***"Everest Design Challenge"*** for young Architecture students in various leading architecture colleges in the country. Everest Design Challenge is a contest wherein the team of technical experts of Everest reaches out to the Architecture colleges and organizes awareness sessions amongst final year students on new age building materials and techniques which enable fast, strong and safe construction. The students are given multiple design challenges and are encouraged to showcase their design prowess using such materials and technology. Teams of students from different colleges present their designs to a panel comprising of eminent Architects from their respective cities during the "Design Perspective" event organized by FOAID. The winning design and student team is awarded a trophy, certificate and cash prize.

RESULT

Young architects with awareness on these products will move into the industry and make greater use of these unique and versatile product in their projects.

50	11	1,000+	150+
ARCHITECTURE COLLEGES	CITIES	STUDENTS	FACULTIES

RISKS AND CHALLENGES

Risk management at Everest Industries is an integral part of the business model. The Company focuses on mitigating the adverse impact of risks on the business. At Everest, managing risks goes hand-in-hand with maximising returns. The Company's integrated risk management approach, comprising centrally-issued policies, divisionally-evolved procedures, and periodic reviews undertaken by the senior management, ensure that business risks are effectively addressed. Some of the key strategies to mitigate risk are explained below –

RISK: VOLATILE RAW MATERIAL PRICES

Chrysotile fibre, cement and steel are the main raw materials used by Everest. Any increase in the raw material prices or the inability of the company to pass on the price rise to the customers could affect the company's profitability.

Building Products: Effective inventory management, with a strong focus on our forex management policy, helps in reducing the price risk. Yearly contracts for Cement and Fibre purchase are being pursued with suppliers to cushion against the impact of price volatility. Being a large purchaser of Cement, the company is able to get best negotiated prices from the suppliers.

Steel Buildings: Steel prices have been highly volatile in last three years. Faster execution of projects to protect against price variations during the term of the project execution is the key to protect against the price risk. Standard clauses have now been built into the contracts for steel price variation on account of Government action. The basic premise of PEB is speed and if any delays in project are on account of site conditions or delays in payments, the steel price risk is to be borne by the buyer.

RISK: SUSTAINING GROWTH MOMENTUM

Everest Industries has two business segments, namely Building Products and Steel Buildings. Adequate investments have ensured that the company's growth trajectory will accelerate over the next few years. However, unforeseen exogenous events that affect the general economy will affect the sustenance of the growth momentum. However, optimization of depot networks post the GST has led to the recalibration of profitable markets.

Building Products: A systems selling approach aimed at increasing market share through addition of new clients, expanding dealer network for better geographical reach, and introducing superior value added products are expected to catalyse increased volumes and improved capacity utilisations.

Steel Buildings: Exemplified through speedy, safe and strong project executions along with creating awareness about the advantages associated with the usage of Pre-Engineered Steel Buildings. In the low penetrated industrial, logistics, and commercial market a focus on increased geographical reach to the entire country, and focus on enhancing capacity utilisations of existing plants will drive this segment going forward.

RISK: MAINTAINING PRODUCT CONSISTENCY

The company's manufacturing facilities have been producing quality products that meet the required technical aspects and aesthetics associated with Everest's brand name. Any change in the quality offered can affect the brand and hence the sales.

Building Products: The Company has strong quality measures for incoming materials which helps to ensure consistency of the final product. Further innovation of products will continue to help improve the finish and process.

Steel Buildings: The Company invests in strong design team, training and software development to ensure strong designed buildings at optimised cost. The Company invests in training of erection teams in safety and speed. There could be an entry of new players, but we are mitigating this risk through higher customer service and timely implementation.

RISK: DEPENDENCE ON A SINGLE SEGMENT

Any Company that is dependent on a single segment is exposed to significant market risk. In order to reduce our dependence on a particular segment, we have diversified into newer age products and are offering a larger variety and variants of products to the customer, thereby increasing our visibility.

Building Products: Everest has diversified its building products offerings with Boards and Panels that are used more by urban commercial and residential segments which has opened new avenues of revenues for the company. Newer roofing products, beyond the traditional roofing product category, have also been introduced by the Company which find industrial and commercial applications. The Company now sells to all segments of the market viz. residential, industrial, and commercial as well as across urban and rural geographies. The spread of plants in different parts of the country has helped us service customers across geographies.

Steel Buildings: The Company's steel buildings segment has grown over the years to contribute 36% of the Company's revenue further reducing its dependence on Roofing. Steel Buildings find usage more in the industrial and commercial segment and have, off late, started finding growing acceptance in the institutional buildings segment.

RISK: BAN ON CHRYSOTILE

There are concerns that exposure to Chrysotile fibre leads to health risks and as such its usage is banned in certain countries.

Building Products: Chrysotile or White Asbestos Fibre is a naturally occurring mineral. It constitutes roughly 10% of Asbestos Cement Roofing sheets. Our roofing sheets are absolutely safe for the users and Fibre cement roofing sheets are the most economical and long lasting roofing solution available to the population. Our production process is fully automated and there is no exposure of the workers to the fibre. This has been established through different studies by organisations like National Institute of Occupational Health (NIOH).

The Government of India has endorsed the safety of production process in various forums, the most recent being the Rotterdam Convention in Geneva.

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC AND INDUSTRY REVIEW

THE GLOBAL ECONOMY

The acceleration in global activity that started in 2016 gathered steam in 2017, reflecting firmer domestic demand growth in advanced economies and improved performance in large emerging market economies along with improved outcomes in both advanced economies and the EMEs. Confidence measures and levels of new orders for businesses remain strong. This long awaited lift to global growth, supported by policy stimulus, is being accompanied by employment gains, and a moderate upturn in investment and a pick-up in trade growth.

Global growth is set to be just over 3.5% in this calendar year 2018, the fastest for seven years, with improved outcomes in both advanced economies and the Emerging Markets. Global demand has been improving, which should encourage exports and boost fresh investments.

THE INDIAN ECONOMY

Indian economic growth is giving a positive signal for the current and future scenario. It is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetisation. Fiscal deficit for 2017-18 is revised to ₹ 5.95 lakh Crores at 3.5% of the GDP which is approximately the same as 2016-17 inspite of transformation in the economy. In addition to initiatives like; "Make in India", "Housing for All", "Digital India" government has also introduced "Sagar Mala" and "Bharat Mala" initiatives which is expected to boost the domestic growth of the country.

The Reserve Bank of India has estimated GDP growth in a range of 7.4% to 7.9% for the Financial Year 2019-2020. It is projected to strengthen to above 7%, gradually recovering from the transitory impact of the Goods and Services Tax (GST), which has benefitted organized players by improving their competitive power. Huge opportunities over the next few years are anticipated as India's per capita income growth is expected to accelerate. Services expected to grow at 8% plus and Exports expected to grow at 20% in 2018-19.

RURAL INDIA GROWTH

Rural India is seeing robust growth. In its FY19 budget, the Union Government announced the MSP policy of 1.5x cost, with the aim of increasing farm income and to increase the contribution of agriculture to GDP from 15% to 20%. Coupled with the growth in non-farm income through the MNREGA program with a budgetary allocation of ₹ 47,500 crores, these policies will serve to boost demand through increased income growth.

For creation of livelihood and infrastructure in rural areas, total amount to be spent by the Ministries will be ₹ 14.34 Lakh Crores for below results

321 Crores
PERSON DAYS OF WORK

3.17 Lakhs
KMs OF RURAL ROADS

51 Lakhs
NEW RURAL HOUSES

1.88 Crores
TOILETS

1.75 Crores
NEW HOUSEHOLD ELECTRIC CONNECTIONS

The Government is committed to the welfare of farmers and doubling farmers' income by 2022. A healthy monsoon complementing such Government policies, will increase the discretionary income of the rural population over the next couple of years. The revival of agriculture growth will be instrumental in achieving sustainably high GDP numbers.

URBAN INDIA GROWTH

India will be one of the three countries to witness maximum urban growth by 2050 along with China and Nigeria, according to United Nations estimates. By 2050, India, China and Nigeria will account for more than a third of the projected growth in the world's urban population.

India's construction sector is considered to be the country's second largest employer and contributor to economic activity after agriculture and accounts for the second highest inflow of FDI after services.

The construction industry has contributed nearly 8% to the national GDP during the last five years. The Indian construction industry is expected to grow at a year-on-year growth rate of around 5% from ₹ 10.4 Lakh Crores in FY16 to ₹ 11.4 Lakh Crores ($176 billion) in FY17. It is expected to reach ₹ 17 Lakh Crores ($263 billion) in FY21 at a CAGR (FY16-21) of around 10%.

INDUSTRIAL GROWTH

As per IMF projections, India needs to spend on an average 8.1% of GDP on infrastructure development per year from the current fiscal year to 2022, compared to just over 5% a few years ago. The policy framework is fast changing to attract private capital. Moreover, the government is finding innovative ways to finance these projects. Accelerated spending along with policy support and international financing could potentially transform India's infrastructure landscape.

India's per capita income showed a CAGR of 5.5% between 2010 and 2015 and is expected to touch USD 2,208 by 2019 as per a forecast by the International Monetary Fund as the urbanisation rate rises from 33% to 40%.

THE HOUSING SECTOR

Housing accounts for 5% of the GDP and is the 4th largest employment provider in India. There has been a high correlation of +0.5 between the performance of the building materials industry and the economy. With a total of 7 Crores houses to be built over the next 3 years, and with 67% of the population still residing in rural regions according to 2011 census, there is poised to be significant demand for various building materials products.

The budgetary allocation for rural housing in Prime Minister Awas Yojana increased from ₹ 16,000 Crores in FY17 to ₹ 23,000 Crores in FY18, up 43% YoY; the allocation for urban housing sector is ₹ 6,000 Crores in FY18, up 22% YoY. This move from kuccha to *pucca* houses, coupled with the Swacch Bharat Program will serve as a growth driver. Even in housing schemes where RCC houses are specified, there is expected to be an increase in the number and type of ancillary buildings such as cow sheds, poultry farms and building extensions.

BUSINESS SEGMENTS OVERVIEW

BUILDING PRODUCTS

Roofing

Fibre Cement Roofing Sheets industry in India with a market size of ₹ 3,900 Crores is an oligopolistic market with top six players accounting for 75%-80% of the size. The demand for the product is mainly driven by rural economy that is largely led by the method of housing construction, its affordability, and durability.

The demand for Fibre Cement Roofing Sheets is largely dependent on:

- Structural demand drivers – moving towards *pucca* housing and housing for all.
- Rural economy – prevailing Minimum support prices (MSP), wage rates and monsoon being key determinants.
- Prevailing steel prices.
- Preference over competing/alternative products

The demand for Fibre Cement Roofing sheets will be boosted by various factors on an industry-wide scale including improved discretionary income in the hands of rural population, reduction in tax rates, a healthy monsoon, increased farm productivity, nuclearization of families and Government focus on Housing.

In view of these positive economic sentiments Everest has undertaken certain initiatives -

Cost Control – Controlling overall costs was a priority of the Company this year. Logistics and material costs were reevaluated and learning from the Parivartan initiative and last year's demonetization shocks have helped rationalize raw material and delivery costs.

Market Share – A focus on strategic markets led to a market share gain through deeper penetration. Our market share increased by 1.5%-2% in all our strategic markets.

Prices – Prices of roofing sheets to consumer came down on account of rationalization of GST rates from 27%-18%. This brought parity in the tax rates between metal roofing and fibre cement roofing. The benefits of this Government Policy decision has helped the poorest home builders in our country.

Our recently launched coloured roofing sheet, Everest Super is priced at a 25% premium to the regular fibre cement roofing sheets. With increased in income levels we expect high demand and an improvement in overall realization.

Customer Service – Brand recognition initiatives, market activities, increased dealer engagement and wall paintings were undertaken. Improved logistics to serve the dealer network reduced delivery time and cost. A focus initiative to resolve customer complaints led to a reduction of lead time from 45 days to 8 days. Our network has seen a surge in dealer confidence. Quality initiatives, undertaken at each plant, aim to push the consumer expectations even higher.

Production of Everest roofing sheets during FY17-18 stood at 6.38 Lakhs MT compared to 5.58 Lakhs MT in the previous year.

According to industry reports, the roofing industry is valued at approximately ₹ 42,000 Crores and is expected to grow between 6-8% depending on growth in GDP and rural income and improved monsoons.

Boards and Panels

Fibre Cement Boards industry outlook is encouraging. Driven by growing awareness, increasing applications and rising preference over the competing products. Currently, non-asbestos cement boards and panel industry size is pegged at ₹ 23,300 Crores and has been growing at 20-25% CAGR over the last five years. The boards and panels industry comprise key variants like fibre cement boards, calcium silicate boards and gypsum boards.

Increasing acceptance of Fibre Cement Boards over the last five years has seen its share increasing to 19% in FY17.

Fibre Cement Boards and Panels are superior to conventional building products such as gypsum boards, MDF and plywood. It is a revolutionary product which brings safety and speed to construction with multiple applications in the interiors and exteriors of buildings. The industry is today at ₹ 1000 Crores and has grown at 15-20% CAGR over the last 5 years. The market is expanding and many peers have followed the trend of starting manufacturing Boards which has impacted our market share. However the market opportunity is huge and stands at ₹ 50,000 crores, which is the plywood industry. Numerous Government initiatives such as Housing for All, Smart Cities, Swacch Bharat, etc. will supplement the demand for this product.

The Company possesses one of the widest bouquets of products in the Fibre Cement Boards and Panels category that see a wide range of applications such as ceiling, wall, cladding and flooring solutions. Everest has two manufacturing facilities for Boards and Panels.

Everest has added many value-added products to service the changing needs of consumers. Cement Wood Planks, Rapicon Walls, Designer Ceilings and Heavy Duty Boards are expanding the contributions per unit and serving consumer aspirations.

Everest has seen lot of traction coming from Government departments for its Boards & Panels products because of their superior functional properties including faster and hassle free construction. Several Government buildings like The Supreme Court of India, AIIMS, IIT Hyderabad etc. now use the Fibre Cement Board range of products of Everest. The Ministry of Housing and Urban Poverty Alleviation, Government of India, recently used one of the projects of Everest as example to promote fast and cost effective method of construction on its official Facebook page. The post showcases the project of construction "Janta Darbar", the official public meeting place of Chief Minister of Bihar. The meeting place is built using dry construction methods with no use of brick, sand and stone on the walls. Everest Heavy Duty Boards and Everest Cement Wood Planks were used to make the walls on steel framework while Everest Designer Ceilings were used to make the false ceiling.

Exports continue to be weak due to slowdown in the markets we serve. There is a focus to initiate entry into new markets and the results will be seen in the following year. The Company has made in-roads into new international markets, mainly Europe.

Production of Everest boards and panels during FY17-18 stood at 1.19 Lakhs MT compared to 1.14 Lakhs MT in the previous year.

Influencer initiatives – This year the focus has been on training applicators, engaging with influencers to expand the usage and create awareness of the superior benefits of our products. Architects and Designers are key influencers in the specification of our products. Everest has engaged and partnered with more than 4000 architects and designers on various platforms like Festival of Architecture & Interior Designing (FOAID), Design Perspective, ET Acetech, ET A&D Summit etc.

Further, we have organized various training programs to increase awareness, improve workmanship and create a better rapport between our sales team and contractors / installers:

- **Pehchan:** This programme creates awareness and expansion amongst contractors. It establishes a relationship between installers and our sales team. In 2017-18 we engaged with 5,500 contractors and plan to quadruple these numbers in the following year.

- **Kaushal:** This is a skill enhancement programme to provide hands-on training to increase efficiency and application quality. In 2017-18 we trained 2,529 contractors through Kaushal and this will be tripled in the next year.

Innovation – The company is evolving from the product manufacture to a design-oriented solution provider with a deep understanding of consumer needs and dissatisfaction with current conventional building techniques. The company has improved its product and solution mix and test marketed new-offerings for interior and exterior designer partitions, ready-to-install cladding solutions and a unique solution for damp-proofing of walls. These efforts will translate into commercial offerings in the coming year.

Aesthetic Finishes – Our boards and panels plants in Nashik and Roorkee are being upgraded with state-of-the-art finishing and painting equipments. This will provide consumers with a wider range of finished products and colours.

STEEL BUILDINGS

Steel buildings are the fastest systems of construction today and are gaining popularity worldwide. It is technology driven, contemporary, versatile, economical and environment friendly. In India, steel buildings have become mainstay for industrial structures such as factories, warehouses, metro stations, shipyards and logistic parks.

Everest offers end-to-end solution in this product segment and has completed over 2,200 projects. Having emerged as one of the leading PEB players in India, Everest on an average delivers one PEB per working day. In addition to PEB structures for industrial usage, the company also offers Smart Steel Buildings, a Light Gauge Steel Frame (LGSF) structure that sees multiple applications across residential and commercial segments.

During the year, the company completed 143 projects covering more than 6.93 Lakhs sq. mts. The order book of the company stands at 30,000 MT at the year end.
Production of Everest steel buildings during FY17-18 stood at 58,000 MT compared to 53,000 MT in the previous year.

In FY2017-18, Everest delivered some remarkable PEB projects which included a 9,98,890 sq. ft. factory for Patanjali Ayurveda in Assam in just 4 months overcoming difficult climatic conditions and logistic challenges thrown by the remote location. The Company also delivered a 4,41,321 sq. ft. retail warehouse for Reliance Industries in Haryana, which is one of the largest retail warehouses in the country. We have also completed construction of one of the largest modular manufacturing yards in India for Technip in Gujarat. The 1,23,784 sq. ft. building was constructed in 6 months.

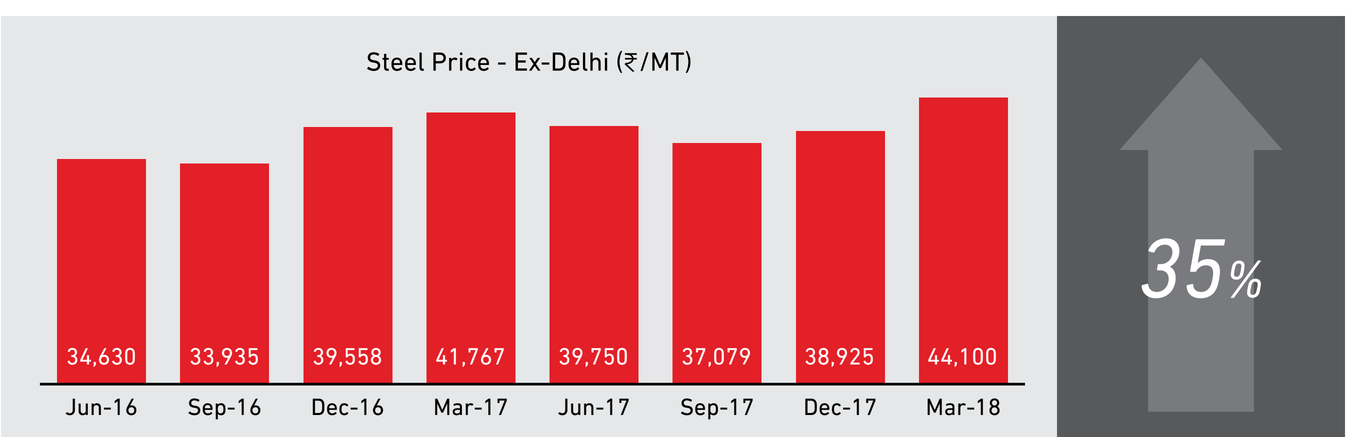
This is high growth business and we are committed to growing our footprint and brand position through efficiency and responsiveness to our customers. Volatile steel prices have adversely affected this segment. We believe that steel prices will stabilize and that such unpredictable volatility will be reined in. A host of efficiency initiatives in design and manufacturing will also help improve profitability. Training and safety has been a key focus area to enhance the contracting skills and site execution capabilities.

New Initiatives – Everest is evolving from a product company to a solutions company and so erection and contracting have become an important part of our business. Strengthening the contracting team and faster real-time management of contracts will lead to reduction in costs and better realization. An initiative to increase information flow between the client and the site is also helping improve customer satisfaction scores.

We have launched India's first technical manual on Pre-Engineered Buildings, which has facilitated engagement with structural consultants and architects. It was unveiled by an eminent panel of Structural Consultants, Architects and Construction Experts. The manual, developed by Everest in close consultation with industry stakeholders like leading consultants, architects, engineers, project managers, Govt. Institutions and industry experts, will be used by architects, design engineers and project managers as a technical orientation and reference guide and training tool for designing, detailing, manufacturing and erection of Pre-Engineered Steel Buildings.

Everest understands the evolving Green Energy need of its Industrial customers. We now offer solar compliant pre-engineered buildings. We also offer a one-stop solution to our PEB customers for rooftop Solar. We expect this offering to grow into a large business for the company in years to come.

Raw Material Impact – Steel price volatility and unrealistic price increases continue to have an adverse impact for the entire industry. Import restrictions have affected profitability. The Indian government imposed an emergency Minimum Import Price (MIP) measure in Feb 2016 for the second time in history. MIP has since been replaced by long-duration Anti-Dumping Duties (ADD) applicable till 2021. Gradual changes in steel prices get factored into our contracts but sudden changes have adverse effect on profitability.



35% sudden increases in steel prices in less than a year has eroded the profitability of the business. We expect prices to remain stable.

OPERATIONAL QUALITY IMPROVEMENT

Various quality control initiatives at our factories on reducing transit breakage and handling were undertaken this year. Product quality and flow improvement initiatives have helped enhance productivity and capacity utilization in the last quarter. These efforts will be sustained in future.

Our efforts on improving quality in our operations at all our plants have won accolades from the industry. Everest participated in the Manufacturing Today Awards held in September 2017 in 5 categories and was selected in the Top 5 in each of its respective categories.

AWARDS

1st Prize

Excellence in Training & Development at the Manufacturing Today Awards by Aditya Birla Group

1st Prize

National Kaizen Circle Competition by CII

2nd Prize

31st Annual Chapter Convention on Quality Concepts CCQC by QCFI

FINANCIAL STATEMENT

The year 2017-2018 started with a backdrop of demonetization and the unclear impact of GST implementation. The insecurity of not being able to avail of the GST credits kept the first quarter to a similar turnover as the year before despite the steps taken by us. This resulted in improvement in demand in the second and subsequent quarters as the impact of GST implementation became clearer. The markets have since stabilized and are displaying healthy growth rates.

The Government recognized that the roofs that our industry delivers are the most cost efficient and also corrected the anomoly where our roofs were subjected to effective 27% rates of taxation while metal roofing was subject to a 18% effective rate by applying a common rate of 18%.

This helped us to reduce the market price of the product. GST reform also helped improve cycle time to deliver to the end customer. The challenge of reducing demand in the first quarter was met by excise registrations of all our depots so that we could issue an excise invoice from all our depots in order that our dealerships could take the advantage of the entire taxes paid by them on the inputs they received from us under the transitional provisions of GST Law. Everest was the only Company in the industry to be able to do this.

Turnover after GST implementation declined for our tax exempted plants. This also impacted profitability.

IND AS became applicable to us during the current year and we were among the first few companies to roll out the financial statements under IND AS in our industry.

We prepaid ₹ 67 Crores of term loans, the repayment schedule of which, was upto March 2022. In addition to these we renegotiated existing loans. This enabled us to bring down our interest cost which declined from ₹ 20.8 Crores to ₹ 12.5 Crores. The debt equity ratio of the Company reduced from 0.51 to 0.16 due to decrease in the debt.

Forex rates continued to be stable over the period.

As a result of the conscious effort on credit control, trade receivables reduced by over 33% from ₹ 99 Crores to ₹ 67 Crores.

During the latter half we implemented the latest version of SAP (SAP S4 HANA) which was implemented in a record time of 100 days.

The year also saw rationalization of our tax rates as we were able to realize the benefit of MAT credit due to improved business performance.

Our subsidiary company Everest Building Products LLC, under which the Fibre cement boards project in the UAE was being setup, has since discontinued operations and deregistered. As a result, all funds invested in the project through the subsidiary has been remitted back to India as a reduction of share capital.

Our focus on cost optimization resulted in lower cost of production and lower other expenses which declined from ₹ 25.4 Crores to ₹ 23.5 Crores. Total cost of manufacturing per unit declined by 6% due to better utilization of plant capacities.

GDP growth of the country has a positive impact on the demand in our industry. India GDP rose by 6.5% while our output grew by 10%. Better utilization of our resources and optimisation as a result of previous years project Parivartan has had a positive impact and it will be sustained in years to come.

HEALTH & SAFETY

At Everest, health and safety is paramount to all our business operations. We take special care of health and safety of all employees, associates and customers of the Company. We take best of the safety measures at Pre-Engineered Building sites during installation. Further, safe work place practices are followed strictly at all our plant locations and erection sites.

There are many misconceptions about one of our raw materials – asbestos. We use white asbestos (Chrysotile) fibre bound in a cement matrix while manufacturing AC Roofing. Chrysotile is naturally occurring mineral, mined and imported in pallets. Since it is not sprayed, fibre emission is fully controlled. Fibre concentration at our production facilities is better than international norms and we ensure zero discharge of industrial effluent. Regular health check-ups for all of our employees confirm the absence of any asbestos-related disease over decades of service. We ensure the highest level of safety for our employees and the community. Living and working under an Everest Roof is safe.

R&D

The company continually focuses on research and development activites and has always had a philosophy of introducing new and improved products in the marketplace.

We have a 6-member R&D team for new product development for Building Products in Lakhmapur, Maharashtra. Under our Steel Buildings division, the company has a 99-member highly skilled design team that operates out of our Design Centres at Noida and Roorkee.

Our average annual spend on R&D has been ₹ 1.19 Crores in last 3 years. Our most recent success in the R&D department was the development of Everest Super, a water repellent coloured roofing sheet – a unique product in today's marketplace.

IT SYSTEMS

All salespersons are now equipped with tablets and a new sales ERP to give better real time information. This has improved the flow of market data.

Globally, we are one of the earliest adopters of the latest SAP S4 HANA 1709. The project was initiated mid-December and fully deployed in a record 100 days, which is one of the fastest implementations of SAP S4 HANA. The new ERP makes our system more agile and faster with better data analytics that in turn helps us service our customers faster than ever.

CHALLENGES

Shortage of sand and skilled labour is pulling back on the growth potential of construction activity across the country.

Weakness in export markets in Boards has impacted capacity utilization. Local production in Middle East has made the product unviable, therefore we have started focusing on supplying value added products.

Steel prices are volatile and severely impact profitability in Steel Buildings. We continue to face challenges on quality of erection labour, site conditions and underdeveloped logistics in the country. But these are all changing for the better.

HUMAN RESOURCES

Motivating employees through regular up-skilling and providing collaborative work environment that fosters ethical behavior, mutual respect and responsibility is integral to the Company's HR policies and practices. Currently Everest employs 1628 managers and workers. The Company provides a happy work environment and compensation to its employees. Average salary of all employees is ₹ 5.81 Lakhs per annum and average employment service of 10 years, which is a sign of high loyalty and trust.

Everest is always looking out for the right talent to join its pool of resources through lateral entry as well as fresh recruitments. For identifying and recruiting young talents, the company has robust campus recruitment program which covers many top management and engineering colleges in the country. During the year 285 new people joined the Company.

SOME OF THE KEY HR DEVELOPMENT INITIATIVES OF THE COMPANY ARE –

Middle Level Management Development Program : In order to identify and develop junior management resources in their career progression a Middle Level Management Development Program titled Everest Pratibha has been started. 16 highly talented employees completed the program in 2017 and a fresh group of employees is being identified for the next batch in 2018.

Performance and Goal Management System : Human resources development at Everest is driven towards enhancing performance and individual. A new performance management and goal management system on SAP-Succesfactor platform has been introduced at Everest.

Rewards and Recognition : The Employee Stock Option Scheme for senior management grants them the option to acquire shares of the Company. During the year, 241 employees got ESOPs of 1,60,000 shares. The employees are also rewarded for achieving targets under Everest's Excellence Bonus Scheme. Loyalty is rewarded through the Long Service Award program existent in the Company.

Employee Engagement : Participation in various competitions within and outside the Company as 5S Activities, Kaizen improvements and Quality Circle activities are encouraged. Team members are involved in various recreational activities like inter-corporate cricket tournaments, sports tournaments within the Company, which help them engage and build trust amongst themselves.

CORPORATE SOCIAL RESPONSIBILITY

Everest strongly believes in giving back to the community and contributing towards social development. Everest particularly endeavours in the well being of the communities in the surroundings of its areas of operations. Everest has established a not-for-profit organization named Everest Foundation to carry out its CSR initiatives with greater focus.

Training and Skill Building

To build vocation skill sets across amongst marginalised youth, women and construction workers, Everest initiated computer, sewing and roof installation skill development programs across various plant locations. More than 3000 people have benefited from these programs in last 3 years.

Roof Master Training Program

Everest has its flagship program called Roof Master Training Program which aims to provide expert training to marginalized construction workers on erection of roofing sheets. Trained roofers follow safer roof installation practices and also earn higher wages. Everest partners with National Skill Development Corporation (NSDC), Construction Industry Development Council (CIDC), Sattva and many other grass root level organizations to implement these programs.

During FY 17-18 Roof Master Training programs were conducted in 18 districts in 12 States wherein 462 workers successfully participated.

Computer Skill Training Centers

Everest is running Computer Skill Training Centers in association with NIIT Foundation and NSDC at Bhagwanpur (Roorkee, Uttarakhand), Kymore (Katni, Madhya Pradesh) and Remuna (Balasore, Odisha). During the year, 1089 youths took training in these centers.

For economic empowerment of rural women, Swing Centers are set up in Bhagwanpur (Roorkee, Uttarakhand) in partnership with USHA Sewing School. The centers trained 105 women from local villages and also helped them get employment or start their own work.

The Career Guidance Center established by Everest Kymore (Katni, Madhya Pradesh) assisted 225 youth from local villages to acquire vocational skills like basic financial accounting and office automation, data entry operation and desktop publishing.

Health, Hygiene, and Sanitation

Everest actively promotes the Anti-Tobacco movement. During the year we conducted a Tobacco Control Program in Nashik, Maharashtra, in association with Salaam Mumbai Foundation (SMF), to make all 15 development blocks of Nashik totally "Tobacco Free". Under the program 9572 people were reached out and educated on ill effects of tobacco and scientific ways to get rid of the bad habit. The program was conducted through awareness rallies and providing intensive training sessions to Aaganwadi Workers, Sarpanch, Government Teachers, Multipurpose Health Workers, Police, NGO, Cluster Coordinators etc. This resulted one of development blocks, Dindori, turning totally 'Tobacco Free'.

Promotion of Sports

Everest seeks to create opportunities for rural youth and children to demonstrate their sporting capabilities, and acquire skills that can help them live a healthy and progressive life. To facilitate this, we organize various local and community-level sporting events and training programs at our plant locations.

In 2017-18, Everest organized a Football coaching workshop followed by a tournament at Podanur (Coimbatore, Tamil Nadu) wherein youth (including girls) from nearby villages participated. Total 122 youth were part of regular coaching programs while 624 people participated in Districts level Football Tournament organized by Everest in association with Coimbatore District Football Association (CDFA). Everest also organized a Badminton Tournament at Kymore (Katni, Madhya Pradesh) for the rural youth in which 97 people participated.

Environmental Sustainability and Community Building

Everest believes in maintaining green and sustainable environment and mitigating environmental challenges. We pursue the practice of planting saplings in various areas across our sites and the lands allocated by the Forest Department. Through multiple plantation drives thousands of saplings were planted at Govt. schools and hospitals during the year.

Individual Social Responsibility (ISR)

Every member of the Everest team is motivated, skilled, and adds to the strength of the company. Their large-heartedness allows them to willingly share their time and talent with others to build a better, stronger, and safer community. Everest has a unique Individual Social Responsibility program, wherein, company employees are encouraged to dedicate 1 man- hour per quarter for community welfare activities. As part of it we create opportunities for our employees to engage with such social causes.

During the year, we organized Food Donation Drive in partnership with Delhi-Gurgaon Food Banking Network wherein employees had shown enthusiastic participation. They contributed towards collecting food to feed 4000 poor people. Other such initiatives were organizing Joy of Giving Week and Vastra Daan program which saw participation of employees in good numbers. During 2017-18 a total of 1082 employees participated in ISR activities and contributed 2014 man-hours for Social Change. The previous year 800 people had participated in such ISR initiatives.

HIGHLIGHTS OF 2017-18

1881

DIRECT BENEFICIARIES OF SKILL DEVELOPMENT PROGRAMS

ROOF MASTER TRAINING

462

PEOPLE

COMPUTER AND VOCATIONAL TRAINING

1419

PEOPLE

843

RURAL YOUTHS PARTICIPATED IN SPORTS PROMOTION PROGRAMS

9572

PEOPLE REACHED OUT DIRECTLY UNDER TOBACCO CONTROL AND ADVOCACY PROGRAM

OUR CSR SUCCESS STORIES

Job seeker turns job provider

Kishore, a 24 year youth was a labour working in a fabrication shop at Igatpuri, Maharashtra. He was earning a daily wage of ₹ 250. Kishore got to learn about the Roof Masters Program and successfully completed the program. Now, he has become a fabricator and roofing sheet installer. Since Kishore completed training, he has done multiple roof installation projects. Later on he started employing other roof master program participants also as his assistant in the projects. Kishore is now full time small size entrepreneur who is creating jobs for his peers, trained with him under Roof Master Program. In these projects, Kishore on an average earns ₹ 900/day and his assistants earn ₹ 350/day.

Empowerment through skilling

Bhanupriya is a 21 year old girl, living with her parents in Balasore (Odisha). Her father works as a carpenter and is the only earning member in her family. She heard about Everest Foundation computer training program. She decided to enroll herself in a course of Accounting and Personality Development. Today after completing the 3 months training program, she is working at as Junior Accountant in a furniture shop with a monthly salary of ₹ 7,000/-

NOTICE

Notice is hereby given that the Eighty Fifth (85th) Annual General Meeting ('AGM' or 'Meeting') of the Members of Everest Industries Limited ('Company') will be held at the Registered Office of the Company at GAT 152, Lakhmapur, Taluka Dindori, Nashik-422 202 (Maharashtra) on Wednesday, 25th July, 2018 at 12.30 P.M. to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2018 including the reports of the Board of Directors and Auditors' thereon.
2. To declare dividend of ₹ 6.50/- per Equity Share for the Financial Year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Y Srinivasa Rao (DIN 01289086), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To ratify the appointment of auditors of the Company, and in this regard to consider and, 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, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 ("the Rules")[including any statutory modification(s) or re-enactment thereof for the time being in force] and pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the Members of the Company at the 83rd AGM held on 29th June, 2016, the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Registration No.301003E) as the auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 88th AGM to be held in the calendar year 2021 be and is hereby ratified, at the remuneration to be determined by the Board of Directors of the Company"

SPECIAL BUSINESS

5. To fix the remuneration of Mr. Y Srinivasa Rao (DIN 01289086), Whole Time Director designated as Executive Director of the Company and in this regard 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 Sections 197, 198, schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including statutory modification or enactment, if any, the approval of the members of the Company be and is hereby accorded to fix the basic salary of Mr. Y Srinivasa Rao (DIN 01289086) at ₹ 5,40,000/- p.m. in the salary grade of ₹ 3,50,000-60,000-8,00,000 and the perquisites and allowances payable to him shall be 125% of the basic salary and other terms and conditions as set out in the explanatory statement to the Notice of this (85th) Annual General Meeting.

   RESOLVED FURTHER THAT remuneration by way of performance incentive, in addition to the salary, perquisites and allowances mentioned as aforesaid and payable in a particular financial year shall be determined by the Nomination and Remuneration Committee and as decided by the Board of Directors of the Company in their sole discretion, subject to the overall ceilings stipulated in Sections 197 of the Companies Act, 2013.

   RESOLVED FURTHER THAT the remuneration of Mr. Y. Srinivasa Rao shall be fixed w.e.f 1st April, 2018 and the annual increments will be effective from 1st April each year on the basis of merit and performance of the Company within the salary grade mentioned as aforesaid subject to the overall ceilings stipulated in Sections 197 of the Companies Act, 2013 and will be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company.

   RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Y. Srinivasa Rao, the Company has no profits or its profits are inadequate, the Company will pay remuneration as per schedule V of the Companies Act, 2013 and in case the Company pays in excess of the said limits as specified in the schedule during the stated period then the payment of excess remuneration shall be subject to such approvals as may be required.

   RESOLVED FURTHER THAT upon recommendation by Nomination and Remuneration Committee, the Board of Directors may alter/vary/revise the remuneration and/or terms and conditions and/or the agreement in such manner as may be agreed to between the Company and Mr. Y. Srinivasa Rao.

   RESOLVED FURTHER THAT Mr. Y. Srinivasa Rao shall be liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit, including but not limited to the filing of application to the Central Government for obtaining necessary approvals as may be necessary and desirable to give effect to this resolution."

6. To ratify the remuneration of the Cost Auditors of the Company for the financial year ending 31st March, 2019 and in this regard to consider and, 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 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], the remuneration of ₹ 4,80,000/- payable to M/s. Chandra Wadhwa & Co., Cost Accountants (Firm Registration Number 00239), appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To authorise Board for further issue of shares to employees under employees stock option scheme and in this regard to consider and, 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 Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder, the provisions of Articles of Association and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment thereof] and any other applicable laws for the time being in force and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee or such other Committee which the Board might constitute, to exercise its powers, including the powers conferred by this resolution), the consent of the Members be and is hereby accorded to the Board to grant options to such employees (including Managing /Whole-time Director(s) of the Company), as may be decided by the Board in its sole discretion, as are in the permanent employment of the Company, at the time when the grant is made, equity stock options (the "Options") not exceeding 180,000 (One Lakh Eighty Thousand) Options under the Employees' Stock Option Scheme 2018 (ESOS-2018) during the financial year 2018-2019 (the "Scheme"), each such Option being convertible into one equity share of face value of ₹ 10/- each on payment of such exercise price as may be decided by the Board and to issue and allot to such employees such number of equity shares of the Company, at such price, in such manner, during such period, in one or more tranches and on such terms and conditions, as the Board may decide, provided that the equity shares so allotted shall not in the aggregate exceed 180,000 (One Lakh Eighty Thousand) Equity Shares in the Company.

   RESOLVED FURTHER THAT the equity shares so issued or allotted shall rank pari passu in all respects with the existing equity shares of the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to determine the form and terms of the issue, the issue price and all other terms and matters connected therewith, and to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, proper or desirable for such purpose, including steps for listing of the equity shares allotted under the Scheme, and to make and accept any modifications in the proposal, including to withdraw, suspend or revive the Scheme from time to time, as may be required by the authorities entrusted with the power to regulate such issues and to settle any questions or difficulties that may arise in regard to the issue of equity shares under the Scheme and seek modifications, alterations or revisions are not detrimental to the interests of the employees.

   RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division and other corporate actions, the Board is authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the employees.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred herein to Nomination and Remuneration Committee or such other Committee, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard."

8. To consider continuation of Mr. M.L. Gupta as Independent Non-Executive Director of the Company and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, consent of the Members be and is hereby accorded for continuation of Mr. M.L. Gupta (DIN: 00088685), aged 77 years, as an Independent Non-Executive Director of the Company for his remaining tenure upto 30th September, 2019.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, things, matters and to execute all such documents as may be necessary in this regard."

By Order of the Board
For Everest Industries Limited

Neeraj Kohli
Company Secretary & Head-Legal
Membership No. FCS 3089

Noida, 22nd May, 2018

Regd. Office: GAT 152, Lakhmapur, Taluka Dindori
Nashik- 422202, Maharashtra
Tel : 02557-250375/462, Fax : 02557-250376
CIN: L74999MH1934PLC002093
E-mail : compofficer@everestind.com

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

3. Corporate Members intending to send their authorized representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.

4. Members, Proxies and Authorised representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.

5. The dividend as recommended by the Board of Directors, if approved by the Shareholders at the 85th Annual General Meeting, shall be paid to those members whose names stand on the Register of Members of the Company on 18th July, 2018. The dividend in respect of shares held in dematerialized form in the depository system will be paid to the beneficial owners of the shares as on the closing hours of business on 18th July, 2018 as per the list provided by the respective Depositories for this purpose.

6. Pursuant to the provisions of Section 125(5) of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 26th July, 2017 (date of last Annual General Meeting) on the website of the Company (www. everestind.com), as also on the website of the Ministry of Corporate Affairs.

7. In terms of Section 152 of the Act, Mr. Y Srinivasa Rao (01289086), Director, retires by rotation at the AGM and being eligible has offered himself for re-appointment. A brief resume of Mr. Y Srinivasa Rao, nature of his expertise in specific functional areas, disclosure of his relationship between Directors inter-se, names of Companies in which he holds the directorship and the membership of Committees of the board and his shareholding as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 is annexed to this Notice.

8. Copy of the Annual Report 2017-18 and the Notice of the 85th AGM of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip, Proxy Form and route map is being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report 2017-18 and the Notice of the AGM are being sent by the permitted mode.

9. The Certificates received from the Auditors of the Company that Employee Stock Option Schemes i.e. ESOS 2012, ESOS 2014, ESOS 2015 and ESOS 2017 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed at the relevant Annual General Meeting of the Company shall be placed at the ensuing AGM and are open for inspection at the registered office of the Company between 11.00 A.M. to 1.00 P.M. on any working day upto the date of AGM.

10. Members are informed that in case of joint holders attending the AGM, only such joint holder who is first in the order of names will be entitled to vote.

11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

12. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

13. The Company is providing facility for voting by electronic means and the business may be transacted through such voting

14. The facility for voting through ballot or polling paper will be available at the AGM and members attending the meeting who have not cast their vote by remote e-voting will be able to exercise their right at the meeting.

15. The members who have casted 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.

16. Members may also note that the Notice of the 85th AGM along with Attendance Slip, Proxy Form, Route Map and the Annual Report for the Financial Year 2017-18 will also be available on the Company's website www.everestind.com.

    The physical copies of the AGM Notice and Annual Report for the Financial Year 2017-18 and document(s) referred to in the Explanatory statement to the Notice, will also be available at the Registered Office of the Company for inspection between 11.00 a.m. to 1.00 p.m. on any working day up to the date of AGM.

    Pursuant to Section 72 of Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

    The route map showing directions to reach the venue of the AGM is enclosed to this notice.

    The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank account details by every participant in securities market. Member(s) holding shares of the Company, either in electronic form or physical form are, therefore, requested to submit the PAN and provide Bank account details to their Depository Participants with whom they are maintaining their demat accounts (in case of shares in electronic form) and to the Company/RTA (in case of shares are in physical form). SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company /RTA for registration of transfer of securities.

17. **Voting through electronic means**

    I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 85th Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-Voting Service. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited ("CDSL").

    II. If a person was a Member on the record date but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote and attend the AGM. Such person should treat this Notice for information purpose.

    III. Members can opt for only one mode of voting i.e. either by Ballot Form or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

    IV. The instructions for shareholders voting electronically are as under:

    i. The remote e-voting period commences on 21st July, 2018 at 9:00 am and ends on 24th July, 2018 at 5:00 pm. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18th July, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    ii. The shareholders should log on to the e-voting website www.evotingindia.com

    iii. Click on Shareholders / Members

    iv. Now Enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company

    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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction

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 "Everest Industries 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 changed 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 Corporates.
- 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.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 18th July, 2018.

VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

VII. Mr. Tanuj Vohra, Company Secretary (Membership No. F5621) and in his absence Ms. Anuja Singh Parihar, Company Secretary (Membership No. 38741) of M/s. TVA & Co. LLP, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner.

VIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

IX. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and 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 shall submit a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or in his absence to the Managing Director or Executive Director of the Company, who shall countersign the same and declare the result of the voting forthwith. Scrutinizer shall within a period of not exceeding 48 hours from the conclusion of the Meeting, submit its Report of the votes cast in favour or against, if any, forthwith to the Chairman or in his absence Managing Director or Executive Director of the Company.

X. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.everestind.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him and the same shall be communicated to BSE and NSE.

18. Members are requested to support the "Green Initiative" by registering their Email address with the Company, if not already registered. Those members who have changed their Email ID are requested to register their new Email ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

19. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose Payment of Dividend etc. Members are requested to register/ update their bank details with the Company in case shares are held in physical form and with their Depository Participants where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically.

20. As per section 118(10) of the Companies Act, 2013, read with the Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India, "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members in connection with the meeting".

EXPLANATORY STATEMENT

The following Explanatory Statement in terms of Section 102 of the Companies Act, 2013 is annexed to and forms part of the Notice convening the 85th Annual General Meeting:

Item No. 5

The Members are informed that Mr. Y Srinivasa Rao has been re-appointed by the Members of the Company as Whole Time Director designated as Executive Director of the Company for a period of five (5) years w.e.f. 23rd April, 2015 to 22nd April, 2020 at the 82nd Annual General Meeting of the Company held on 26th August, 2015.

Subsequently, in order to comply with the conditions specified in the amended schedule V of the Companies Act, 2013 for availing the enhanced limits of remuneration for managerial personnel as per the schedule V, the Board in its meeting held on 25th January, 2017 approved the change in the period of remuneration to be paid to Mr. Rao from five (5) years to three (3) years w.e.f. 23rd April, 2015. Such change in period of payment of remuneration was also approved by the Members of the Company on 8th March, 2017 by way of Special Resolution through Postal Ballot.

Consequently, it was also decided that the Company would seek fresh approval from the members of the Company for payment of remuneration to Mr. Rao on the expiry of said 3 years for the remaining period of his tenure as per the Special Resolution passed at 82nd Annual General Meeting.

The Members are further informed that the current period of three (3) years for which remuneration was approved by the shareholders has been completed and the Board in its meeting held on 1st May, 2018 on the recommendation of Nomination & Remuneration Committee fixed the remuneration of Mr. Rao for the remaining period of his tenure as Whole Time Director designated as Executive Director which is subject to approval of Members of the Company.

The terms of remuneration payable to Mr. Rao, inter alia, contain the following principal terms and conditions :

i. Basic Salary : ₹ 5,40,000/- p.m. (in the grade of ₹ 3,50,000 - 60,000 - 8,00,000)

   The annual increments will be effective from 1st April each year and will be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company on the basis of merit and performance of the Company.

ii. Perquisites & Allowances

   In addition to salary, Mr. Rao shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession for himself and his family, club fees and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Executive Director, aggregate of perquisites and allowances will be subject to a maximum of 125% of the basic salary per month.

   Perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

   Provision of car with driver and communication facilities shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

   Mr. Rao shall also be entitled to club fees, medical insurance for self & family and personal accident insurance.

iii. Provident Fund, Superannuation/Annuity Fund/NPS

   Mr. Rao shall be entitled to the Company's contribution to Provident Fund, Superannuation or Annuity Fund or NPS and Gratuity payable as per the rules of the Company.

iv. Performance Incentive

Remuneration by way of performance incentive in addition to the salary, perquisites and allowances shall be payable for each financial year of an amount as may be determined by the Nomination and Remuneration Committee and as decided by the Board of Directors of the Company in their sole discretion, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to Mr. Rao will be decided by the Board and the Nomination and Remuneration Committee of the Board entirely at its discretion.

v. Interest Subsidy

Mr. Rao shall also be entitled to interest subsidy as per Company's Housing Loan Assistance Scheme.

vi. Minimum Remuneration

Where in any financial year during the currency of the tenure of Mr. Rao, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013.

vii. Annual Leave

Thirty (30) days for every completed year of service. Encashment of leaves will not be included in the computation of the ceiling on perquisites.

The terms and conditions of Mr. Rao's appointment as Executive Director may be varied, altered, increased, enhanced or widened from time to time by the Nomination and Remuneration Committee/ Board as it may in its discretion deem fit, within the maximum amounts payable in accordance with the provisions of the Companies Act, 2013 or any amendments thereto made hereafter in this regard.

The Board of Directors recommends the resolution as set out in Item No. 5 for approval of the Members of the Company by way of a Special Resolution for fixing the remuneration of Mr. Y. Srinivasa Rao for the remaining period of two (2) years of his current tenure as Whole Time Director designated as Executive Director.

The draft Agreement to be entered into between the Company and Mr. Y Srinivasa Rao is available for inspection without any fee by the members at the registered office of the Company on all working days between 11.00 am to 1.00 pm upto the date of Annual General Meeting.

Except, Mr. Y. Srinivasa Rao, none of the 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. 5 of the Notice.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Chandra Wadhwa & Co., Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019.

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year ending 31st March, 2019.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board of Directors recommends resolution set out at Item No. 6 of the Notice for Members consideration and ratification.

Item No. 7

The Nomination & Remuneration Committee and Board of Directors of your Company have approved an Employees' Stock Option Scheme – 2018 (ESOS-2018) (the "Scheme") for the Financial Year 2018-19 in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI Regulations") with the objective of strengthening employee bonds with the Company and creating a sense of ownership. Your Board felt it appropriate to extend ESOS to permanent employees including Managing Director and Whole-time Director(s) in order to motivate and retain the best talent. Further, fresh Equity Shares are proposed to be issued under ESOS-2018 by the Company and the Scheme will be managed directly by the Company.

Section 62(1)(b) of the Companies Act, 2013 and regulation 6(1) of SEBI (Share Based Employee Benefits) Regulations, 2014 requires the approval of the Company's shareholders by means of a Special Resolution for allotment of shares to employees of the Company under ESOS-2018. The Special Resolution is set out at Item No. 7 of the Notice.

The salient features of ESOS-2018 are as under:

a. Total number of Options to be granted

The aggregate number of Options to be granted under the said Scheme is 180,000 (One Lakh Eighty Thousand) by way of fresh issue of shares. Each Option shall entitle the holder of the Option thereof to apply for and be allotted one fully paid Equity Share of ₹10/- at a price determined in accordance with the formula stated in para (f) below.

The Options granted to the employees shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

b. Class of employees eligible for ESOS – 2018

SSuch employees as are in the permanent employment of the Company including the Managing/Whole-time Director(s) at the time when the grant is made and as may be decided by the Nomination & Remuneration Committee, are eligible to participate in the said Scheme.

The persons not eligible for grant of Options:

- An employee who is a promoter or belongs to the promoter group;
- A director, who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company at the time of grant of options; or
- Independent Directors

c. Requirements & Period of Vesting

The vesting period is one year from the date of grant of Options to the concerned employees. The requirements of vesting and period of vesting shall be mentioned in the Grant Letter to be issued to eligible employees. No employee can exercise his/her right during the vesting period. The basic condition for vesting is continued employment.

d. Maximum period within which the options shall be vested

All the Options granted will vest at the end of one year from the date of grant of Options

e. Exercise period and process of exercise

The exercise period shall commence from the date of expiry of vesting period and will expire after four years from the date of expiry of vesting period. Special provisions shall apply in case of resignation, death, disability, retirement or misconduct of any employee. Any eligible employee may exercise the Options vested in him/her during the exercise period by submitting an application in writing.

f. Exercise Price

The exercise price for the Options will be decided by the Board, but such a price shall not be less than the previous two weeks' average closing price or closing price of the Company's shares on the Stock Exchange on the date prior to the date of grant of the Options, whichever is less. The Board is authorized to grant a discount not exceeding 15% on the above price. However, the Exercise Price shall not be less than the par value of the Equity Shares of the Company.

g. Appraisal process for determining the eligibility of employees to the ESOS

The appraisal process to be followed for grant of Options would, inter alia, take into consideration the performance rating, individual contribution towards the Company's business performance and potential for growth.

h. Maximum number of Options/quantum of benefits to be granted per employee

An employee may be granted Options not exceeding 30,000 (Thirty Thousand) Options.

i. Adjustments in case of Corporate Actions

A fair and reasonable adjustment shall be made by the Board to the number of Options and to the exercise price in case of corporate actions such as Rights Issue, Bonus Issue, Merger, Demerger and others between the date of grant of Options and the exercise of the Options.

j. The Company shall conform to the accounting policies specified in the said SEBI Regulations, as may be applicable.

k. The Company will value its Options on the basis of intrinsic value or such other method as may be prescribed under applicable Laws from time to time.

l. The difference between the employee compensation cost computed on the basis of the intrinsic value method or such other prescribed method and the employee compensation cost calculated on the basis of the fair value method for the Options and also the impact of this difference on the profits and on earnings per share (EPS) of the Company, shall be disclosed in the Board's Report.

m. Monitoring and Administration
- The Board has already in place a Compensation Committee referred to as 'Nomination and Remuneration Committee' which shall be responsible for monitoring and administration of the scheme.
- The decision of the Board / Nomination and Remuneration Committee of Directors on all matters/issues pertaining to said ESOS-2018 shall be final and binding on the eligible employees of the Company.

Section 62(1)(b) of the Companies Act, 2013 and 6(1) of SEBI (Share Based Employee Benefits) Regulations, 2014 provides that allotment of Equity Shares to Employees under a Scheme of Employee Stock Options shall require approval of the Members in General Meeting. The consent of the Members is, therefore, sought to authorize the Board of Directors to issue the equity shares under the Scheme in the manner set out in the Special Resolution set out at Item No. 7 of the Notice. The Special Resolution proposed to be passed is as per and in accordance with the said SEBI Regulations and the Companies Act, 2013.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in the Resolution set out at Item No. 7 to the extent of the equity shares / options already held by them and the options which may be granted to them under the ESOS 2018.

Item No. 8

SEBI on May 9, 2018 by way of amendment in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has introduced a new Regulation 17 (1A) whereby approval of shareholders by way of special resolution is required for appointment of any non-executive director or for continuation of directorship of any non-executive director, who has attained the age of 75 years. The said provision is effective from 1st April, 2019.

Mr. M.L. Gupta (DIN: 00088685), the current Independent Non – Executive Director of the Company who was appointed in the Annual General Meeting held on 29th June, 2016 with effect from 29th April, 2016 to 30th September, 2019 is aged more than 75 years. In accordance with the aforesaid provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, approval of shareholders by way of special resolution is required for continuation of Mr. M.L. Gupta (DIN: 00088685) as the Independent Non – Executive Director of the Company.

Mr. M.L. Gupta, an Engineer from Indian Institute of Technology, Kharagpur, was with The Associated Cement Companies Limited (ACC) since 1968, and has held many important positions of Management, before retiring as President – Corporate Affairs from ACC. He was Managing Director of the Company from 8th July, 2002 to 30th September, 2010. The Board considers it desirable that the Company should continue to avail the benefit of the experience and guidance of Mr. M.L. Gupta and therefore recommends the resolution for continuation of Mr. M.L. Gupta as an Independent and Non – Executive Director of the Company upto 30th September, 2019, as a special resolution for the approval of members.

Except, Mr. M.L. Gupta, Non - Executive Director, being concerned, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

Copy of the letter for appointment of Mr. M.L. Gupta as a Non - Executive Director would be available for inspection without any fee by the members at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm till the date of Annual General Meeting.

By Order of the Board
For Everest Industries Limited

Neeraj Kohli
Company Secretary & Head-Legal
Membership No. FCS 3089

Noida, 22nd May, 2018

Regd. Office: GAT 152, Lakhmapur, Taluka Dindori
Nashik- 422202, Maharashtra
Tel : 02557-250375/462, Fax : 02557-250376
CIN: L74999MH1934PLC002093
E-mail : compofficer@everestind.com

ANNEXURE TO THE NOTICE DATED 22ND MAY, 2018 – ITEM NO. 3

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD 2]

Name of Director	Mr. Y. Srinivasa Rao
Date of Birth	16th June, 1963
Age	54 years
Experience	32 years
Date of appointment	23rd April, 2007
Expertise in specific functional areas	Manufacturing, Project management, Technology Transfer and Research and Development.
Qualifications	B.Sc. Engg. (Mech)
Remuneration last drawn in the Financial Year 2017-18	₹ 1,67,11,200/-
Names of other entities in which the person also holds the directorship.	Everest Building Solutions Limited
Names of other entities in which the person also holds membership/Chairmanship of Committees of the board	N.A.
Shareholding in the Company as on 31st March, 2018	16,152 Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company,	N.A
Number of Meetings of Board attended during the year	5
Terms and conditions of re-appointment	Whole-time Director liable to retire by rotation

BOARD'S REPORT

To
The Members of
Everest Industries Limited

Your Directors are pleased to present the Eighty-Fifth Annual Report together with the Audited Financial Statements for the financial year ('year') ended 31st March, 2018.

FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Net Revenue from operations & Other Income	127,859.88	123,716.67	130,694.43	124,977.12
Profit before Depreciation & Finance Costs	9,725.15	5160.48	9,994.54	5,074.49
Less : Depreciation	2,354.61	2545.80	2,354.61	2,545.80
: Finance Costs	1,259.18	2082.80	1,259.18	2,082.80
Profit before Tax	6,111.36	531.88	6,380.75	445.89
Tax Expense	1,043.05	132.89	1,074.67	144.00
Profit for the year	**5,068.31**	**398.99**	**5,306.08**	**301.89**
Other comprehensive income for the year (net of tax)	129.40	(17.75)	129.4	(17.75)
Total comprehensive income for the year (net of tax)	5,197.71	381.24	5,435.48	284.14
Add: Balance in Profit & Loss Account	21,828.51	22373.35	21,740.71	22,311.46
Add: Minority share			20.86	71.19
Profit Available for Appropriation	27,026.22	22754.59	27,197.05	22,666.79
Appropriations:				
Dividend	154.55	769.44	154.55	769.44
Tax on Dividend	31.46	156.64	31.46	156.64
Closing Balance	**26,840.21**	**21,828.51**	**27,011.04**	**21,740.71**

DIVIDEND

The Board of Directors have recommended a dividend of 65% i.e. ₹ 6.50/- per equity share of ₹ 10/- each for the Financial Year ended 31st March, 2018 subject to the approval of the members. The total outgo on account of dividend including tax on dividend will be ₹ 1,222.45 lakhs as against ₹ 186.01 lakhs for the previous financial year.

PERFORMANCE REVIEW

The Company has achieved a turnover of ₹ 1,244 crores. The Highlights of the Company's standalone performance are as under:

1. Revenue from operations (net of excise duty) during the year at ₹ 1,24,485.16 Lakhs was higher by 8.49% as compared with ₹ 1,14,745.07 Lakhs in the previous year. Top line in building products segment recorded a increase of 10.71% whereas in the steel building segment the same recorded a increase of 5.30%.

2. Production volume in the two business segments were as follows:
   a. In building products segment the production at 7,56,894 MT was higher by 14.27% over 6,62,463 MT in the previous year.
   b. In steel buildings segment the production at 53032 MT was higher by 12.45% over 47161 MT in the previous year.

3. Operating Profit (EBIDTA) at ₹ 9,153.99 Lakhs was higher by 115.41% over ₹ 4,249.56 Lakhs in the previous year.

4. Profit before Tax at ₹ 6111.36 Lakhs was higher by 1049% as against ₹ 531.88 Lakhs in the previous year.

5. Cash profit was ₹ 7,087.99 Lakhs as compared to ₹ 2,976.74 Lakhs in the previous year.

   The consolidated revenue from operations (net of excise duty) of the Company for the year ended 31st March, 2018 was ₹ 1,27,051.66 Lakhs higher by 9.52% from ₹ 1,16,003.46 Lakhs in the previous year. The consolidated operating profits before other income and depreciation at ₹ 7,731.15 Lakhs as compared to ₹ 2,078.71 Lakhs in the previous year. Profit after tax was at ₹ 5,308.08 Lakhs as against ₹ 301.89 Lakhs in the previous year.

TRANSFER TO RESERVES

The Company proposes to retain the entire amount of profit in the Profit and Loss account.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a. in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed and there are no material departures from the same;

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

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 ('Act') for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a 'going concern' basis;

e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act, Mr. Y. Srinivasa Rao, Executive Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Y Srinivasa Rao has been re-appointed by the Members of the Company as Whole Time Director designated as Executive Director of the Company for a period of five (5) years w.e.f. April 23, 2015 to April 22, 2020 at the 82nd Annual General Meeting of the Company held on August 26, 2015. Subsequently, in order to comply with the conditions specified in the amended schedule V of the Companies Act, 2013 for availing the enhanced limits of remuneration for managerial personnel as per the schedule V, the Board in its meeting held on January 25, 2017 approved the change in the period of remuneration to be paid to Mr. Rao from five (5) years to three (3) years w.e.f. April 23, 2015. Such change in period of payment of remuneration was also approved by the Members of the Company on March 8, 2017 by way of Special Resolution through Postal Ballot. Consequently, it was also decided that the Company would seek fresh approval from the members of the Company for payment of remuneration to Mr. Rao on the expiry of said 3 years for the remaining period of his tenure as per the Special Resolution passed at 82nd Annual General Meeting. Mr. Rao's period of three (3) years for which remuneration was approved by the shareholders has been completed and the Board in its meeting held on May 1, 2018 on the recommendation of Nomination & Remuneration Committee fixed the remuneration of Mr. Rao for the remaining period of his tenure as Whole Time Director designated as Executive Director which is subject to approval of Members of the Company. The resolution pertaining to fixation of remuneration of Mr. Rao is set out in Item no. 5 of the Notice of the forthcoming Annual General Meeting.

A brief resume, nature of expertise, details of other directorships and other information of Mr. Y. Srinivasa Rao, Executive Director as stipulated in Secretarial Standard 2 issued by Institute of Company Secretaries of India and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an annexure to the notice of the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) 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 Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

SUBSIDIARIES, ASSOCIATE & JOINT VENTURE COMPANIES

The Company has one subsidiary in India viz. Everest Building Solutions Limited. This Company is engaged mainly in rendering of erection and other related services to its customers. The subsidiary had a turnover of ₹ 2424 Lakhs and earned a profit of ₹ 73 lakhs during the financial year 2017-18.

The Company also has a Subsidiary in Mauritius viz. Everest Building Products. This Company operates as a holding company for its subsidiaries in the UAE. During the year, the subsidiary had a net loss of ₹ 999 lakhs mainly arising on account of certain write offs.

The Mauritius subsidiary had two subsidiaries viz. Everestind FZE and Everest Building Products LLC, both incorporated in UAE out of which Everest Building Products LLC ceased to be subsidiary w.e.f 27th November, 2017 as the same has been de-registered under the laws of UAE in line with decision of the Company in this regard. Consequently, Everest Building Products LLC ceased to be subsidiary of the Company from the date of its de-registration. Everestind FZE is a legal entity involved in the trading of Company's products in the middle east and foreign markets. This entity had a turnover of ₹ 1688 lakhs and a net loss of ₹ 146 lakhs mainly on account of certain write offs.

In terms of proviso to sub-section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed Form AOC-1, which forms part of the Board's Report as **ANNEXURE-1.** During the financial year 2017- 18, no Company has become or ceased to be a Joint Venture or Associate of the Company.

DEPOSITS

Your Company has not accepted any deposits from the public during the year and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India ('SEBI'). A separate Report on Corporate Governance along with Certificate from M/s. TVA & Co., LLP, Company Secretaries on compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided as part of this Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company has not entered into any contract/ arrangement with a related party as specified under section 188 of the Companies Act, 2013. Therefore, disclosure in Form AOC-2 is not required. The Policy on materiality of related party transactions and dealing with related party transactions is available on the Company's website at the link: http://www.everestind.com/uploads/Files/161invuf_Related-Party.pdf

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The composition and terms of reference of the Corporate Social Responsibility Committee are provided in the Corporate Governance Report.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: http://www.everestind.com/uploads/Files/194invuf_CSR-Policy_Final.pdf. The Company has identified five focus areas of engagement which are as under:

- Capacity building, skill development, training and employment generation
- Promotion of education, art, culture and sports
- Preventive health care and Sanitation
- Environmental Sustainability
- Eradicating Hunger & Poverty

The Company would also undertake other need-based initiatives in compliance with Schedule VII to the Act. During the year, the Company has spent ₹ 71.34 lakhs on CSR activities. The financial data pertaining to the Company's CSR activities for the Financial Year 2017-18 is attached in the prescribed format in **ANNEXURE - 2** to the Board's Report. The Company is undertaking the CSR activities through its trust 'Everest Foundation'.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

EMPLOYEES' STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board of Directors of the Company, *inter alia*, administers and monitors the Employees' Stock Option Schemes of the Company in accordance with the applicable SEBI Regulations.

The applicable disclosures as stipulated under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2018 with regard to the Employees' Stock Option Schemes (ESOS) are provided in **ANNEXURE – 3** to the Board's Report.

The Company has received certificates from the Statutory Auditors of the Company that the Schemes have been implemented in accordance with the SEBI Regulations and as per the special resolutions passed by the members in the Annual General Meeting. The certificates shall be placed at the Annual General Meeting for inspection by the members.

STATUTORY AUDITORS

M/s S.R. Batliboi & Co. LLP, Chartered Accountants has been appointed as Statutory Auditors of the Company in the 83rd Annual General Meeting for a period of 5 years subject to ratification by the Members at every annual general meeting.

In terms of provisions of Section 139 of the Companies Act, 2013, it is proposed to ratify the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of 88th Annual General Meeting of the Company. Members are requested to ratify the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company as set out in the Notice convening the forthcoming Annual General Meeting.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company, in their report for the financial year ended March 31, 2018. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013 during the year under review.

COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records.

The Board of Directors on the recommendation of Audit Committee has appointed M/s. Chandra Wadhwa & Co., Cost Accountants as Cost Auditor to audit the cost records of the Company for the financial year 2018-19. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the forthcoming Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed M/s TVA & Co. LLP, Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2017-18 as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report for the financial year 2017-18 is attached as **ANNEXURE - 4** to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURES

AUDIT COMMITTEE

The Audit Committee of the Board comprises of Mr. B.L. Taparia (Chairman), Mr. M.L. Gupta (Member), and Mrs. Bhavna G Doshi (Member). For details, please refer to Corporate Governance Report attached to this report. The Board has accepted all the recommendation made by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board comprises of Mr. M.L. Gupta (Chairman), Mr. Amitabh Das Mundhra (Member) and Mr. B.L. Taparia (Member). For details, please refer to Corporate Governance Report attached to this Annual Report.

The Nomination and Remuneration Committee has framed the Nomination, Remuneration and Board Diversity Policy. A copy of Nomination, Remuneration and Board Diversity Policy is attached as **ANNEXURE - 5** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has laid out the Company's policy on Corporate Social Responsibility (CSR), and the CSR activities of the Company are carried out as per the instructions of the Committee.

The CSR Committee of the Board comprises of Mr. A.V. Somani (Chairman), Mr. M.L. Gupta (Member), Mr. Manish Sanghi (Member) and Mr. Y. Srinivasa Rao (Member). For details, please refer to Corporate Governance Report attached to this report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee reviews and ensures redressal of investor grievances. For details, please refer to Corporate Governance Report attached to this report.

The Stakeholders Relationship Committee of the Board comprises of Mr. M.L. Gupta (Chairman), Mr. A.V. Somani (Member) and Mr. Manish Sanghi (Member).

VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Companies Act, 2013 and rules made thereunder and the Listing Regulations, the Company has in place a mechanism for Directors, employees, vendors and customers to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairman of the Audit Committee. Pursuant thereto, a dedicated helpline "Ethics Helpline" has been set-up which is managed by an independent professional organization.

The Vigil Mechanism Policy may be accessed on the Company's website at the link: http://www.everestind.com/uploads/Files/163invuf_VigilMechanisimPolicy.pdf.

RISK MANAGEMENT

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year 2017-18, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the Note No. 2.04 to the Standalone Financial Statement. The Company has neither given any loans nor provided any security or fresh guarantee under Section 186 of the Act during the Financial Year 2017-18.

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

The required particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required are attached as **ANNEXURE - 6** to the Board's Report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, Extract of Annual Return in the prescribed format is attached as **ANNEXURE - 7** to the Board's Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn set out in the said rules are provided in **ANNEXURE - 8** to the Board's Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **ANNEXURE - 9** to the Board's Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.

2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.

5. No material changes and commitments affecting the financial position of the Company have occurred from the end of the last financial year till the date of this report.

6. No change in the nature of the business of the Company happened during the financial year under review.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES

The Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. Everest's people-centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspiration during the year.

INDUSTRIAL RELATIONS

During the year, the industrial relations at all the works of the Company were cordial.

COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of the SS - 1 (Secretarial Standard on meeting of the Board of Directors) & SS - 2 (Secretarial Standard on General Meeting) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Company's business associates, trade partners, dealers, customers, shareholders, vendors, bankers, technology providers and other stakeholders all over India and overseas for the continued support and co-operation extended by them to the Company during the year. Your Board also thanks to the Government of India, State Governments and other Government Authorities for their continued support and encouragement to the Company and look forward to their support in future.

Your Directors especially wish to place on record their sincere appreciation of the efficient services rendered by the Company's motivated team members from all Zones, Works and Offices.

For and on behalf of the Board

Manish Sanghi	**Y Srinivasa Rao**
Managing Director	Executive Director

Mumbai, 1st May 2018

ANNEXURE - 1

FORM AOC - 1
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES OF THE COMPANY.

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014)

PART A: SUBSIDIARIES

(₹ In Lakhs)

	Name of the subsidiary	Everest Building Products LLC*	Everest Building Products	Everestind FZE	Everest Building Solutions Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2017 To 27.11.2017	01.04.2017 To 31.03.2018	01.04.2017 To 31.03.2018	01.04.2017 To 31.03.2018
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	AED ₹17.7062	USD ₹65.0441	AED ₹17.7062	₹
3.	Share capital	-	36.68	177.23	5.00
4.	Reserves & surplus	-	169.86	(148.65)	16.30
5.	Total assets	-	210.05	269.09	680.56
6.	Total Liabilities	-	3.51	240.52	659.26
7.	Investments	-	177.23	-	-
8.	Turnover	1252.59	0.06	1687.93	1173.49
9.	Profit before taxation	1016.30	(1,003.99)	(145.70)	24.92
10.	Provision for taxation	-	(4.48)	-	7.47
11.	Profit after taxation	1016.30	(999.51)	(145.70)	17.45
12.	Proposed Dividend	-	-	-	-
13.	% of shareholding	49%	100%	100%**	100%

*Everest Building Products LLC is Company's subsidiary as the Company controls the composition of its Board of Directors. Everest Building products LLC ceased to subsidiary of the Company w.e.f 27 November, 2017 on account of de-registration.

**Everestind FZE is the wholly owned subsidiary of the Company's wholly owned subsidiary i.e. Everest Building Products, Mauritius.

PART B: ASSOCIATES AND JOINT VENTURES: Not applicable

Note :

Everest Building Products, Mauritius was incorporated on 9th September, 2013, Everestind FZE in Jebel Ali Free Zone, Dubai, UAE was incorporated on 18th December, 2013 and Everest Building Products LLC in Ras Al Khaimah UAE was incorporated on 7th December, 2014.

For and on behalf of the Board

Manish Sanghi	**Y Srinivasa Rao**	**Nikhil Dujari**	**Neeraj Kohli**
Managing Director	Executive Director	Chief Financial Officer	Company Secretary

Mumbai, 1st May, 2018

ANNEXURE - 2

ANNUAL REPORT ON CORPORTE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

[Pursuance to Section 135 of Companies Act, 2013 & Rules made thereunder]

1.	A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes.	The Corporate Social Responsibility (CSR) policy has been developed in consonance with Section 135 of the Companies Act 2013 and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Government of India and shall apply to all CSR projects undertaken by Everest Industries Limited ('EIL') as per schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalized, disadvantage, poor or deprived sections of the community and the environment with objective of engaging organizational recourses and capacity to improve the social, economical and environmental conditions of the community at large through sustainable development practices and imbibing the societal values in stakeholders. The activities that the Company has undertaken under the CSR Policy area pertaining to Employment enhancing vocational skills, Health, hygiene & sanitation and Promotion of education and sport etc. The weblink of CSR Policy is http://www.everestind.com/uploads/Files/194invuf_CSR-Policy_Final.pdf
2.	The composition of the CSR Committee	Mr. A. V. Somani - Chairman Mr. M. L. Gupta - Member Mr. Manish Sanghi - Member Mr. Y. Srinivasa Rao - Member
3.	Average Net Profit of the company for last 3 financial years	₹ 3391.33 Lakhs
4.	Prescribed CSR expenditure (2% of amount)	₹ 67.83 Lakhs
5.	Details of CSR activities/projects undertaken during the year:	
	a. total amount to be spent for the financial year	₹ 68.00 Lakhs
	b. total amount spent	₹ 71.34 Lakhs
	c. amount un-spent, if any	NA
	d. manner in which the amount spent during financial year, is detailed below:	Details given below:

(₹ In Lakhs)

S. No	Name of the CSR Project	Activities relating to (one of the items of Schedule VII in which the Projects / programs falls or is related to)	Geographical Location (District & State)	Amount (Outlay) to be spent	Amount spent on projects		Cumulative Expenditure up to the reporting period	Projects implementation details; direct or through implementation Agency (IA)
					Direct	Overheads		
1	Health, Hygiene & Sanitation	Tobacco Control Program (Schedule VII (i) Promoting preventive health)	Nashik (Maharashtra)	10.50	10.42	0	10.42	Salaam Mumbai Foundation
2	Vocational training and skilling enhancement	Training on computers (Schedule VII (ii) enhancing vocational skills)	Kymore (Katni, M.P.)	5.70	4.93	0.45	5.38	Everest Foundation

S. No	Name of the CSR Project	Activities relating to (one of the items of Schedule VII in which the Projects / programs falls or is related to)	Geographical Location (District & State)	Amount (Outlay) to be spent	Amount spent on projects		Cumulative Expenditure up to the reporting period	Projects implementation details; direct or through implementation Agency (IA)
					Direct	Overheads		
			Rudrapur (Uttarakhand), Balasore, Kandhamal, Rourkela (Odisha), Bathinda (Punjab), Karnal (Haryana), Tumkur (Karnataka), Madurai,Salem (T.N.) , Jamshedpur (Jharkhand), Khargpur, Burdhman (W.B.), Valsad (Gujrat) and Saharanpur, Jaunpur (U. P.), Palakkad (Kerela)	44.50	39.92	4.60	44.52	Everest Foundation, Construction Industry Development Council & Sattva
3	Promoting Sports	Promoting national sport in rural areas. (Schedule VII (vii) Promoting rural and national sports)	Podanur (Coimbatore, T.N.) and Kymore (Katni, M.P.)	7.05	7.39	0	7.39	Everest Foundation
4	Promoting Art & Culture	Promoting Art & Culture (Schedule VII (v) Promoting Art & Culture)	New Delhi (Delhi)	0.25	0.25	0	0.25	Delhi Craft Council
Total – Expense towards CSR activities (A)				**68.00**			**67.94**	
***Total– Admin Expense (taken 5% as overheads of total CSR expense) (B)**							**3.40**	
Grand Total (A+B)							**71.34**	

*Though Total admin CSR expense is ₹ 13.52 lakhs, however as suggested in the provisions in the notification of MCA dated 27th, Feb. 2014, we have kept it 5 per cent of total direct expense towards admin expenses.

6.	In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report	Not Applicable

RESPONSIBILITY STATEMENT

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and CSR Committee monitors the implementation of the CSR Projects and activities in compliance with our CSR objectives.

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

A V Somani
Chairman, CSR Committee

ANNEXURE - 3

STATEMENT PURSUANT TO REGULATION 14 (DISCLOSURE IN THE BOARD'S REPORT) OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

The Employees Stock Option Schemes approved by the Company are in compliance with SEBI Regulations. There is no variation in the Schemes which are valid as on date.

A. Relevant disclosures in terms of the "Guidance note on accounting for employee share-based payments" issued by ICAI or any other relevant accounting standards as prescribed from time to time are provided on the link: http://www.everestind.com/investors-all.aspx?mpgid=19&pgidtrail=19&catid=3&subcatid=2

B. Diluted EPS on issue of shares in accordance with "Accounting Standard 20 - Earnings Per Share" issued by ICAI: ₹ 33.00 (Standalone) and ₹ 34.53 (Consolidated).

C. Details related to Employees Stock Option Schemes are given below:

Name of the Scheme	ESOS - 2012	ESOS - 2014	ESOS - 2015	ESOS - 2017
Date of shareholders approval	July 24, 2012	July 30, 2014	August 26, 2015	July 26, 2017
Total number of options approved under ESOS	1,80,000	1,80,000	1,80,000	1,80,000
Total number of options granted under ESOS	1,60,945 options were granted on January 22, 2013.	1,40,000 options were granted on January 21, 2015.	1,70,000 options were granted on January 13, 2016.	1,60,000 options were granted on January 24, 2018.
Vesting requirements	The vesting period shall be 1 (one) year from the date of grant of options			
Exercise price or pricing formula	₹ 268 per equity share	₹ 336 per equity share	₹ 262 per equity share	₹ 571 per equity share
	Being the average closing price of the share during the two weeks preceding the date of grant of options or closing price of the Company's share on the Exchange on the date prior to the date of grant of options, whichever is less.			
Maximum term of options granted	The Exercise Period shall commence from the date of expiry of Vesting Period and will continue upto four (4) years thereafter.			
Source of shares	Fresh issue of shares			
Variation in terms of options	None			
Method used for accounting of ESOPs	Intrinsic Value			
Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	If the Compensation Cost for the Company's Stock based compensation plan been determined in the manner consistent with the Fair Value approach as described in the Guidance Note of ICAI, the Company's net Profit would be lower by ₹ 84.69 lakhs (Previous Year lower by ₹ 162.79 lakhs).			
				(₹ In Lakhs)
			Standalone	Consolidated
	Profit after tax, as reported in the audited accounts for the financial year ending March 31, 2018 and audited by S. R. Batliboi & Co. LLP, Statutory Auditors of Everest Industries Limited		5,197.71	5,435.48
	Add: Intrinsic value of Employees Compensation Cost • Employees Stock Option Scheme 2016 • Employees Stock Option Scheme 2017		 - -	 - -
	Less: Fair value of Employees Compensation Cost • Employees Stock Option Scheme 2016 (Nil options outstanding) • Employees Stock Option Scheme 2017 (160,000 options outstanding)		 - 84.69	 - 84.69
	Adjusted Net Income		5,113.02	5,350.79
	Earnings Per Share (as adjusted) • Basic (₹) • Diluted (₹)		 33.00 33.00	 34.53 34.53

D. Details of options granted to senior managerial personnel or identified employees during the year ended 31st March, 2018 is as under:

Particulars	Year ended 31st March, 2018
Senior managerial personnel	
a. Mr. Manish Sanghi (Managing Director)	20,000
b. Mr. Y. Srinivasa Rao (Executive Director)	15,000
c. Mr. Nikhil Dujari (CFO)	5,250
d. Mr. Rahul Chopra (Sr. Vice President & Head Roofing Business)	5,250
e. Mr. Manish Garg (President & Chief Executive – SBS)	2,500
f. Mr. Sanjay Joshi (Sr. Vice President & Business Head – B&P)	2,100
g. Mr. Neeraj Kohli (Company Secretary)	1,750
Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	NA
Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA

E. The activity in the Employees Stock Option Schemes during the year ended March 31, 2018 is as under:

Name of the Scheme	ESOS - 2012	ESOS - 2014	ESOS - 2015	ESOS - 2017
Number of options outstanding at the beginning of the period	95,980	1,16,310	1,37,100	NIL
Number of options granted during the year	-	-	-	1,60,000
Number of options forfeited / lapsed during the year	22,775	9,180	7,710	-
Number of options vested during the year	-	-	-	-
Number of options exercised during the year	73,205	57,610	72,435	-
Number of shares arising as a result of exercise of options	73,205	57,610	72,435	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	₹ 1,96,18,940	₹1,93,56,960	₹ 1,89,77,970	-
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
Number of options outstanding at the end of the year	NIL	49,520	56,955	1,60,000
Number of options exercisable at the end of the year	NIL	49,520	56,955	1,60,000
Weighted average exercise price and weighted average fair value of Options granted during the year for Options whose exercise price either equals or exceeds or is less than the market price of the stock.				
Options whose exercise price is equal to the market price:				
• Weighted average exercise price of options	NA	NA	NA	NA
• Weighted average fair value of options	NA	NA	NA	NA
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:				
Weighted average share price				
• Exercise price	269.40	333.40	250.00	571
• Expected volatility	35.32%	41.72%	42.16%	47.51%
• Option life (comprising of vesting period and exercise period)	5 years	5 years	5 years	5 years
• Expected dividends	2.60%	0.75%	2.00%	0.18%
• Risk free rate of return	7.91%	7.72%	7.88%	7.26%

Name of the Scheme	ESOS - 2012	ESOS - 2014	ESOS - 2015	ESOS - 2017
The method used and the assumptions made to incorporate the effects of expected early exercise	Historical data and pattern for early exercise of Options is not uniform, hence not considered in expected life calculations.			
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over twelve months period prior to the date of grant has been considered.			
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in the points above.			

The Company in its Annual General Meeting held on July 26, 2013 and June 29, 2016 had passed Special Resolutions approving Employees' Stock Option Scheme 2013 and Employees' Stock Option Scheme 2016, however, no options have been granted by the Company in the financial year 2013-14 and 2016-17.

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE - 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Everest Industries Limited
CIN: L74999MH1934PLC002093
Gat No 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Everest Industries Limited (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 Everest Industries Limited'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 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 Everest Industries Limited 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;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

    d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

vi. Other laws as specifically applicable to the Company:

    a. The Petroleum Act, 1934 and Rules made thereunder;

    b. The Explosives Act, 1884 and Rules made thereunder;

    c. The Electricity Act, 2003 and Rules made thereunder;

    d. The Boilers Act, 1923 and Rules made thereunder;

e. Fire Prevention and Fire Safety Act and Indian Standard Code of practice for selection, installation and maintenance of portable first aid fire extinguishers; and

f. The Bureau of Indian Standards Act, 2016 and Rules made thereunder.

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. (NSE).

We further report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. No change in the composition of the Board of Directors took place during the period under review.

We further report that adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on 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. Decisions carried through by the Board do not have any dissenting views and hence, no relevant recordings were made in the minutes book maintained for the purpose.

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.

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

For TVA & Co. LLP
Company Secretaries

Place : Delhi
Date : 1st May, 2018

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253

ANNEXURE - 5

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

1. **Introduction**

The Board of Directors ("Board") of Everest Industries Limited ("Company") has adopted the following :

a. Policy for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees.

b. Policy on Board Diversity

2. **Policy Objective**

a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed as Senior Management of the Company in accordance with the criteria laid down.

b. To lay down criteria for determining qualification, positive attributes and Independence of a Director;

c. To lay down criteria, relating to remuneration of directors, key managerial personnel and other employees.

3. **Definitions**

"Board of Directors" means the "Board of Directors" of Everest Industries Limited.

"Company" means Everest Industries Limited.

"Independent Director" means a Director who satisfies the criteria of independence as prescribed under the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Key Managerial Personnel" or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-

I. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
II. Company Secretary; and
III. Chief Financial Officer
IV. Such other officer as may be prescribed

"Nomination & Remuneration Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Policy" means the Nomination, Remuneration and Board Diversity Policy.

"Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

"Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs comprising of Mr. Manish Garg, President and Chief Executive (ESBS) and Mr. Rahul Chopra, Sr. Vice President & Head Roofing Business.

4. **Constitution**

a. The Board shall determine the membership of the Nomination & Remuneration Committee.

b. The Committee shall comprise of at least three non- executive directors, of which not less than one-half shall be independent directors. Provided that the Chairperson of the Company (whether executive or non- executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

c. Chairman of the committee shall be an Independent Director.

5. **Policy**

This policy is divided into three parts:

5.1 Appointment & Removal

a. Criteria for identifying persons who are qualified to be appointed as a Director / KMP / Senior Management Personnel / Other Employees of the Company:

i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

iv. Independent Director shall be appointed as per the criteria laid down under Section 149(6) of the Companies Act, 2013.

v. The other employees shall be appointed and removed as per the policy and procedure of the Company.

b. Term / Tenure:

The Term/Tenure of the Directors/ KMP's/Senior Management Personnel and other employees shall be as per the Company's prevailing policy subject to the provisions of the Companies Act, 2013 and rules made thereunder and Listing agreement as amended from time to time.

c. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations and Listing Agreement.

d. Retirement:

The director, KMP, senior management & other employees shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and the prevailing policy of the Company. The Board will have the discretion to retain the director, KMP, & senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5.2 Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

i. Director/ Managing Director

Besides the above Criteria, the Remuneration/ Compensation/ Commission / Bonus etc. to be paid to Director/ Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

ii. Non-Executive Directors

The Non-Executive Independent Directors will be paid commission as decided by the Board of Directors subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder.

The Non-Executive Independent Director will receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. Independent Directors shall not be entitled to a stock option.

iii. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMP's shall be based on the experience, qualification and expertise of the related personnel and shall be decided by the Managing Director & CEO of the Company.

iv. Other Employees

The power to decide the structure of remuneration for other employees has been delegated to the Managing Director & CEO of the Company or any other employee that the Managing Director & CEO may deem fit.

5.3 Diversity

The Board shall at all times promote and welcome diversity, equal opportunities and gender mix in its composition with due recognition and weightage to the skills, experience and business acumen of the directorship candidatures.

a. The Board will review the appropriate skills, experience and knowledge required of the Board members, in the context of the needs of the Company's and the Group's businesses and strategies.

b. The Board will review its composition and size from time to time to ensure its appropriateness and the fulfillment of the gender diversity representation.

6. **Disclosures**

This Remuneration policy and criteria of making payments to non-executive directors shall be disclosed in the Board's report.

7. **Amendment(s)**

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations of the Nomination & Remuneration Committee.

ANNEXURE - 6

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. Conservation of Energy:

i. Steps taken or Impact on Conservation of Energy:

a. Energy Audits conducted in Podanur Works & Somnathpur Works through Certified Third party Energy Auditors

b. Compressed Air Use optimized and Leakages has been arrested

c. Installation of LED Lightings in place of conventional Lightings

d. Power Factor correction at Narmada Works, Gujarat by installing APFC panel. Power Factor at all other plants is maintained above 0.98.

e. Motors Healthiness Audit to identify and replace in-efficient motors with energy efficient motors – IE2 & IE3

ii. Steps taken by the Company for utilizing alternate sources of Energy:

a. Podanur Works consumes 500 KW Solar Power from captive solar power plant.

b. Lakhmapur Works consumes 1100 KW Solar Power from captive solar power plant

iii. Capital Investment on Energy Conservation Equipment :

During the year, Company invested ₹ 40.88 Lakhs in energy conservation equipment.

B. Technology Absorption -

i. The efforts made towards technology absorption

a. New Products developed for marketing profiled Fiber Cement Board products

b. Special treated Fiber Cement products for Façade application

c. Wall guard for moist wall application

d. Heat reflective Fiber Cement roofing solutions

ii. Benefits derived like product improvement and product development

Improved Performance and aesthetics of product.

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished : NONE

iv. Expenditure incurred on Research and Development:

(₹ In Lakhs)

Particulars	Current Year	Previous Year
i. Capital	0.21	--
ii. Recurring	90.00	137.77
iii. Total	90.21	137.77
iv. Total R & D expenditure as a percentage of total turnover	0.07%	0.11%

C. Foreign Exchange Earnings and Outgo

(₹ In Lakhs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	4,671.62*	3,565.56
Foreign Exchange Used	21,371.55	21,209.31

* Includes ₹ 1,522.06 Lakhs received on reduction of capital from Subsidiary company.

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE - 7

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 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:

1.	CIN	L74999MH1934PLC002093
2.	Registration Date	3.4.1934
3.	Name of the Company	Everest Industries Limited
4.	Category / Sub-Category of the Company	Public Company/ Limited by shares
5.	Address of the Registered Office and contact details	GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422202, Maharashtra Tel +91 2557 250375/462 Fax +91 2557 250376
6.	Whether listed company	Yes
7.	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	M/s MCS Share Transfer Agent Ltd. F - 65, First Floor, Okhla Industrial Area, Phase – I, New Delhi -110020. Ph. No.: 011-41406149, 41406151 Fax No.: 011-41709881

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10 % or more of the total turnover of the company are as follows:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% of total turnover of the company
1.	Building Products	23959 & 26956	64.78
2.	Steel Building	41003	35.22

*As per NIC 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Everest Building Products, 365, Royal Road, Rose Hill Mauritius	N.A.	Subsidiary	100	2(87)(ii)
2.	Everestind FZE Jebel Ali Free Zone, Dubai UAE	N.A.	Subsidiary	100*	2(87)(ii)
3.	Everest Building Products LLC Ras Al Khaimah UAE.	N.A.	Subsidiary	49 **	2(87)(i)
4.	Everest Building Solutions Limited GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202, Mahrashtra	U45201MH2007PLC171720	Subsidiary	100	2(87)(ii)

* Everestind FZE is the wholly owned subsidiary of the Company's wholly owned subsidiary i.e. Everest Building Products, Mauritius.

** Everest Building Products LLC is Company's subsidiary as the Company controls the composition of its Board of Directors. Everest Building Products LLC ceased to be subsidiary of the Company w.e.f. 27th November, 2017 on account of deregistration as per the laws of UAE.

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

i. Category-wise Share Holding

Sl. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2017)				No. of shares held at the end of the year (As on 31.03.2018)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Shareholding of Promoter and Promoter Group**									
1	**Indian**									
(a)	Individuals/ Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	7520470	0	7520470	48.76	7520470	0	7520470	48.13	-0.63
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	**7520470**	**0**	**7520470**	**48.76**	**7520470**	**0**	**7520470**	**48.13**	**-0.63**
2	**Foreign**									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**7520470**	**0**	**7520470**	**48.76**	**7520470**	**0**	**7520470**	**48.13**	**-0.63**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/ UTI	942021	1000	943021	6.11	460318	1000	461318	2.95	-3.16
(b)	Financial Institutions/ Banks	7228	50	7278	0.05	4208	50	4258	0.03	-0.02
(c)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	187	187	0.00	0	187	187	0.00	0.00
(f)	Foreign Institutional Investors	361282	1275	362557	2.35	270776	0	270776	1.73	-0.62
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	**1310531**	**2512**	**1313043**	**8.51**	**735302**	**1237**	**736539**	**4.71**	**-3.80**

Sl. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2017)				No. of shares held at the end of the year (As on 31.03.2018)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2	**Central Govt/State Govt/POI**	**0**	**200**	**200**	**0.00**	**25770**	**200**	**25970**	**0.17**	**0.17**
	Sub-Total (B)(2)	**0**	**0**	**200**	**0.00**	**25770**	**200**	**25970**	**0.17**	**0.17**
3	**Non-institutions**									
(a)	Bodies Corporate	1835558	5127	1840685	11.93	1745302	4725	1750027	11.20	-0.73
(b)	Individuals -									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	2976752	261124	3237876	20.99	3304181	225920	3530101	22.59	1.60
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	1412752	0	1412752	9.16	1891037	0	1891037	12.10	2.94
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	NBFCs Registered with RBI	5085	0	5085	0.03	45	0	45	0.00	-0.03
(e)	Any Other									
I	Trust & Foundations	800	50	850	0.01	550	50	600	0.00	0.00
ii	Cooperative Societies	0	0	0	0.00	0	0	0	0.00	0.00
iii	Educational Institutions	0	0	0	0.00	0	0	0	0.00	0.00
iv	Non Resident Individual	91349	600	91949	0.60	170771	600	171371	1.10	0.50
v	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
vi	OCBs	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(3)	**6322296**	**266901**	**6589197**	**42.72**	**7111886**	**231295**	**7343181**	**46.99**	**4.27**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**7632827**	**269413**	**7902440**	**51.24**	**7872958**	**232732**	**8105690**	**51.87**	**0.63**
	TOTAL (A)+(B)	**15153297**	**269413**	**15422910**	**100.00**	**15393428**	**232732**	**15626160**	**100.00**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	**15153297**	**269413**	**15422910**	**100.00**	**15393428**	**232732**	**15626160**	**100.00**	**0.00**

ii. Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in 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	
1	Falak Investment Private Ltd	7383470	47.87	0	7383470	47.25	0	0.62
2	Trapu Cans Private Limited	137000	0.89	0	137000	0.88	0	0.01
		7520470	48.76	0	7520470	48.13	0	0.63

* Decrease in the percentage of shareholding of Falak Investment Private Limited and Trapu Cans Private Limited is due to allotment of shares to the employees under Employee Stock Options Schemes during the Financial Year 2017-18.

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

There is no change in promoter's shareholding during the Financial Year 2017-18 except change in percentage of shareholding arising out of allotment of shares to the employees under Employees Stock Option Schemes.

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

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Beginning 01.04.2017/ end of the Year 31.03.18	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	805000	5.22	01.04.2017				
				19.01.2018	-14019	Sale	790981	5.09
		790981	5.06	31.03.2018			790981	5.06
2	VIJAY KISHANLAL KEDIA	0	0	01.04.2017				
				17.11.2017	5000	Purchase	5000	0.03
				09.02.2018	250000	Purchase	255000	1.64
				31.03.2018	355113	Purchase	610113	3.90
		610113	3.90	31.03.2018			610113	3.90
3	HDFC SMALL CAP FUND	399260	2.59	01.04.2017				
				02.06.2017	12600	Purchase	411860	2.67
		411860	2.64	31.03.2018			411860	2.64
4	RAJ KUMAR MITTAL	259228	1.68	01.04.2017				
				07.04.2017	-10000	Sale	249228	1.62
				12.05.2017	-6250	Sale	242978	1.58
				07.07.2017	-2500	Sale	240478	1.56
				14.07.2017	-21250	Sale	219228	1.42
				01.12.2017	-2000	Sale	217228	1.40
				22.12.2017	-16250	Sale	200978	1.29
				16.02.2018	-7125	Sale	193853	1.24
				23.03.2018	-2500	Sale	191353	1.22
		191353	1.22	31.03.2018			191353	1.22

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Beginning 01.04.2017/ end of the Year 31.03.18	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	SHUBHAMANGAL CREDIT CAPITAL PRIVATE LIMITED	150000	0.97	01.04.2017		Nil movement during the year		
		150000	0.96	31.03.2018			150000	0.96
6	DALTON INDIA (MASTER) FUND LP	128898	0.84	01.04.2017				
				07.04.2017	13052	Purchase	141950	0.92
		141950	0.91	31.03.2018			141950	0.91
7	ERROL FERNANDES	0	0	01.04.2017				
				20.10.2017	84846	Purchase	84846	0.55
				27.10.2017	22154	Purchase	107000	0.69
		107000	0.68	31.03.2018			107000	0.68
8	SONAL D SHAH	100000	0.65	01.04.2017		Nil movement during the year		
		100000	0.64	31.03.2018			100000	0.64
9	PREETI N SHAH	100000	0.65	01.04.2017		Nil movement during the year		
		100000	0.64	31.03.2018			100000	0.64
10	URMILA D SHAH	100000	0.65	01.04.2017		Nil movement during the year		
		100000	0.64	31.03.2018			100000	0.64

v. Shareholding of Directors and Key Managerial Personnel:

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Beginning 01.04.2017/ end of the Year 31.03.18	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	A V Somani (Chairman)	500	0.00	01.04.2017		Nil movement during the year		
		500	0.00	31.03.2018			500	0.00
2	M L Gupta (Vice-Chairman)	45000	0.29	01.04.2017				
				16.06.2017	-5000	Sale	40000	0.26
				22.12.2017	-10000	Sale	30000	0.19
		30000	0.19	31.03.2018			30000	0.19
3	Manish Sanghi (Managing Director)	84472	0.55	01.04.2017				
				19.05.2017	-7636	Sale	76836	0.49
				21.06.2017	-20000	Sale	56836	0.36
				14.07.2017	18750	Purchase	75586	0.48
				31.10.2017	-20000	Sale	55586	0.36

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Beginning 01.04.2017/ end of the Year 31.03.18	% of total shares of the Company				No. of Shares	% of total shares of the Company
				17.11.2017	-3047	Sale	52539	0.34
				24.11.2017	40000	Purchase	92539	0.59
				01.12.2017	-20000	Sale	72539	0.46
				22.12.2017	-10000	Sale	62539	0.40
		62539	0.40	31.03.2018			62539	0.40
4	B L Taparia (Director)	1000	0.00	01.04.2017		Nil movement during the year		
		1000	0.00	31.03.2018			1000	0.00
5	Y Srinivasa Rao (Executive Director)	11150	0.07	01.04.2017				
				17.11.2017	-795	Sale	10355	0.07
				24.11.2017	11500	Purchase	21855	0.14
				01.12.2017	-2700	Sale	19155	0.12
				22.12.2017	7000	Purchase	26155	0.17
				09.02.2018	-7003	Sale	19152	0.12
				16.02.2018	-2000	Sale	17152	0.11
				02.03.2018	-1000	Sale	16152	0.10
		16152	0.10	31.03.2018			16152	0.10
6	Neeraj Kohli (Company Secretary)	0	0.00	01.04.2017				
				17.07.2017	1000	Purchase	1000	0.01
				31.07.2017	-500	Sale	500	0.00
				02.08.2017	-500	Sale	0	0.00
				15.11.2017	750	Purchase	750	0.01
				27.11.2017	-350	Sale	400	0.00
				28.11.2017	-400	Sale	0	0.00
		0	0.00	31.03.2018			0	0.00

The following Directors/Key Managerial Personnel did not hold any shares during the financial year 2017-18

- Amitabh Das Mundhra - Director
- Bhavna G. Doshi – Director
- Nikhil Dujari - KMP

V. INDEBTEDNESS

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

(₹ In Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01/04/2017)				
i) Principal Amount	19,801.75	-	-	19,801.75
ii) Interest due but not paid				
iii) Interest accrued but not due	56.52	-	-	56.52
Total (i+ii+iii)	**19,858.27**	**-**	**-**	**19,858.27**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year • Addition • Reduction	 2.250.00 13,680.67	 - -	 - -	 2.250.00 13,680.67
Net Change	**(11,430.67)**	**-**	**-**	**(11,430.67)**
Indebtedness at the end of the financial year (31/03/2018) i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 8,384.55 43.05	 - -	 - -	 8,384.55 43.05
Total (i+ii+iii)	**8,427.60**	**-**	**-**	**8,427.60**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		A.V.Somani	Manish Sanghi	Y.Srinivasa Rao	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under 17(2) Income-tax Act, 1961	 198.00 - -	 167.40 0.13 -	 129.60 - -	 495.00 0.13 -
2.	Stock Option	-	13.60	10.20	23.80
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Performance Incentive	 45.00 -	 - 12.00	 - 10.00	 45.00 22.00
5.	Others - PF & Superannuation	 -	 20.09	 15.55	 35.64
6.	Others(Leave Encashment)	-	4.54	1.76	6.30
	Total (A)	**243.00**	**217.76**	**167.11**	**627.87**
	Ceiling as per the Act	₹ 714.20 lakhs (being 10%of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).			

B. Other Directors:

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Non- Executive Directors				Total Amount
		M.L. Gupta	Amitabh Das Mundhra	B.L. Taparia	Bhavna G Doshi	
1.	**Independent Directors**					
	Fee for attending board /committee meetings	2.80	0.50	3.30	3.00	9.60
	Commission	5.50	1.00	8.00	5.50	20.00
	Others					
	Total (1)	**8.30**	**1.50**	**11.30**	**8.50**	**29.60**

Sl. No.	Particulars of Remuneration	Name of Non- Executive Directors				Total Amount
		M.L. Gupta	Amitabh Das Mundhra	B.L. Taparia	Bhavna G Doshi	
2.	**Other Non-Executive Directors**					
	Fee for attending board /committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total (B) = (1+2)	**8.30**	**1.50**	**11.30**	**8.50**	**29.60**
	Ceiling as per the Act	₹ 71.42 Lakhs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				
	Total Managerial Remuneration					**647.87#**
	Overall Ceiling as per the Act	₹ 785.62 Lakhs (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

#Exclusive of sitting fee

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

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CFO (Nikhil Dujari)	Company Secretary (Neeraj Kohli)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under 17(2) Income-tax Act, 1961	Not Applicable	 56.20 2.85 -	 13.61 2.59 -	 69.81 5.44 -
2.	Stock Option		-	0.43	0.43
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - Performance Incentive		 - 3.91	 - 1.87	 - 5.78
5.	PF & Superannuation		2.16	1.53	3.69
	Others(Leave Encashment)			0.47	0.47
	Total (A)		**65.12**	**20.50**	**85.62**

PENALTIES / 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 (giveDetails)
A. COMPANY Penalty Punishment Compounding	None				
B. DIRECTORS Penalty Punishment Compounding	None				
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding	None				

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE 8

STATEMENT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31ST MARCH, 2018

Top ten employees in terms of remuneration drawn and employees in receipt of remuneration of not less than ₹1,02,00,000/- per year

S. No.	Name	Designation	Qualification	Age (Years)	Experience (Years)	Remuneration Gross (₹ In lacs)	Date of commence-ment of Employment	Previous Employment	% of shares held in the Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	A.V. Somani	Chairman	MBA,PGDM, M.Com.	44	27	243.00	21.6.2010	White Knight Constructions India Pvt. Ltd. (Director)	0.00*
2.	Manish Sanghi	Managing Director	B.E. (Mech), PGDM (IIM-A)	55	32	217.76	16.01.2001	Delphi Automotive Systems Ltd. (General Manager-Marketing & Planning)	0.40
3.	Y. Srinivasa Rao	Executive Director	B.Sc. Engg. (Mech.)	54	32	167.11	20.08.1997	Samcor Glass Ltd. (Manager)	0.10
4.	Manish Garg	President & Chief Executive (SBS)	Diploma in Engineering, AMIE	45	27	115.82	20.04.2007	Interarch Building Products P. Ltd. (General Manager-Marketing)	0.00
5	Sanjay Chandrashekar Joshi	Senior Vice President & Business Head (B&P)	B.Sc(Tech), PGDM	43	18	94.41	16.05.2016	Asian Paints Ltd.	0.00
6	Rahul Chopra	Sr.Vice President & Head Roofing Business	B.A(H)	53	31	65.91	01.01.1988	Nil	0.04
7	Nikhil Dujari	Chief Financial Officer	B.Com(H), C.A	45	22	65.12	17.11.2016	Case New Holland Construction Equipment Pvt. Ltd.	0.00
8	Hiten Girish Parekh	Head-Solar Business	HSC	39	14	59.73	07.11.2016	Waaree Energies Ltd	0.00
9	Ruchi Puri	Vice President (Finance)	B.Com(H), AICWAI	51	27	50.23	03.09.1996	Montari Industries Ltd.	0.06
10	Koushik Sarkar	President (Strategy)	PGDM - IIM	54	30	45.85	01.11.2017	USG Boral Building Products India Pvt. Ltd	0.00

* Mr. A.V. Somani is holding 500 shares in the Company

Notes:

1. Mr. Koushik Sarkar was in receipt of remuneration aggregating not less than ₹ 8,50,000 per month and employed for part of the Financial Year.
2. Gross Remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites, company's contribution to provident fund, officer's superannuation fund, performance incentives/commission.
3. All the above employments are permanent in nature except Mr. A V Somani, Mr. Manish Sanghi & Mr. Y. Srinivas Rao which are contractual.
4. None of the above employees are related to any Director of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE 9

PARTICULARS OF REMUNERATION

Information as per Rule 5 (1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Non-Executive Directors	Ratio of the remuneration of each director to Median Remuneration of the employees
M.L. Gupta	1:2.64
Bhavna G. Doshi	1:2.70
Amitabh Das Mundhra	1:0.47
B.L. Taparia	1:3.59
Executive Directors	
A.V. Somani	1:77
Manish Sanghi	1:69
Y. Srinivasa Rao	1:53

b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Person	Remuneration (₹ in lakhs)		% Increase in remuneration
	2016-17	2017-18	
M.L. Gupta	4.40	8.30	88.63
Bhavna G. Doshi	3.00	8.50	183.33
Amitabh Das Mundhra	1.40	1.50	7.14
B.L. Taparia	4.20	11.30	169.04
A.V. Somani	178.67	243.00	36.00
Manish Sanghi	186.67	217.76	16.65
Y. Srinivasa Rao	140.97	167.11	18.54
Nikhil Dujari	20.10	65.12	N.A.*
Neeraj Kohli	17.22	20.50	19.05

*Mr. Nikhil Dujari has been appointed as CFO of the Company w.e.f. 2nd December, 2016.

c. **The percentage increase in the median remuneration of employees in the financial year :** 6.00%

d. **The number of permanent employees on the rolls of company :** 1628

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

The average increase in salaries of employees other than managerial personnel in 2017-18 was 6.00%. Percentage increase in the managerial remuneration for the year was 24.00 %.

f. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

CORPORATE GOVERNANCE REPORT

COMPANY'S PRACTICE ON CORPORATE GOVERNANCE

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholders value. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit.

1. BOARD OF DIRECTORS

The Company has a high profile Board with varied management expertise. The Board's roles, functions, responsibilities and accountabilities are known to them due to their vast experience. Notice, Agenda and Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

A. Composition of Board

The present Board of the Company consists of seven Directors of which three are Executive Directors and four are Non-Executive Directors including one woman Director. All four Non-Executive Directors are Independent Directors. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints.

B. Non-Executive Directors' compensation and disclosures

The Non-Executive Directors are paid sitting fee as well as commission within the limits prescribed under Section 197(1) of the Companies Act, 2013. No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees and commission to them during the year 2017-18.

Independent Directors are not serving as Independent Directors in more than seven listed companies.

The Directors of the Company who holds the position as Whole Time Director in the Company do not serve as Independent Director in more than three listed companies.

C. Other provisions as to Board and Committees

The Board comprises of Mr. A.V. Somani as Executive Chairman, Mr. Manish Sanghi as Managing Director, Mr. Y. Srinivasa Rao as Executive Director and Mr. M.L. Gupta, Mr. Amitabh Das Mundhra, Mr. B.L. Taparia and Mrs. Bhavna G. Doshi are Non - Executive Independent Directors.

During the year 2017-18, five meetings of the Board of Directors were held on 3rd May, 2017, 26th July, 2017, 25th October, 2017, 24th January, 2018 and 22nd March, 2018 with clearly defined agenda, circulated well in advance before each meeting. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies in the beginning of the every Financial Year have been made by the Directors as per Regulation 26(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Details of attendance of Directors at Board Meetings held during the period under review and at the last Annual General Meeting held on 26th July, 2017, with particulars of their Directorships and Chairmanship/Membership of Board Committees of other public limited companies showing the position as on 31st March, 2018 are given below:

Name of Director	Particulars of attendance		No. of Directorships and Committee Membership/ Chairmanship held in other Public Companies*			Category of Directors
	Board Meetings	Last AGM	Other Directorship	Other Committee Member	Other Committee Chairman	
Mr. A.V. Somani (Chairman)	5	Yes	2	1	-	Executive
Mr. M.L. Gupta (Vice Chairman)	4	Yes	-	-	-	Independent Non-Executive
Mr. Manish Sanghi (Managing Director)	5	Yes	1	-	-	Executive

Name of Director	Particulars of attendance		No. of Directorships and Committee Membership/ Chairmanship held in other Public Companies*			Category of Directors
	Board Meetings	Last AGM	Other Directorship	Other Committee Member	Other Committee Chairman	
Mr. Y. Srinivasa Rao (Executive Director)	5	Yes	1	-	-	Executive
Mr. Amitabh Das Mundhra	1	No	3	-	1	Independent Non-Executive
Mr. B.L. Taparia	5	Yes	1	1	-	Independent Non-Executive
Mrs. Bhavna G. Doshi	5	Yes	10	3	5	Independent Non-Executive

*Other directorships do not include Directorship as alternate directorships, directorships of private limited companies, companies incorporated under section 8 of Companies Act, 2013 and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies.

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board.

No Director of the Company is related to any other Director of the Company.

D. Code of Conduct

The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel, which comprises of members of Management one level below the Executive Director, including all Functional, Works and Zonal Heads. The Code is posted and available at the website of the Company www.everestind.com.

The members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31st March, 2018. The Annual Report of the Company contains a declaration by the Managing Director in terms of Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from the Board and Senior Management.

E. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) 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 Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

F. Familiarization Programmes imparted to Independent Director

The Board of the Company conducts Familiarization Programme for its independent directors as and when required. The details of such programmes is available on the Company's website at the link : http://www.everestind.com/investors-all.aspx?mpgid=19&pgidtrail=19&catid=3&subcatid=2

2. BOARD COMMITTEES

The Board has constituted four Committees namely Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

2.1 AUDIT COMMITTEE

A. Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to the Audit Committee. The Audit Committee presently consists of three Non-Executive Independent Directors. All members of the Committee are financially literate and having the requisite financial management expertise. Mr. B.L. Taparia is the Chairman of the Audit Committee. The Chairman of the Audit Committee is an Independent Director. Mr. B.L. Taparia was present at the last Annual General Meeting held on 26th July, 2017.

B. Terms of Reference

The Committee has its Charter. The brief description of terms of reference of the Audit Committee is mentioned below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditor's report thereon.
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of the related party transactions as per policy of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Vigil mechanism.
- Management discussion and analysis of financial condition and results of operations.

C. Composition, its meetings and attendance:

The Committee comprises of Mr. B.L. Taparia (Chairman), Mr. M.L. Gupta (Member) and Mrs. Bhavna G Doshi (Member).

During the year, five Audit Committee Meetings were held on 3rd May, 2017, 26th July, 2017, 25th October, 2017, 24th January, 2018 and 22nd March, 2018. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr. B.L.Taparia	Independent Director	5	5
Mr. M.L. Gupta	Independent Director	5	4
Mrs. Bhavna G. Doshi	Independent Director	5	5

The Audit Committee meetings are attended by invitation by the Managing Director, Executive Director, CFO, Internal Auditor, Statutory Auditors and Senior Management Executives of the Company. The Company Secretary acts as the Secretary of the Committee. All the recommendations made by the Audit Committee during the year were accepted by the Board.

2.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

A. Composition

Stakeholders Relationship Committee comprises of Mr. M.L. Gupta (Chairman), Mr. A.V. Somani (Member) and Mr. Manish Sanghi (Member).

B. Terms of Reference

i. To consider and resolve the grievances of Security holders of the Company.

ii. To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters.

iii. To look into and redress the Shareholders / investors grievances relating to:
   a. Transfer of shares;
   b. Non-receipt of dividends;
   c. Non-receipt of annual reports; and
   d. Any other complaint concerning the Shareholders / investors

iv. The Committee will oversee the performance of the Registrars and Share Transfer Agents of the Company.

v. Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee;

vi. Consider other matters, as from time to time be referred to it by the Board.

C. Meetings and attendance during the year

During the year, four meetings of the Stakeholders Relationship Committee were held on 3rd May, 2017, 26th July, 2017, 25th October, 2017 and 24th January, 2018. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr. M.L. Gupta	Independent Director	4	4
Mr. A.V. Somani	Whole Time Director	4	4
Mr. Manish Sanghi	Managing Director	4	4

The Stakeholders Relationship Committee approved transfers, transmission, issue of duplicate shares, allotment of shares under ESOS etc. through resolution by circulation 17 times during the year. During the year, the Company has received three complaints from the shareholder and the same were duly resolved. Mr. Neeraj Kohli, Company Secretary & Head Legal is the Compliance Officer of the Company.

2.3 NOMINATION AND REMUNERATION COMMITTEE

A. Composition

The Nomination and Remuneration Committee comprises of Mr. M.L. Gupta (Chairman), Mr. Amitabh Das Mundhra (Member) and Mr. B.L. Taparia (Member).

B. Terms of reference

The Terms of Reference of Nomination and Remuneration Committee inter-alia includes:

a. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.

b. Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

c. Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).

d. Devising a policy on diversity of Board of Directors.

e. Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.

f. Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.

g. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.

h. Consider other matters, as from time to time be referred to it by the Board.

C. Meetings and attendance during the year:

During the year, three meetings of Nomination and Remuneration Committee were held on 3rd May, 2017, 24th January, 2018 and 22nd March, 2018.

The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr. M.L. Gupta	Independent Director	3	2
Mr. Amitabh Das Mundhra	Independent Director	3	1
Mr. B.L. Taparia	Independent Director	3	3

D. Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Nomination, Remuneration and Board Diversity Policy of the Company is attached to the Board's Report as Annexure-5.

E. Details of Remuneration of Executive Directors for the Financial Year 2017-18

Name and Designation	Mr. A.V. Somani, Chairman	Mr. Manish Sanghi, Managing Director	Mr. Y. Srinivasa Rao, Executive Director
Tenure of Appointment	**Five years ending on 20th June, 2021**	**Five years ending on 30th September, 2021**	**Five years ending on 22nd April, 2020**
Salary (₹)	1,98,00,000	74,40,000	57,60,000
Perquisites/Allowances (₹)	-	93,13,464	72,00,000
Commission (₹)	45,00,000	-	-
Performance Incentive (₹)	-	12,00,000	10,00,000
Contributions to Provident Fund/ Superannuation Fund (₹)	-	20,08,800	15,55,200
Others (₹)	-	4,54,667	1,76,000
Perquisites value of ESOS (₹)	-	13,60,000	10,20,000
Total	**2,43,00,000**	**2,17,76,931**	**1,67,11,200**

Notice period for termination of appointment of Executive Directors is three months on either side. Apart from the salary in lieu of the notice period, no other severance fees is payable.

Mr. Manish Sanghi and Mr. Y. Srinivasa Rao were granted 20,000 and 15,000 options respectively under Employees Stock Option Scheme 2017 on 24.1.2018 @ ₹ 571 per option at the market price. The vesting period is one year from the date of grant of options and exercise period shall be four years from the date of expiry of vesting period.

No stock options were granted to Mr. A. V. Somani during the financial year 2017-18.

F. Details of Remuneration of Non-Executive Directors for the Financial Year 2017-18

The Non-Executive Directors are entitled to sitting fee for attending the Board/ Committee Meetings. The Non-Executive Directors are paid Sitting Fees at the rate of ₹ 40,000/- for each Board Meeting; ₹ 20,000/- for each Audit Committee Meeting; ₹ 10,000/- for each Nomination and Remuneration Committee Meeting/Corporate Social Responsibility Committee Meeting and ₹ 5,000/- for each Stakeholder Relationship Committee Meeting. The Non-Executive Directors are also paid commission up to 1% of the net profit of the Company as decided by the Board of Directors. The sitting fee and commission paid to the Non-Executive Directors for the year ended 31st March, 2018 is as under:

Name	Mr. M.L. Gupta	Mr. Amitabh Das Mundhra	Mr. B.L. Taparia	Mrs. Bhavna G. Doshi
Sitting fees (₹)	2,80,000	50,000	3,30,000	3,00,000
Commission (₹)	5,50,000	1,00,000	8,00,000	5,50,000
Total (₹)	**8,30,000**	**1,50,000**	**11,30,000**	**8,50,000**

Note:

1. Mr. M.L. Gupta holds 30,000 equity shares and Mr. B.L. Taparia holds 1,000 equity shares in the Company as on 31st March, 2018. None of the remaining Non-executive Director hold any shares of the Company.

2. There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.

2.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A. Composition

The Corporate Social Responsibility Committee presently comprises of Mr. A.V. Somani (Chairman), Mr. M.L. Gupta (Member), Mr. Manish Sanghi (Member) and Mr. Y. Srinivasa Rao (Member).

B. Terms of Reference

i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity or activities to be undertaken by the Company as per the Schedule VII of the Companies Act, 2013.
ii. To recommend the amount of expenditure to be incurred on the activities related to CSR; and
iii. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

C. Meetings and attendance during the year

During the year, two meetings of Corporate Social Responsibility Committee (CSR) were held on 3rd May, 2017 and 22nd March, 2018. The number of meetings held and the number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr. A.V. Somani	Whole Time Director	2	2
Mr. M.L. Gupta	Independent Director	2	1
Mr. Manish Sanghi	Managing Director	2	2
Mr. Y. Srinivasa Rao	Whole Time Director	2	2

The Company has formulated CSR Policy which may be accessed on the Company's website at the link http://www.everestind.com/uploads/Files/194invuf_CSR-Policy_Final.pdf

3. INDEPENDENT DIRECTORS MEETING

Independent Directors are regularly updated on the performance of the Company, strategy going forward and new initiatives being taken/ proposed to be taken by the Company. The Independent Directors Mr. Amitabh Das Mundhra, Mr. B.L. Taparia and Mrs. Bhavna G. Doshi met on 22nd March, 2018 without the attendance of non independent directors and members of the management to:

i. Review the performance of non-independent directors and the Board as a whole;
ii. Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
iii. Assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. M.L. Gupta, Independent Director, was granted leave of absence.

4. DISCLOSURES

4.1 SUBSIDIARY COMPANY

i. The Company has one wholly owned subsidiary company in India viz. Everest Building Solutions Limited.

ii. The Company has two foreign subsidiaries viz., Everest Building Products in Mauritius and Everestind FZE in Jebel Ali Free Zone, Dubai, UAE.

4.2 BASIS OF RELATED PARTY TRANSACTIONS

The particulars of transactions between the Company and its related parties are as per the Indian Accounting Standard 24 "Related Party Disclosures" prescribed by the Companies (Indian Accounting Standards) Rules, 2015 are disclosed in the Annual Accounts (Note No. 2.36). During the year, the Company had taken omnibus approval from Audit Committee for export of Fibre Cement Boards and Panels to its wholly owned subsidiary viz. Everestind FZE ("EFZE") in Dubai, UAE. There were no transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis. Further, no related party transaction have been taken place which is materially significant or that may have potential conflict with the interests of the Company at large.

4.3 DISCLOSURE OF WEBLINK OF POLICY FOR DETERMINING MATERIAL SUBSIDIARIES AND POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

As required by Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, web link of the website of the company where members can view or download Policy for determining Material Subsidiaries is http://www.everestind.com/uploads/Files/162invuf_MaterialSubsidiaryPolicy.pdf and for Policy on dealing with related party transactions is http://www.everestind.com/uploads/Files/161invuf_Related-Party.pdf

4.4 RISK MANAGEMENT

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

4.5 PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, PREFERENTIAL ISSUES ETC.

During the Financial Year ended 31st March, 2018, the Company has not raised any money from public issues, right issues, preferential issues etc.

4.6 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report have been included separately in this Annual Report.

4.7 VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Companies Act, 2013 and rules made thereunder and the Listing Regulations, the Company has in place a mechanism for Directors, employees, vendors and customers to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairman of the Audit Committee. Pursuant thereto, a dedicated helpline "Ethics Helpline" has been set-up which is managed by an independent professional organization. Whistle Blower can report concern through any of the following :

E-mail	: everest@ethicalview.com
National Toll Free Phone Number	: 1800 209 9098
Fax Number	: +91 (22) 66459131
Address	: PO Box No. 6, Pune - 411001

We affirm that during the financial year ended 31st March, 2018, no employee has been denied access to the Chairman of Audit Committee.

4.8 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Board is reported about the foreign exchange exposures on a quarterly basis. The Company has managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 2.34 to the Annual Accounts. The Company purchases commodities like chrysotile fibre, cellulose pulp, cement and various grades of steel. The Company enters into long term contracts for some of them.

4.9 There is no non-compliance by the Company and no penalty, stricture imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

4.10 The Company is in compliance with the mandatory requirements in respect of Corporate Governance to the extent applicable as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4.11 The Company has adoption the following non-mandatory requirements under regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
- Separate posts of Chairman and Managing Director
- Modified opinion (s) in Audit Report
- Reporting of Internal Auditor

5. SHAREHOLDERS

i. The quarterly results and presentations made by the Company to analysts are put on the Company's website www.everestind.com.
ii. The Company has sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant and with the Registrar and Share Transfer Agent of the Company who are holding their shares in physical form.

6. MEANS OF COMMUNICATION

The Quarterly/Annual Financial Results of the Company are forwarded to BSE Limited and National Stock Exchange of India Limited where the Company's shares are listed and published in Business Standard, Mumbai & Sakal, Nashik. The Quarterly/Annual Financial Results are also displayed on the Company's website www.everestind.com and Stock Exchanges websites www.nseindia.com and www.bseindia.com. Presentations to analysts and institutional investors and other general information about the Company are also available on the Company's website.

7. PREVENTION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Practices and procedures for Fair Disclosure and Code of conduct to regulate, monitor and reporting trading by insiders. The codes advise procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautioning them on consequences of non-compliances.

8. COMPLIANCE CERTIFICATE BY CEO/CFO

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

9. GENERAL BODY MEETINGS (HELD IN THE LAST 3 YEARS)

Year	AGM/ EGM	Venue of the Meeting	Date	Time
2017	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	26th July, 2017	12.30 P.M.
2016	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	29th June, 2016	11.00 A.M.
2015	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	26th August, 2015	11.00 A.M.

No other General Body Meeting held in the last three years

Details of Special Resolution(s) passed at Annual General Meetings during the last three years

i. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr. Y. Srinivasa Rao, Whole Time Director designated as Executive Director.

ii. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving revision in remuneration payable to Mr. A.V. Somani, Whole Time Director designated as Chairman.

iii. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving revision in remuneration payable to Mr. Manish Sanghi, Managing Director of the Company.

iv. At the 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme (ESOS)-2015 to the specified employees during the financial year 2015-16.

v. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr. A.V. Somani, Whole Time Director designated as Chairman of the Company.

vi. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr. Manish Sanghi, Managing Director of the Company.

vii. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme -2016 to the specified employees during the financial year 2016-17.

viii. At the 84th Annual General Meeting held on 26th July, 2017, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme -2017 to the specified employees during the financial year 2017-18.

During the year, no approval of shareholders was taken through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

10. Company is in compliance of the requirement of Corporate Governance specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

11. GENERAL SHAREHOLDER'S INFORMATION

i.	Annual General Meeting Day, Date, Time and Venue	Wednesday, 25th July, 2018, at 12.30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)
ii.	Financial Year	1st April, 2017 to 31st March, 2018
iii.	Date of Book Closure	19th July, 2018 to 25th July, 2018 (both days inclusive)
iv.	Posting of Annual Report	On or before 30th June, 2018.
v.	Dividend	₹ 6.50/- per equity share of face value of ₹ 10/- each.
vi.	Dividend Payment date	Dividend, if any, declared in the forthcoming 85th Annual General Meeting will be paid on or before 24th August, 2018.
vii.	Unclaimed/Unpaid Dividend for the previous years.	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. Unclaimed/ unpaid dividend for the year 31st March, 2010 has been transferred to the Investor Education & Protection Fund established by the Government. The Company will transfer the dividend for the year ended 31st March, 2011, which have remained unclaimed to the said fund in September, 2018. Members who have not encashed their dividend warrants for the Financial Year 2011-2012 & onwards may approach the Company for obtaining demand draft in lieu of unpaid dividend warrant.
viii.	Financial Calendar	
	a) Unaudited Financial Results for the quarter ending 30th June, 2018, Quarter and half year ending 30th September, 2018, Quarter and nine months period ending 31st December, 2018.	Within 45 days from the end of each quarter as stipulated under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.
	b) Audited Financial Results for the quarter/ year ending March 31, 2019.	Within 60 days from the end of the last quarter/year as stipulated under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.
ix.	Stock Exchanges on which Company's Shares are listed	BSE Limited and National Stock Exchange of India Limited Annual Listing fees for the Financial Year 2018-19 has been paid to the respective stock exchanges within the prescribed time.
x.	Corporate Identification Number (CIN) of the Company	L74999MH1934PLC002093
xi.	Registered Office	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)

12. STOCK CODE

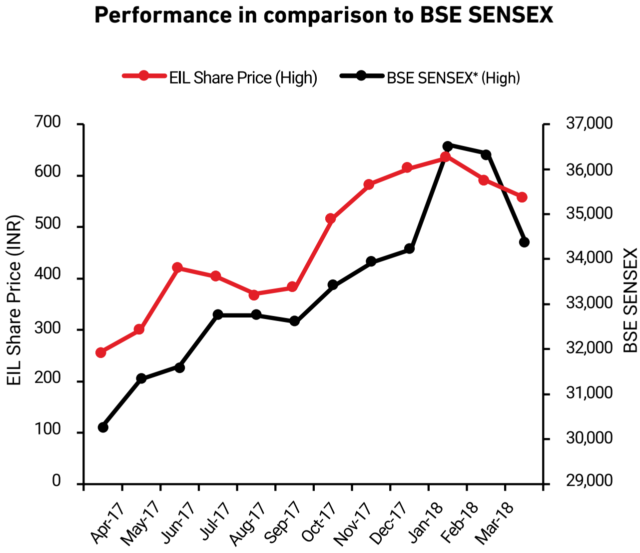
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	-	508906
National Stock Exchange of India Limited Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai - 400 051	-	EVERESTIND
ISIN of the Company	-	INE295A01018

13. MARKET PRICE INFORMATION

A. The reported high and low share prices during the year ended 31st March, 2018 on BSE, where your Company's shares are traded vis-à-vis BSE Sensex, are given below:

MONTH	BSE Limited*		BSE SENSEX*	
	HIGH (₹)	LOW (₹)	HIGH	LOW
April, 2017	257.00	228.30	30,184.22	29,241.48
May, 2017	301.90	240.00	31,255.28	29,804.12
June, 2017	421.60	280.00	31,522.87	30,680.66
July, 2017	405.00	345.00	32,672.66	31,017.11
August, 2017	369.00	295.05	32,686.48	31,128.02
September, 2017	383.90	325.00	32,524.11	31,081.83
October, 2017	519.00	333.35	33,340.17	31,440.48
November, 2017	583.75	444.00	33,865.95	32,683.59
December, 2017	614.85	494.45	34,137.97	32,565.16
January, 2018	636.90	548.00	36,443.98	33,703.37
February, 2018	590.25	490.00	36,256.83	33,482.81
March, 2018	558.20	460.20	34,278.63	32,483.84

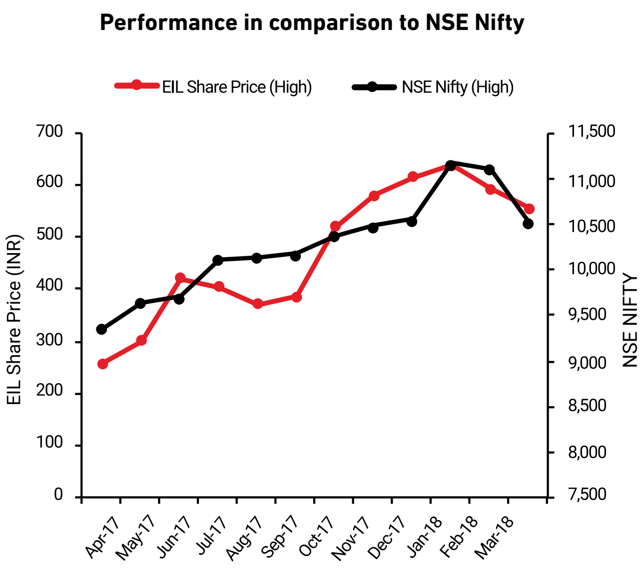
* Based on BSE website



B. The reported high and low share prices during the year ended 31st March, 2018 on the National Stock Exchange, where your Company's shares are traded vis-à-vis CNX Nifty are given below:

MONTH	National Stock Exchange of India Limited (NSE)*		CNX NIFTY*	
	HIGH (₹)	LOW (₹)	HIGH	LOW
April, 2017	256.90	225.55	9367.15	9075.15
May, 2017	301.95	238.75	9649.60	9269.90
June, 2017	421.40	281.35	9709.30	9448.75
July, 2017	405.50	360.85	10114.85	9543.55
August, 2017	371.40	293.05	10137.85	9685.55
September, 2017	384.95	324.60	10178.95	9687.55
October, 2017	519.60	331.35	10384.50	9831.05
November, 2017	580.00	444.10	10490.45	10094.00
December, 2017	616.00	492.35	10552.40	10033.35
January, 2018	637.95	546.80	11171.55	10404.65
February, 2018	592.40	468.95	11117.35	10276.30
March, 2018	554.95	443.35	10525.50	9951.90

*Based on NSE website.



14. REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s MCS Share Transfer Agent Limited
F–65, First Floor, Okhla Industrial Area, Phase - I
New Delhi-110020, Phone No. 011-41406149
41406151, 41406152, Fax No. 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

15. SHARE TRANSFER SYSTEM

All the requests received from Shareholders for transfer, transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 or in any other applicable law.

16. 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 and transmission of shares.

17. SHAREHOLDING AS ON 31ST MARCH, 2018

A. Distribution of Shareholding as on 31st March, 2018

No. of Equity Shares	No. of shareholders	% of shareholders	Total No. of shares held	% of shareholding
1 to 500	17230	91.41	1723150	11.03
501 to 1000	935	4.96	704157	4.51
1001 to 2000	328	1.74	485243	3.11
2001 to 3000	122	0.65	309801	1.98
3001 to 4000	57	0.30	208036	1.33
4001 to 5000	46	0.24	216266	1.38
5001 to 10000	65	0.35	483108	3.09
10001 to 50000	49	0.26	919476	5.88
50001 to 100000	8	0.04	653196	4.18
100001 and above	9	0.05	9923727	63.51
Total	18849	100.00	15626160	100.00

B. Shareholding Pattern as on 31st March, 2018

Sr. No.	Category	No. of Shares held	% of shareholding
1.	Promoters	7520470	48.13
2.	Mutual Funds/ UTI	461318	2.95
3.	Financial Institutions/ Banks	4258	0.03
4.	Central Government/ State Government(s)	25970	0.17
5.	Insurance Companies	187	0.00
6.	Foreign Institutional Investors	270776	1.73
7.	Bodies Corporate	1750027	11.20
8.	Individuals	5421138	34.69
9.	Trusts & Foundations	600	0.00
10.	NRI's	171371	1.10
11.	NBFC Registered with RBI	45	0.00
	Total	**15626160**	**100.00**

18. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

19. DEMATERILIZATION OF SHARES

98.51% of the Equity Shares of the Company have been dematerialised as on 31st March, 2018. The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories. The Company's shares are regularly traded on BSE and NSE.

20. NOMINATION FACILITY FOR SHAREHOLDERS

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Those Members who hold shares in physical form may obtain nomination form from the Company Secretary at D-206, Sector-63, Noida-201301 or download the same from the Company's website www.everestind.com.

21. RECONCILIATION OF SHARE CAPITAL

As stipulated by SEBI, a qualified Practicing Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the share capital held with Depositories (i.e. NSDL & CDSL) in dematerialised form and share capital held in physical form with the total issued and listed share capital of the Company.

22. PAYMENT OF DIVIDEND THROUGH ELECTRONIC CLEARING SERVICE

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to the Investors wherever ECS and bank details are available. Those Members who hold shares in physical form may obtain mandate form for payment of dividend through Electronic Clearing Service (ECS) from Company Secretary at D-206, Sector-63, Noida-201301 or download the same from the Company's website www.everestind.com.

23. LOCATION OF PLANTS OF THE COMPANY

Kymore Works
Everest Nagar, P.O. Kymore
Dist. Katni - 483880
Madhya Pradesh

Kolkata Works
1, Taratola Road, Garden Reach
Kolkata – 700024
West Bengal

Lakhmapur Works
Gat 152, Lakhmapur
Taluka Dindori, Nashik – 422202
Maharashtra

Podanur Works
Podanur P.O.
Coimbatore – 641023
Tamil Nadu

Bhagwanpur Works
158 & 159, Lakesari, Pargana Bhagwanpur
Tehsil Roorkee - 247661
Uttarakhand

Somnathpur Works
Z5, IID Centre, Somnathpur
Tehsil Remuna, Dist. Baleshwar - 756019
Odisha

Ranchi Works
Sarwal Namkum, Opp. Tola – Charna Bera
Ranchi – 834010
Jharkhand

Narmada Works
E-68, GIDC Dahej-3,
Dahej, Dist. Bharuch-392130
Gujarat

24. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT - NIL

25. ADDRESS FOR CORRESPONDENCE

a. For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agents directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID no./Client ID No., number of shares held etc.

M/s. MCS Share Transfer Agent Ltd. (Unit: Everest Industries Limited)
F–65, First Floor, Okhla Industrial Area, Phase - I, New Delhi-110020.
Tel : 011-41406149,41406151, 41406152, Fax : 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

b. For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the kind attention of Mr. Neeraj Kohli, Company Secretary & Head-Legal, Compliance Officer of the Company at the following address:

Everest Industries Limited
D-206, Sector-63, Noida – 201 301 (UP)
Tel.: 0120- 4791800 Fax No.: 0120 - 4791802

Members can also register their complaints at compofficer@everestind.com, an exclusive email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation 6(2)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For Everest Industries Limited

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2018.

For Everest Industries Limited

Place : Mumbai
Date : 1st May, 2018

Manish Sanghi
Managing Director

CEO/ CFO CERTIFICATION

Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2018 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.

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.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

i. significant changes in internal control over financial reporting during the year;
ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to 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 any employee having a significant role in the company's internal control system over financial reporting.

For Everest Industries Limited

Place : Mumbai
Date : 1st May, 2018

Nikhil Dujari
Chief Financial Officer

Manish Sanghi
Managing Director

COMPLIANCE CERTIFICATE

To,
The Members of
EVEREST INDUSTRIES LIMITED
CIN: L74999MH1934PLC002093
Gat No 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra

1. We have examined the compliance of the conditions of Corporate Governance by Everest Industries Limited ('the Company') for the Financial Year ended on 31st March, 2018, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For TVA & Co. LLP
Company Secretaries

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253

Place : Delhi
Date : 1st May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
EVEREST INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS 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 written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;

g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 2.30 to the standalone Ind AS financial statements;

   ii. The Company did not any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 1st May, 2018

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: EVEREST INDUSTRIES LIMITED ('the Company')

i. **In respect of Fixed Assets**

  a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, plant and equipment

  b. All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

  c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of making investments. However, the Company has not granted any loans or provided any guarantees and securities.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii.

  a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and services tax and other statutory dues applicable to it.

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

  c. The dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

(₹ In Lakhs)

<table>
<tr><th>Name of the applicable Act</th><th>Nature of dues</th><th>Forum where the dispute is pending</th><th>Period to which the amount relates</th><th>Amount involved</th><th>Amount Paid</th><th>Amount unpaid</th></tr>
<tr><td rowspan="3">Income Tax Act, 1961</td><td rowspan="2">Demand on account of disallowance of certain claims</td><td>ITAT</td><td>2004-05</td><td>223.23</td><td>223.23</td><td>-</td></tr>
<tr><td>CIT(Appeals)</td><td>2009-10 to 2010-11</td><td>419.01</td><td>419.01</td><td>-</td></tr>
<tr><td>Total</td><td></td><td></td><td>642.24</td><td>642.24</td><td>-</td></tr>
<tr><td rowspan="7">The Central Excise Act, 1944</td><td rowspan="6">Demand on account of wrong availament of cenvat credit</td><td>Assistant Commissioner</td><td>2005 to 2007, 2008-12</td><td>5.75</td><td>0.08</td><td>5.67</td></tr>
<tr><td>Deputy Commissioner</td><td>2009-10 to 2012-13</td><td>0.56</td><td>-</td><td>0.56</td></tr>
<tr><td>Joint Commissioner</td><td>2009-10</td><td>14.29</td><td>-</td><td>14.29</td></tr>
<tr><td>Commissioner (Appeals)</td><td>2006-07 to 2011-12</td><td>243.79</td><td>0.35</td><td>243.44</td></tr>
<tr><td>Commissioner</td><td>2007-08 to 2014-15</td><td>498.09</td><td>-</td><td>498.09</td></tr>
<tr><td>Additional Commissioner</td><td>2015-16</td><td>17.61</td><td>-</td><td>17.61</td></tr>
<tr><td>Demand on duty under section 11D of Central Excise Act,1944</td><td>Appelate Tribunal</td><td>1992 to 1996</td><td>2,462.40</td><td>-</td><td>2,462.40</td></tr>
<tr><td></td><td>Total</td><td></td><td></td><td>3,242.49</td><td>0.43</td><td>3,242.06</td></tr>
<tr><td rowspan="4">Sales Tax Laws</td><td rowspan="4">Demand on account of non-collection of statutory forms etc.</td><td>Assistant Commissioner</td><td>1994-95</td><td>0.47</td><td>-</td><td>0.47</td></tr>
<tr><td>Joint Commissioner</td><td>1999-2000, 2000-01, 2007-09, 2010-2012 and 2014-15</td><td>599.73</td><td>47.23</td><td>552.50</td></tr>
<tr><td>Additional Commissioner</td><td>2012-15</td><td>139.00</td><td>16.50</td><td>122.50</td></tr>
<tr><td>Commissioner (Appeal)</td><td>1997-98, 2000-01 to 2002-03 & 2006-07</td><td>26.07</td><td>1.59</td><td>24.48</td></tr>
</table>

Name of the applicable Act	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved	Amount Paid	Amount unpaid
Sales Tax Laws	Demand on account of non-collection of statutory forms etc.	Joint Commissioner (Appeals)	2009-12 & 2013-14	158.75	63.44	95.31
		Appellate Tribunal	1997-1999 and 2009-14	60.34	34.75	25.59
	Demand on account of purchase tax on fly ash	Madras High Court	1990-91, 1992-93 & 1995-1996	13.18	12.89	0.29
		Assessing Officer	1996-97	5.83	5.83	-
	Demand on account of reversal of input tax credit	Assessing Officer	2013-14	10.76	3.79	6.97
		Additional Joint Commissioner	2009-10	2.33	2.33	-
	Demand on account of understatement of sales/ purchase	Appellate Tribunal	2011-12	7.59	-	7.59
	Demand on account of stock transfers considered as Interstate sales	Central Sales Tax Appellate Authority	1994-1995 & 1995-1996	676.34	0.26	676.08
	Demand on account of differential rate	Joint Commissioner	2013-14	427.17	33.00	394.17
	Penalty for late payment of Entry tax	High Court, Orissa	2012-13	4.39	4.39	-
	Total			**2,131.96**	**226.00**	**1,905.96**

viii. In our opinion and according to the information given by the management, the Company has not defaulted in repayment of loans/ borrowings to banks. The Company has not taken any loans/ borrowings from financial institution or government and has not issued any debentures during the year.

ix. In our opinion and according to information and explanations given by the management, the term loans have been applied for the purpose for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 1st May, 2018

ANNEXURE 2 REFERRED IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EVEREST INDUSTRIES LIMTED

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 Everest Industries Limited ("the Company") as of March 31, 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 1st May, 2018

BALANCE SHEET

AS AT 31st MARCH, 2018

(₹ In Lakhs)

			Note Reference	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A	**ASSETS**					
	1.	**Non-current assets**				
		Property, plant and equipment	2.01	33,846.12	34,360.38	35,546.93
		Capital work in progress	2.02	2,054.31	469.91	182.44
		Intangible Assets	2.03	210.31	78.97	249.24
		Financial assets				
		(i) Investment	2.04	41.67	1,750.94	1,750.94
		(ii) Other financial assets	2.05	1,335.38	1,221.85	1,866.43
		Other Non current assets	2.06	280.39	261.17	274.08
		Income tax assets (net)	2.07	3,648.45	3,674.19	4,297.67
		Total - non-current assets		**41,416.63**	**41,817.41**	**44,167.73**
	2.	**Current assets**				
		Inventories	2.08	24,754.00	23,457.12	25,252.69
		Financial assets				
		(i) Trade receivables	2.09	6,605.10	9,894.69	10,727.05
		(ii) Cash and cash equivalent	2.10	1,927.81	1,053.95	4,859.42
		(iii) Bank balances other than (ii) above	2.11	40.86	45.32	41.99
		(iv) Other financial assets	2.05	893.83	3,452.98	724.99
		Other current assets	2.06	3,427.22	4,309.41	6,065.10
		Total - current assets		**37,648.82**	**42,213.47**	**47,671.24**
		TOTAL ASSETS		**79,065.45**	**84,030.88**	**91,838.97**
B	**EQUITY AND LIABILITIES**					
	1.	**Equity**				
		Share capital	2.12	1,562.62	1,542.29	1,538.89
		Other Equity	2.13	38,133.91	32,486.02	32,890.94
		Total equity		**39,696.53**	**34,028.31**	**34,429.83**
	2	**Non-current liabilities**				
		Financial Liabilities				
		(i) Borrowings	2.14	5,114.17	9,144.80	11,773.94
		Deferred tax liabilities (net)	2.38	2,873.95	3,140.42	3,117.85
		Other non current liabilities	2.15	-	-	140.35
		Total - non-current liabilities		**7,988.12**	**12,285.22**	**15,032.14**
	3	**Current liabilities**				
		Financial Liabilities				
		(i) Borrowings	2.14	2,578.06	8,835.25	11,249.76
		(ii) Trade payables	2.16	15,023.01	16,063.19	16,511.31
		(iii) Deposits from business partners	2.17	3,026.05	2,858.51	2,554.24
		(iv) Other financial liabilities	2.18	1,567.92	2,578.01	3,442.83
		Provisions for retirement benefits	2.20	521.92	539.50	559.31
		Provision for income tax (net)	2.21	1,309.13	-	1,206.36
		Other current liabilities	2.19	7,354.71	6,842.89	6,853.19
		Total - current liabilities		**31,380.80**	**37,717.35**	**42,377.00**
		TOTAL EQUITY AND LIABILITIES		**79,065.45**	**84,030.88**	**91,838.97**

See accompanying notes forming part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

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

(₹ In Lakhs)

		Note Reference	For the year ended 31 March 2018	For the year ended 31 March 2017
A	**Income**			
	Revenue from operations (net of excise duty)		124,485.17	114,745.07
	Add : Excise duty		2,638.56	8,060.68
	Revenue from operations (gross of excise duty)	2.22	**127,123.72**	**122,805.75**
	Other income	2.23	736.16	910.92
	Total income		**127,859.88**	**123,716.67**
B	**Expenses**			
	a. Cost of raw materials consumed	2.24	71,060.87	62,750.09
	b. Purchase of traded goods	2.25	1,779.53	1,521.30
	c. (Increase)/ decrease in inventories of finished goods, work-in progress and traded goods	2.26	(1,764.05)	1,236.57
	d. Excise duty on sale of goods		2,638.56	8,060.68
	e. Employee benefits expense	2.27	10,726.17	9,977.37
	f. Finance costs	2.28	1,259.18	2,082.80
	g. Depreciation and amortization expense	2.01 & 2.03	2,354.61	2,545.80
	h. Other expenses	2.29	33,528.65	35,010.18
	Total expenses		**121,583.52**	**123,184.79**
C	**Profit before tax**		6,276.36	531.88
D	**Exceptional items**			
	Provision for impairment in the value of investment in a subsidiary Company (See note 2.63)		165.00	
E	**Profit before tax**		**6,111.36**	**531.88**
	Tax expenses			
	a. Current tax	2.30	1,377.98	100.94
	b. Deferred tax	2.38	(334.93)	31.95
	Total tax expenses		**1,043.05**	**132.89**
F	**Profit for the year**		**5,068.31**	**398.99**
G	**Other comprehensive income**			
	i. Items that will not be reclassified subsequently to the statement profit or loss			
	a. Re-measurement gains/(losses) on defined benefit plans		197.88	(27.15)
	b. Income tax effect		(68.48)	9.40
	Other comprehensive income for the year, net of tax		**129.40**	**(17.75)**
H	**Total comprehensive income for the year, net of tax**		**5,197.71**	**381.24**
	Earnings per equity share (see note 2.40)			
	[Face value - ₹ 10 per share]			
	Basic earnings per share (Rupees)		33.54	2.48
	Diluted earnings per share (Rupees)		33.54	2.48

See accompanying notes forming part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

		For the year ended 31 March 2018	For the year ended 31 March 2017
A.	**Cash flow from operating activities**		
	Profit before tax	**6,111.36**	**531.88**
	Adjustments for:		
	Depreciation and amortisation expenses	2,354.61	2,545.80
	Finance costs	1,259.18	2,082.80
	Interest income	(99.01)	(241.57)
	Loss/ (profit) on sale of fixed assets (net)	(3.61)	(0.02)
	Liabilities / provisions no longer required written back	(256.96)	(520.47)
	Impairment of investment	165.00	-
	Share based payment expense	76.98	100.42
	Provision for doubtful receivables and other receivables / Doubtful trade and other receivables written off	357.25	731.19
	Impairment of trade receivables	587.01	70.25
	Impact of fair valuation of financial instruments	(46.86)	(8.16)
	Re-measurement (loss)/gain of defined benefit plan	197.88	(27.15)
	Net unrealised (gain)/loss on exchange rate fluctuation	22.21	(217.41)
	Operating profit before working capital changes	**10,725.04**	**5,047.56**
	Working capital adjustments:		
	(Increase)/decrease in inventories	(1,296.88)	1,795.57
	(Increase)/decrease in trade receivables	2,345.33	10.76
	(Increase)/decrease in other non current financial assets	225.82	335.09
	(Increase)/decrease in other non current assets	215.70	2.52
	(Increase)/decrease in other current financial assets	2,187.79	(2,560.95)
	(Increase)/decrease other current asset	882.19	1,755.69
	Increase/(decrease) in trade payables	(783.22)	220.26
	Increase/(decrease) in deposits from business partners	167.54	304.27
	Increase/(decrease) in other financial liabilities	(67.22)	(114.17)
	Increase/(decrease) in other current/ non current liabilities	511.82	(150.65)
	Increase/(decrease) in provisions	(17.58)	(19.81)
	Cash generated from operations	**15,096.33**	**6,626.14**
	Income tax paid	(43.11)	(683.81)
	Net cash flows from operating activities	**15,053.22**	**5,942.33**
B.	**Cash flow from/(used in) investing activities**		
	Capital expenditure on fixed assets, including capital advances	(3,590.18)	(1,488.69)
	Proceeds from sale of fixed assets (See note 2.01)	48.59	0.02
	Proceeds from reduction in share capital of subsidiary	1,522.06	-
	- Placed (deposits and unclaimed dividend accounts)	4.46	(3.33)
	Balances held as margin money	(22.42)	137.65
	Interest received	158.92	246.42

(₹ In Lakhs)

		For the year ended 31 March 2018	For the year ended 31 March 2017
	Net cash flows from/(used in) financing activities	**(1,878.57)**	**(1,107.93)**
C.	**Cash flow from / (used in) financing activities**		
	Proceeds from issue of equity shares	20.33	3.40
	Securities premium received	559.21	39.51
	Proceeds from long-term borrowings	2,250.00	1,500.00
	Repayment of long-term borrowings	(7,410.01)	(4,741.23)
	Proceeds/(repayment) of short-term borrowings	(6,257.19)	(2,414.51)
	Finance costs	(1,272.65)	(2,104.29)
	Dividends paid	(159.01)	(766.11)
	Tax on dividend	(31.46)	(156.64)
	Net cash flows from/(used in) financing activities	**(12,300.79)**	**(8,639.87)**
	Net change in cash and cash equivalents (A)+(B)+(C)	873.86	(3,805.47)
	Cash and cash equivalents at the beginning of the year	1,053.95	4,859.42
	Cash and cash equivalents at year end	**1,927.81**	**1,053.95**

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

A. Equity share capital

Particulars	Numbers of share	Amount
Balance as at April 1, 2016	**15,388,850**	**1,538.89**
Changes in equity share capital during the period		
Issue of equity shares under employee share option plan (See note 2.51)	34,060	3.40
Balance as at March 31, 2017	**15,422,910**	**1,542.29**
Changes in equity share capital during the period		
Issue of equity shares under employee share option plan (See note 2.51)	203,250	20.33
Balance as at March 31, 2018	**15,626,160**	**1,562.62**

B. Other equity

	Attributable to equity shareholders of the Company					
	Reserves and surplus				Items to OCI	
Particulars	Securities premium	General reserve	Share based payment reserve	Retained earnings	Re-measurement gain/ (losses) on defined benefit plans	Total other equity
Balance as at 1 April 2016	631.84	9,848.91	36.83	22,373.36	-	32,890.94
Profit for the year	-	-	-	398.99	-	398.99
Other comprehensive income	-	-	-	-	(17.75)	(17.75)
Total comprehensive income for the year	**631.84**	**9,848.91**	**36.83**	**22,772.35**	**(17.75)**	**33,272.18**
Dividend paid during the year	-	-	-	(769.44)	-	(769.44)
Dividend distribution tax on dividend paid	-	-	-	(156.64)	-	(156.64)
Compensation options granted during the year/ Changes during the year	-	-	100.42	-	-	100.42
Securities premium on shares issued during the year	39.51	-	-	-	-	39.51
Balance as at 31 March 2017	**671.35**	**9,848.91**	**137.25**	**21,846.26**	**(17.75)**	**32,486.02**
Balance as at 1 April 2017	**671.35**	**9,848.91**	**137.25**	**21,846.26**	**(17.75)**	**32,486.02**
Profit for the year	-	-	-	5,068.31	-	5,068.31
Other comprehensive income	-	-	-	-	129.40	129.40
Total comprehensive income for the year	**671.35**	**9,848.91**	**137.25**	**26,914.57**	**111.65**	**37,683.73**
Dividend paid during the year	-	-	-	(154.55)	-	(154.55)
Dividend distribution tax on dividend paid	-	-	-	(31.46)	-	(31.46)
Compensation options granted during the year/ Changes during the year (net)	-	-	76.98	-	-	76.98
Securities premium on shares issued during the year	559.21	-	-	-	-	559.21

	Attributable to equity shareholders of the Company					
	Reserves and surplus				Items to OCI	
Particulars	**Securities premium**	**General reserve**	**Share based payment reserve**	**Retained earnings**	**Re-measurement gain/ (losses) on defined benefit plans**	**Total other equity**
Transferred from share based payement reserve on exercise and lapse of options	72.53	-	(72.53)	-	-	-
Balance as at 31 March 2018	**1,303.09**	**9,848.91**	**141.70**	**26,728.56**	**111.65**	**38,133.91**

See accompanying notes forming part of the financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

NOTE 1.1

Corporate information

Everest Industries Limited ('the Company') is engaged in manufacturing and trading of building products like roofing products, boards and panels, other building products and accessories and manufacturing of components of pre-engineered steel buildings and related accessories.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 1, 2018.

NOTE 1.2

Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. See note 2.56 for information on how the Company adopted Ind AS.

These financial statements have been prepared on the historical cost or at amortised cost, except for the following assets and liabilities:

- derivative financial instruments are measured at fair value;
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

NOTE 1.3

Summary of significant accounting policies

i. Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

ii. Fair values measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Other techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

iii. Property, Plant and Equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment (See Note 2.56 (1) (a)).

Property, plant & equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted, if appropriate.

iv. Depreciation on Property, plant & equipment

- Lease hold improvements (LHI) & leasehold lands are amortised on straight line basis over the period of lease or useful life whichever is lower.
- Depreciation on other Property, plant & equipment is provided on straight line basis at the rates based on the estimated useful life of the assets. The Company, based on management estimates, depreciates the assets over estimated useful lives which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.
- Depreciation on Property, plant & equipment added/ disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

v. Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised. The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

vi. Research and development costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.3 (iv) above.

vii. Revenue Recognition

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

Based on Ind AS 18, the Company has assumed that recovery of excise duty flows to the Company on its own account, hence revenue includes excise duty. However, sales tax/ value added tax (VAT)/goods and service tax (GST) is not received by the company on its own account, rather it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognize.

- **Sale of goods**

  Revenue from sale of goods is recognized, net of returns and rebates when all the significant risks and rewards of ownership of the goods have been passed to the buyer, which generally coincides with the despatch of goods to customers.

- **Revenue from contracts**

  Revenue from fixed price contracts is recognised in accordance with the percentage of completion method based on the work performed and when it is probable that the economic benefits associated with the contract will flow to the Company. The stage of completion of a contract is determined based on the proportion that contract costs incurred for work performed upto the reporting date bare to the total estimated contract costs. If a loss is projected on any of the contracts in process, the entire projected loss is recognised.

- **Interest**

  For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

  EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

viii. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

  Initial recognition and measurement

  On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

- **Subsequent measurement**

  Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, Security deposits & other receivables.

  Investments in subsidiaries

  Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

  Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiaries at fair value as its deemed cost on the date of transition to Ind AS.

  Derecognition

  The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

  Impairment of financial assets

  The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

  Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for estimated losses on the current portfolio. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

  The impairment losses and reversals are recognised in Statement of Profit and Loss.

- **Financial liabilities**

  Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

  All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

  Subsequent measurement

  Financial liabilities are subsequently measured at amortised cost using the EIR method.

  Other financial liabilities (Loans and borrowings)

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

  The EIR amortisation is included as finance costs in the statement of profit and loss.

  Derecognition

  A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

  Derivative financial instruments and hedge accounting

  The Company uses derivative financial instruments such as foreign exchange forward contracts, option contracts and swap contracts to hedge its foreign currency risk.

  Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period.

  Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss,

ix. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	- Weighted average
Raw materials	- Weighted average
Materials in transit	- At cost
Work in progress and Finished goods	- Material cost determined on weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	- Weighted average

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

x. Retirement and other Employee Benefits

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

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans

The Company has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

The Company's contributions towards provident fund are deposited in a trust formed by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Company's superannuation scheme is considered as defined contribution scheme. The Company has no obligation, other than the contribution payable to the super-annuation fund. The Company recognizes contribution payable to the super-annuation fund scheme as an expense, when an employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the government for the Employees Provident Fund. The Company has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, and the return on plan assets (excluding net interest), are recognised to OCI in the period in which they occur and are not reclassified to profit or loss.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss for the period in which they are occur.

xi. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

xii. Foreign Exchange Transactions and balances

The functional currency of the company is India Rupees

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

xiii. Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax loss; deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

xiv. Earnings Per Share

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, 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 are adjusted for the effects of all dilutive potential equity shares.

xv. Impairment of Non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate and when circumstances indicate that the carrying value may be impaired.

xvi. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

xvii. Contingent liability

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

xviii. Share based payment transaction

Selected employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

xix. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

xx. Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to chief operating decision maker (CODM). The managing director is considered to be the 'Chief Operating Decision Maker' (CODM).

Refer Note 2.37 for segment information presented.

xxi. Government grants and subsidies

Grants and subsidies from the government are recognised 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 recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income when on a systematic basis when related conditions or obligations are met by the Company.

xxii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the company's cash management.

xxiii. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded of the nearest two decimal lakhs as per the requirement of schedule III, unless otherwise stated.

NOTE 1.4

Significant accounting judgments, estimates and assumptions

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

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

- **Useful Lives of Property, Plant and Equipment:** The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

- **Measurement of Defined Benefit Obligation:** The cost of the defined benefit gratuity plan and other Long term employee benefits (Compensated Absences) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions.

- **Share-based Payments:** The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

- **Impairment in subsidiaries:** Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

Expected Credit Loss: The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk

Recent accounting pronouncements

Ind AS 115 - Revenue from Contract with Customers:

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company continues to evaluate the changes that may be necessary. Upon adoption the Company does not expect a material change in the manner in which revenue arrangements are recognized from the current practice.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE 2

2.01 Property, plant and equipment

(₹ In Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings on Freehold Land	Building on Leasehold Land	Lease Hold Improve-ments	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipments	Others (Roads)	Total
Cost or valuation											
At 1st April 2016	**1,396.82**	**2,611.11**	**4,349.25**	**8,142.34**	**47.71**	**17,960.44**	**290.43**	**48.23**	**368.37**	**332.23**	**35,546.93**
Additions	-	11.31	11.80	194.99		680.89	36.51	41.55	130.79	23.41	1,131.25
Disposals	-	-	-	-	-	-	-	-	(0.35)	-	(0.35)
At 31 March 2017	**1,396.82**	**2,622.42**	**4,361.05**	**8,337.33**	**47.71**	**18,641.33**	**326.94**	**89.78**	**498.81**	**355.64**	**36,677.83**
Additions			49.10	18.22		1,516.70	4.25	145.75	97.49	4.54	1,836.05
Disposals				(39.16)	-	(70.31)	(0.45)		(1.71)		(111.63)
At 31 March 2018	**1,396.82**	**2,622.42**	**4,410.15**	**8,316.39**	**47.71**	**20,087.72**	**330.74**	**235.53**	**594.59**	**360.18**	**38,402.25**
Depreciation											
At 1st April 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	-	20.97	163.25	220.55	1.06	1,627.40	102.95	11.22	104.03	66.37	2,317.80
Disposals	-	-	-	-	-	-	-	-	(0.35)	-	(0.35)
At 31 March 2017	**-**	**20.97**	**163.25**	**220.55**	**1.06**	**1,627.40**	**102.95**	**11.22**	**103.68**	**66.37**	**2,317.45**
Depreciation charge for the year		33.56	161.21	219.40	1.00	1,600.54	90.01	25.40	126.57	47.64	2,305.33
Disposals					-	(65.03)	(0.40)		(1.22)		(66.65)
At 31 March 2018	**-**	**54.53**	**324.46**	**439.95**	**2.06**	**3,162.91**	**192.56**	**36.62**	**229.03**	**114.01**	**4,556.13**
Net Book Value											
At 1st April 2016	1,396.82	2,611.11	4,349.25	8,142.34	47.71	17,960.44	290.43	48.23	368.37	332.23	35,546.93
At 31 March 2017	1,396.82	2,601.45	4,197.80	8,116.78	46.65	17,013.93	223.99	78.56	395.13	289.27	34,360.38
At 31 March 2018	**1,396.82**	**2,567.89**	**4,085.69**	**7,876.44**	**45.65**	**16,924.81**	**138.18**	**198.91**	**365.56**	**246.17**	**33,846.12**

2.02 Capital work in progress

	31 March 2018	31 March 2017	1 April 2016
Capital work in progress	2,054.31	469.91	182.44
	2,054.31	**469.91**	**182.44**

2.03 Intangible assets

Particulars	Computer Software	Total
Cost		
At 1st April 2016	249.24	**249.24**
Addition	57.73	57.73
Disposals	-	-
At 31 March 2017	**306.97**	**306.97**
Addition	**180.62**	**180.62**
Disposals		**-**
At 31 March 2018	**487.59**	**487.59**
Amortisation		
At 1st April 2016	**-**	**-**
Amortisation	228.00	228.00
At 31 March 2017	**228.00**	**228.00**
Amortisation	49.28	49.28

(₹ In Lakhs)

Particulars	Computer Software	Total
At 31 March 2018	**277.28**	**277.28**
Net book Value		**-**
At 1st April 2016	249.24	249.24
At 31 March 2017	78.97	78.97
At 31 March 2018	**210.31**	**210.31**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.04 Investments in subsidiaries - at cost			
Non Current			
Investment in unquoted equity instruments of subsidiaries 16,87,453 shares (previous year 42,25,000 shares) (as at 01 April, 2016 42,25,000) equity shares of USD. 1. each fully paid up of Everest Building Products, Mauritius *	201.67	1,745.94	1,745.94
Less: Provision for impairment	(165.00)	-	-
	36.67	**1,745.94**	**1,745.94**
50,000 shares (previous year 50,000 shares) (as at 01 April, 2016 50,000) equity shares of ₹ 10 each fully paid up of Everest Building Solutions Limited	5.00	5.00	5.00
	41.67	**1,750.94**	**1,750.94**
* The subsidiary Company, under which the proposed fibre Cement Board project in UAE, was being set up, has since decided not to pursue the project. Accordingly, the investment has been carried at the value less provision for diminution.			
Note: On the date of transition i.e 1st April 2016, fair value of investment in subsidiary has been considered as deemed cost.			
2.05 Other Financial assets			
Non Current			
Unsecured, consider good			
a. Security deposits (at amortised cost)	626.04	676.98	632.12
b. Interest accrued but not due	5.39	1.15	-
c. Government subsidy receivables	355.55	529.19	910.24
d. Balances held as margin money (deposit accounts)	348.40	14.53	324.07
	1,335.38	**1,221.85**	**1,866.43**
Current			
Unsecured, consider good			
a. Security deposits	30.69	44.84	99.89
b. Interest accrued but not due	12.74	71.50	77.50
c. Government subsidy receivables	529.19	906.81	228.72
d. Insurance claim	11.47	278.61	9.11
e. Balances held as margin money (deposit accounts)	170.21	481.66	309.77
f. Other receivables	139.53	1,669.56	-
	893.83	**3,452.98**	**724.99**

(₹ In Lakhs)

	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.06	**Other assets**			
	Non Current			
	Unsecured, consider good			
	a. Prepaid lease rental	13.82	18.25	20.77
	b. Capital advances	266.57	31.65	42.04
	c. Input credit receivables	-	211.27	211.27
		280.39	**261.17**	**274.08**
	Current			
	Unsecured, consider good			
	a. Prepaid lease rental	4.51	4.97	4.37
	b. Advances to employees	81.01	84.15	61.71
	c. Prepaid expenses	399.45	523.53	655.31
	d. Prepaid gratuity	233.13	14.50	31.84
	e. Advance to supplier	1,430.78	2,069.30	3,991.08
	f. Input credit receivables	1,275.89	1,611.24	1,285.01
	g. Others	2.45	1.72	35.78
		3,427.22	**4,309.41**	**6,065.10**
2.07	**Income tax assets (net)**			
	Advance income tax (net of provision)	**3,648.45**	**3,674.19**	**4,297.67**
	[Net of provision for current tax - ₹ 1436.07 lakhs (previous year ₹ NIL) (as at 01 April 2016 ₹ 8,799.17 lakhs)]			
2.08	**Inventories**			
	a. Raw materials			
	i. On hand	9,398.16	9,637.60	10,831.86
	ii. In transit	1,770.66	2,168.05	1,177.26
		11,168.82	**11,805.65**	**12,009.12**
	b. Work-in-progress	3,166.31	3,922.76	4,247.59
	c. Finished goods	7,293.72	5,260.18	6,047.09
	d. Stock-in-trade	1,475.76	988.80	1,113.63
	e. Stores and spares	1,535.47	1,400.33	1,760.15
	f. Packing materials	113.92	79.40	75.11
		24,754.00	**23,457.12**	**25,252.69**
2.09	**Trade receivables**			
	a. Trade receivables			
	i. Secured, considered good *	4,388.85	4,227.81	4,409.62
	ii. Unsecured, considered good	2,216.25	5,666.88	6,317.43
	iii. Doubtful	1,410.46	1,262.91	819.43
		8,015.56	**11,157.60**	**11,546.48**

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Less: Impairment of trade receivables	1,410.46	1,262.91	819.43
	6,605.10	**9,894.69**	**10,727.05**

* Includes dues from subsidiaries (refer note no. 2.36 (c) (v))

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on historical credit loss experience and adjustments for forward looking information. (See note 2.55)

2.10 Cash and Cash Equivalent

a. Cash on hand	5.80	5.83	5.62
b. Cheques on hand	65.11	128.67	492.76
c. Remittence in transit	463.14	-	-
d. Balances with banks			
i. Current accounts	1,343.76	869.45	1,642.04
ii. Deposit accounts original maturity of 3 months or less	50.00	50.00	2,719.00
	1,927.81	**1,053.95**	**4,859.42**

2.11 Bank balances other than cash and cash equivalent

Earmarked accounts			
i. Unpaid dividend	40.86	45.32	41.99
	40.86	**45.32**	**41.99**

2.12 Share capital

1. Authorised Share capital	**1,700.00**	**1,700.00**	**1,700.00**
1,70,00,000 equity shares of ₹ 10 each (as at March 31, 2017 -1,70,00,000 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,70,00,000 equity shares of ₹ 10 each)			
2. Issued Share capital	**1,562.62**	**1,542.29**	**1,538.89**
1,56,26,160 equity shares of ₹ 10 each (as at March 31, 2017 -1,54,22,910 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,53,88,850 equity shares of ₹ 10 each)			
3. Subscribed and fully paid up (see note 2.49, 2.50 and 2.51)	**1,562.62**	**1,542.29**	**1,538.89**
1,56,26,160 equity shares of ₹ 10 each (as at March 31, 2017 -1,54,22,910 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,53,88,850 equity shares of ₹ 10 each)			

2.13 Other Equity

Share premium account	1,303.09	671.35	631.84
General reserve	9,848.91	9,848.91	9848.91
Share based payment Reserve	141.70	137.25	36.83
Retained Earning	26,840.21	21,828.51	22,373.36
	38,133.91	**32,486.02**	**32,890.94**

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Securities premium account	671.35	631.84
1. Add: Premium on shares issued during the year (Including transfer from Share based payment reserve)	631.74	39.51
Closing balance	**1,303.09**	**671.35**
2. General reserve		
Opening balance	9,848.91	9,848.91
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	**9,848.91**	**9,848.91**
3. Share based payment Reserve		
Opening balance	137.25	36.83
Add: Esos expense during the year	76.98	100.42
Less: Transferred to share premium on issue of shares	72.53	-
Closing balance	**141.70**	**137.25**
4. Retained Earning		
Opening balance	21,828.51	22,373.36
Add: Profit for the year	5,068.31	398.99
Items of OCI directly recognised in Retained earnings	129.40	(17.75)
Less: Final dividend for 2016-17 @ ₹ 1.00 per share (Previous year final dividend year 2015-16 @ ₹ 5.00 per share)	154.55	769.44
Tax on dividend	31.46	156.64
Closing balance	**26,840.21**	**21,828.51**
	38,133.91	**32,486.02**

In respect of the year ended March 31, 2018, the directors propose that a final dividend of ₹ 6.50 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 1,222.45 lacs (including dividend distribution tax thereon of ₹ 206.75 lakhs). (See note 2.48)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.14 Borrowing at amortised cost			
Secured			
Non Current			
i. Term loan	5,806.49	10,966.50	14,271.86
Less: Current maturities of long-term debt (secured)	692.32	1,821.70	2,497.92
(See note 2.18 (a))			
	5,114.17	**9,144.80**	**11,773.94**

Note:

External Commercial Borrowing (ECB) from DBS Bank Limited of ₹ Nil (previous year ₹ 412.80 lakhs) (as at 01 April, 2016 ₹ 2,064.00 lakhs) was secured by first pari-passu charges on all the movable fixed assets located at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immoveable fixed assets sitauted at Kymore, Lakhmapur and Bhagwanpur and second pari passu charge over entire current assets. The ECB was repayable in 15 quarterly instalments of USD 800,000 each; the last instalment was due in April 2017. The rate of interest is 3 monts Libor + 2.75% per annum.

External Commercial Borrowing (ECB) from Axis Bank Limited of ₹ 3,902.65 lakhs (previous year ₹ 3,890.31 lakhs) (as at 01 April, 2016 ₹ 6,633.29 lakhs) is secured by first pari-passu charges on all the movable fixed assets situated at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immovebale fixed assets located at Kymore, Bhagwanpur and Lakhmapur and pledge of shares held in subsidary. The ECB is repayable in single instalment ;the instalment is due in September 2022. The rate of interest is 3 months Libor + 2.70% per annum(previous year 3 months Libor + 4.00% per annum).

Term Loan from HDFC Bank Limited of ₹ Nil lakhs (previous year ₹ 2,187.86 lakhs) (as at 01 April, 2016 ₹ 1,124.57 lakhs) is secured by exclusive charge over the immovable property situated at Noida. The tranche I was repayable in 20 quarterly instalments of ₹ 102.23 lakhs each; the last instalment is due in November 2018. The rate of interest is banks MCLR + 1.30% per annum. The tranche II was repayable in 54 monthly instalments of ₹ 27.78 lakhs each.The rate of interest is banks MCLR + 1.30% per annum

Working Capital Term Loan from ICICI Bank Limited of ₹ Nil (previous year ₹ 4,475.53.00 lakhs) (as at 01 April, 2016 ₹ 4,450.00 lakhs) was secured by exclusive charge over the immovable and movable property situated at Dahej. The loan was repayable in 15 quarterly instalments of ₹ 300.00 lakhs;the last instalment is due in December 2020. The rate of interest is banks base rate + 1.35% per annum.

Working Capital Term Loan from Kotak Mahindra Bank Limited of ₹ 1,903.84 lakhs (including ₹ 692.32 lakhs in current maturity) (previous year Nil) is secured by exclusive charge over the immovable and movable property situated at Dahej. The loan is repayable in 13 quarterly instalments of ₹ 173.08 lakhs;the last instalment is due in December 2020. The rate of interest is banks MCLR +0.20% per annum. For current maturites of long term borrowings see note 2.18.

The Company has financial covenants relating to the borrowing facilities that it has taken from the lenders which is maintained by the Company.

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Current			
i. Cash credit	827.75	727.43	4,681.61
ii. Buyers credit	1,750.31	1,607.82	6,568.15
iii Working capital loan	-	6,500.00	-
	2,578.06	**8,835.25**	**11,249.76**

Note:

Loans from banks are secured by a first pari-passu charge by way of hypothecation of stocks, present and future, book debts and receivables, first pari-passu charge on land and building situated at Podanur, second pari-passu charges on all movable fixed assets situated at Kymore, Podanur, Kolkata, Lakhmapur and Bhagwanpur and second pari-pasu charges on land and building situated at Kymore, Lakhmapur and Bhagwanpur.

2.15 Other non current liabilities

i. Deferred income on export benefit	-	-	140.35
	-	**-**	**140.35**

* Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and being amortised when export obligation are met by the Company.

2.16 Trade Payables

Total outstanding dues of creditors other than micro enterprises and small enterprises (See note 2.45)	15,023.01	16,063.19	16,511.31
	15,023.01	**16,063.19**	**16,511.31**

2.17 Deposits from business partners

i. Stockists' and other deposits	3,026.05	2,858.51	2,554.24
	3,026.05	**2,858.51**	**2,554.24**

(₹ In Lakhs)

	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.18	**Other financial liabilities**			
	a. Current maturities of long-term debt (secured)			
	i. Term loans from banks	692.32	1,821.70	2,497.92
	b. Interest accrued but not due on borrowings	43.05	56.52	103.54
	c. Unpaid dividends	40.86	45.32	41.99
	d. Payables for purchase of fixed assets	299.38	53.53	76.19
	e. Retention monies	485.16	552.38	532.73
	f. Foreign exchange forward contracts	7.15	48.56	190.46
		1,567.92	**2,578.01**	**3,442.83**
2.19	**Other current liabilities**			
	a. Advances from customers	5,482.86	4,967.90	4,243.23
	b. Payables in respect of statutory dues	795.41	1,100.29	1,558.95
	c. Deferred income on export benefit	-	140.35	445.43
	d. Other Payables	1,076.44	634.35	605.58
		7,354.71	**6,842.89**	**6,853.19**
2.20	**Short-term provisions**			
	a. Provision for employee benefits:			
	i. Provision for compensated absences	521.92	539.50	559.31
		521.92	**539.50**	**559.31**
2.21	**Income tax assets/ liability (net)**			
	Provision for income tax net of advance	**1,309.13**	**-**	**1,206.36**
	[Net of advance tax - ₹ 126.94 lakhs (previous year Nil) (as at 01 April, 2016 ₹ 3,145.91)]			

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.22	**Revenue from operation**		
	a. Revenue from sale of products		
	i. Revenue from building products	79,894.92	75,971.38
	ii. Revenue from traded products	1,476.55	1,768.87
	b. Revenue from contracts	44,226.45	43,413.89
	Sub total *	**125,597.92**	**121,154.14**
	c. Other operating revenues		
	i. Sale of scrap	666.52	593.78
	ii. Export incentives	256.34	512.84
	iii. Others (including other incentives)	602.94	544.99
		1,525.80	**1,651.61**
		127,123.72	**122,805.75**

*As per Ind AS 18 , the revenue is reported net of GST . However, excise duty on sale of goods is included in revenue amounting to ₹ 2,638.56 lakhs (Previous year ₹ 8,060.68 lakhs)

(₹ In Lakhs)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.23	**Other income**		
	a. Interest income on financial assets carried at amortised cost		
	i. Interest from banks on deposits	71.67	142.04
	ii Other interest	27.34	35.77
		99.01	**177.81**
	b. Interest on Income tax refund	250.11	63.76
	c. Other non-operating income		
	i. Net gain on sale of property, plant and equipment	3.61	0.02
	ii Interest Income on Deposit	5.45	4.95
	iii Liabilities / provisions no longer required written back	256.96	520.47
	iv Miscellaneous income	121.02	143.91
		387.04	**669.35**
		736.16	**910.92**
2.24	**Cost of raw materials consumed**		
	Cost of materials consumed	71,060.87	62,750.09
		71,060.87	**62,750.09**
2.25	**Purchase of traded goods**		
	Purchase of traded goods	1,779.53	1,521.30
		1,779.53	**1,521.30**
2.26	**(Increase)/decrease in Inventories of finished goods, work-in-progress and traded goods**		
	Inventories at the end of the year:		
	Finished goods	7,293.72	5,260.18
	Work-in-progress	3,166.31	3,922.76
	Stock-in -trade	1,475.76	988.80
		11,935.79	**10,171.74**
	Inventories at the beginning of the year:		
	Finished goods	5,260.18	6,047.09
	Work-in-progress	3,922.76	4,247.59
	Stock-in -trade	988.80	1,113.63
		10,171.74	**11,408.31**
		(1,764.05)	**1,236.57**
2.27	**Employee benefits expense**		
	a. Salaries and wages	9,376.90	8,647.50
	b. Contributions to provident and other funds	488.10	492.88
	c. Gratuity expense	149.77	148.29
	d. Employee stock option scheme	76.98	100.42
	e. Staff welfare expenses	634.42	588.28
		10,726.17	**9,977.37**

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.28 Finance costs		
a. Interest expense on borrowings	1,072.04	1,811.51
b. Other borrowing costs	187.14	271.29
	1,259.18	**2,082.80**
2.29 Other expenses		
a. Consumption of stores and spare parts	3,840.37	3,556.15
b. Consumption of packing materials	999.61	923.72
c. Power and fuel	3,506.26	3,139.08
d. Repairs and maintenance		
- Building	266.71	231.94
- Machinery	651.20	665.19
- Others	359.12	365.90
e. Rent (see note 2.39)	465.46	440.60
f. Rates and taxes	622.72	733.38
g. Insurance	281.76	263.67
h Travelling	1,579.63	1,617.64
i. Advertisement and sales promotion expenses	2,026.91	2,379.13
j. Cost for erection of buildings	1,342.34	4,280.66
k. Net loss on foreign currency transactions and translation	283.22	255.36
l. Outward freight charges on finished goods	9,469.82	8,143.35
m. Professional and consultancy expenses (see note 2.31)	1,168.56	1,645.12
n. Contract labour	3,197.36	2,907.51
o. Research and development expenses (see note 2.48)	85.17	130.39
p. Provision for doubtful trade and other receivables (net)	357.25	731.19
q. Doubtful trade and other receivables written off	587.01	70.25
r. Expenditure on corporate social responsibility (see note 2.49)	67.94	97.75
s. Miscellaneous expenses	2,370.23	2,432.20
	33,528.65	**35,010.18**
2.30 Income Tax expenses		
A. Tax Expenses recognized in Profit or Loss		
Current Tax		
Current Income Tax Charge	1,377.98	100.94
Deferred Tax		
Origination & Reversal of temporary difference	(334.93)	31.95
Income Tax Expenses	**1,043.05**	**132.89**
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurement on Post-employment Defined Benefit Plans	68.49	(9.40)

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before income tax expense	6,111.36	531.88
Enacted statutory income tax rate in India applicable to the Company	34.608%	34.608%
Computed expected income tax expense	2,115.02	184.07
Adjustments:		
Adjustment effect of deduction under section 80IC of Income tax Act	(334.99)	(46.51)
Effect of MAT credit entitlement of earlier years recognised in the current year	(758.96)	-
Additional deduction on research cost under section 35(2AB) of Income Tax Act	(14.26)	(38.22)
Effect of deduction under Section 80G of Income Tax Act, 1961	11.77	21.23
Others	24.47	12.32
Current tax expenses recognised in statement of Profit and Loss	**1,043.05**	**132.89**

2.31 Contingent liabilities and commitments

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Contingent liabilities			
Claims against the Company not acknowledged as liabilities in respect of:			
Particulars			
i. Sales tax matters	2,131.96	2,013.69	2,101.03
ii. Excise and service tax matters	3,242.49	3,276.54	3,179.97
iii. Income tax matters	642.24	2,001.24	2,528.18
Total	**6,016.69**	**7,291.47**	**7,809.18**
iv. Advance paid/adjusted by authorities against above	868.67	2,100.89	1,383.72

The Company had received show cause notice from VAT authorities in previous year which was then responded. As per management assessment the Company has a good case in these matters.

b. Commitments

i. Estimated amount of contracts to be executed on capital account – ₹ 250.86 lakhs (net of advances – ₹ 97.36 lakhs), [previous year – ₹ 74.27 lakhs (net of advances ₹ 42.93 lakhs) (as at 1 April, 2016 - ₹ 134.48 lakhs (net of advances ₹ 234.78 lakhs)].

ii. The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.

iii. The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foresseeable losses.

2.32 Professional and consultancy expenses include auditors remuneration (excluding taxes) as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. To statutory auditors		
i. Audit fee	35.00	35.00
ii. Limited Review	15.00	15.00
iii. For other services	15.00	-
iv. Reimbursement of expenses	8.68	4.90
	73.68	**54.90**

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.32 Professional and consultancy expenses include auditors remuneration (excluding taxes) as follows:		
b. To cost auditor		
i. Cost audit fee	4.80	4.80
ii. Reimbursement of expenses	0.63	0.63
	5.43	**5.43**
2.33 Construction Contracts (see note 1.3(vii))		
Disclosures pursuant to Ind AS 11 "Construction Contracts" as below		
Contract revenue recognised during the year	44,226.45	43,413.89
Aggregate of contract costs incurred and recognised profits (less recognised losses) in respect of contracts in progress up to the year end	31,824.33	33,112.27
Advances received for contracts in progress	2,292.14	3,153.16
Retentions money for contracts in progress	-	-

2.34 Foreign Exchange Disclosure

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Outstanding forward exchange contracts as on 31 March, 2018:				
Receivables	USD	29.58	7.50	-
	INR	1,975.81	514.78	-
Payables	USD	26.91	76.67	76.13
	INR	1,758.14	5,055.02	5,287.37
ECB Loan	USD	-	8.00	40.00
	INR	-	412.80	2,064.00
Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:				
Receivables	USD	-	4.86	15.73
	INR	-	315.05	1,043.42
Receivables	EURO	-	0.19	-
	INR	-	13.45	-
Payables	USD	20.90	8.24	38.37
	INR	1,359.40	534.34	2,545.12
ECB Loan	USD	60.00	60.00	100.00
	INR	3,902.64	3,890.32	6,633.29

See note 2.54 for sensitivity analysis

2.35 Employee Benefit

a. Defined contribution plan

The company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company recognised ₹ 76.14 lakhs (previous year ₹ 81.18 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

I. Gratuity Fund

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2018:

i. Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Defined Benefit Obligation		1,767.61	1,833.85	1,696.07
Fair Value of Plan Assets		2,000.74	1,848.35	1,727.91
Funded Status (Surplus/(Deficit)	**Total**	**233.13**	**14.50**	**31.84**

ii. Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost		168.29	156.81
Net Interest expenses		(18.52)	(8.52)
Amount recognised in Statement of Profit and Loss	**Total**	**149.77**	**148.29**

iii. Amount recognised in Other Comprehensive Income

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gain)/loss due to DBO experience		(76.58)	(106.07)
Actuarial (gain)/loss due to DBO assumption changes		(100.48)	110.92
Return on plan assets (greater)/less than discount rate		(20.82)	22.30
Actuarial (gains)/ losses recognized in OCI	**Total**	**(197.88)**	**27.15**

iv. Changes in the present value of the defined benefit obligation are, as follows

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of defined benefit obligations as on 01 April 2017		1,833.85	1,696.07	1,592.36
Current service cost		168.29	156.81	150.25
Interest cost		124.16	126.43	119.20
Benefits paid		(170.18)	(150.31)	(128.27)
Actuarial (gain)/loss on obligations		(188.51)	4.85	(37.47)
Present value of defined benefit obligations as on 31 March 2018	**Total**	**1,767.61**	**1,833.85**	**1,696.07**

v. Changes in the fair value of plan assets are, as follows:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fair value of plan assets at the beginning of the year		1,848.35	1,727.91	1400.21
Interest Income on plan assets		131.24	138.41	123.82
Employer contribution		3.02	4.33	200
Return on plan assets greater/(lesser) than discount rate		20.82	(22.30)	(2.33)
Benefits paid		(2.69)	-	6.21
Fair value of plan assets at the end of the year	**Total**	**2,000.74**	**1,848.35**	**1,727.91**

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

Gratuity	As at 31 March 2017	As at 1 April 2016
Investment details	**Funded**	**Funded**
With Government of India securities	64.58%	56.79%
With Debt instruments	25.47%	30.07%
With Equity shares	6.88%	8.01%
Other deposits	3.07%	5.13%
Total	**100.00%**	**100.00%**

The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets as at 31 March, 2018 has not been provided by the Life Insurance Corporation of India.

vii. Principal actuarial assumptions used in determining gratuity obligations:

Assumptions	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.20%	7.10%	7.80%
Salary escalation	8.00%	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)		
Withdrawal rate	15.00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%

viii. A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount Rate		
Effect on DBO due to 0.5% increase in Discount Rate	(33.28)	(80.43)
Effect on DBO due to 0.5% decrease in Discount Rate	34.66	86.97
Salary Escalation Rate		
Effect on DBO due to 0.5% increase in Salary Escalation Rate	34.34	85.83
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(33.29)	(80.16)

ix. The following payments are expected contributions to the defined benefit plan in future years:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
31-Mar-18	-	117.78
31-Mar-19	330.85	126.99
31-Mar-20	332.81	140.30
31-Mar-21	307.74	159.34
31-Mar-22	294.47	148.27
March 31, 2023 to March 31, 2027	1,457.04	1,143.14

II. Provident Fund

The Company's contribution towards provident fund is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Company is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The following tables set out the funded status of provident fund in the Company's financial statements as at 31 March, 2018:

i. Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Defined Benefit Obligation		7,710.05	7,243.84	6,746.67
Fair Value of Plan Assets		7,958.98	7,411.34	6,902.81
Funded Status (Surplus/(Deficit)	**Total**	**248.93**	**167.50**	**156.14**

ii. Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost		11.72	12.03
Net Interest expenses		7.86	7.78
Immediate recognition of (gain)/losses- other long term employee benefit plan		(101.01)	(31.17)
Other adjustments		81.43	11.36
Amount recognised in Statement of Profit and Loss	**Total**	-	-

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

iii. Amount recognised in Other Comprehensive Income

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gain)/loss due to DBO experience		(12.60)	(14.77)
Actuarial (gain)/loss due to DBO assumption changes		(60.61)	5.86
Actuarial (gain)/loss arising during period		(73.21)	(8.91)
Return on plan assets (greater)/less than discount rate		(27.80)	(22.26)
Actuarial (gains)/ losses recognized in OCI	**Total**	-	-

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

iv. Changes in the present value of the defined benefit obligation are as follows

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of defined benefit obligations as on 01 April 2017		7,243.84	6,746.67	6,190.94
Current service cost		251.70	380.12	243.27
Interest cost		615.00	565.91	505.10
Employee contribution		515.35	699.94	537.40
Benefits paid		(841.63)	(814.98)	(719.90)
Actuarial (gain)/loss on obligations		(73.21)	(333.82)	(10.14)
Present value of defined benefit obligations as on 31 March 2018	**Total**	**7,711.05**	**7,243.84**	**6,746.67**

v. Changes in the fair value of plan assets are as follows:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fair value of plan assets at the beginning of the year		7,411.34	6,902.81	6,288.52
Interest Income on plan assets		607.14	558.13	498.60
Employer contribution		755.33	1,068.03	770.17
Return on plan assets greater/(lesser) than discount rate		27.80	(302.65)	65.42
Benefits paid		(842.63)	(814.98)	(719.9)
Fair value of plan assets at the end of the year	**Total**	**7,958.98**	**7,411.34**	**6,902.81**

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

Investment details		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
		Funded	Funded	Funded
Government of India securities		37.91%	24.43%	29.20%
PSU		19.13%	40.51%	42.28%
Private sector bond		20.01%	12.12%	8.91%
Special deposit scheme		17.97%	18.57%	19.61%
Mutual Fund		4.98%	4.37%	
	Total	**100.00%**	**100.00%**	**100.00%**

vi. Principal actuarial assumptions used in determining provident fund obligations:

Assumptions	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Rate (%)	Rate (%)	Rate (%)
Discount rate	7.20%	7.10%	7.80%
Rate of return on EPFO	8.55%	8.60%	8.75%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)		
Withdrawal rate	15.00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%

2.36 Related Party Disclosures

a. List of related parties

i. Enterprise exercising significant influence

Falak Investment Private Limited

ii. Subsidiary companies

Everest Building Products, Mauritius

Everest Building Solutions Limited

Everestind FZE, United Arab Emirates(UAE) – subsidiary of Everest Building Products, Mauritius

Everest Building Products LLC , United Arab Emirates (UAE)* – subsidiary of Everest Building Products, Mauritius

iii. Key management personnel/Whole time director

Mr. Aditya Vikram Somani, Chairman

Mr. Manish Sanghi, Managing Director

Mr. Y. Srinivasa Rao, Executive Director

Mr. Neeraj Kohli, Company Secretary

Mr. Nikhil Dujari, Chief Financial Officer (with effect from 2 December, 2016)

Mr. Rakesh Kumar Gupta, Chief Financial Officer (till 1 December, 2016)

* Has not commenced commercial operations and deregistered w.e.f 27 November 2017

b. Transactions with related parties during the year:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
i. Dividend paid to enterprise exercising significant influence		
Falak Investment Private Limited	73.83	369.17
ii. Proceeds from reduction in share capital in subsidiary		
Everest Building Products, Mauritius	(1,522.06)	-
iii Remuneration to key management personnel/ whole time director		
Mr. Aditya Vikram Somani	243.00	178.67
Mr. Manish Sanghi	218.03	186.68
Mr. Y. Srinivasa Rao	167.51	140.97
Mr. Neeraj Kohli	20.50	17.22
Mr. Nikhil Dujari	65.12	20.10
Mr. Rakesh Kumar Gupta	-	49.15
iv. Dividend paid to key management personnel		
Mr. Aditya Vikram Somani	0.01	0.02
Mr. Manish Sanghi	0.76	3.07
Mr. Y. Srinivasa Rao	0.11	0.37
Mr. Rakesh Kumar Gupta	-	0.31
v. Revenue from sale of products to		
Everestind FZE	1,538.93	967.98
v. Paid for purchase of assets		
Everest Building Products LLC	1,578.43	-
v. Paid to Trapucans Pvt. Ltd		
Rent and rembrusement of power	15.89	-
Security deposit	9.00	-

c. Balances outstanding with related parties at the year end:

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
i. Share capital from enterprise exercising significant influence		
Falak Investment Private Limited	738.35	738.35
ii. Investment in equity of subsidiary Company (net of provision for impairment)		
Everest Building Products	36.67	1,745.94
Everest Building Solutions Limited	5.00	5.00

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
iii. Commission due to Key management personnel		
Mr. Aditya Vikram Somani	45.00	-
iv. Performance incentive due to key management personnel		
Mr. Manish Sanghi	12.00	-
Mr. Y. Srinivasa Rao	10.00	-
v. Trade receivables		
Everestind FZE	230.38	289.53

2.37 Segment Information

a. Business segments:

The company has determined following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM).Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories. Steel buildings consist of manufacture and erection of pre – engineered and smart steel buildings and its accessories.

b. Geographical segments:

Since the Company's activities/operations are primarily within the country and as such there is only one geographical segment.

c. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. Segment revenue and expenses:

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Company's financial statements.

Information about business segments:

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	Year Ended 31 March 2018	Year Ended 31 March 2017	Year Ended 31 March 2018	Year Ended 31 March 2017	Year Ended 31 March 2018	Year Ended 31 March 2017
1. Segment Revenue						
External revenue	81,371.47	77,740.25	44,226.45	43,413.89	125,597.92	121,154.13
Other operating income	753.58	1,233.36	772.22	418.25	1,525.80	1,651.61
Total Revenue	**82,125.05**	**78,973.61**	**44,998.67**	**43,832.14**	**127,123.72**	**122,805.74**
2. Segment Results	10,333.57	5,449.18	723.99	(200.43)	11,057.56	5,248.75
Unallocated expenses (net of income)					3,687.02	2,634.07
Operating Profit	10,333.57	5,449.18	723.99	(200.43)	7,370.54	2,614.68
Finance costs					1,259.18	2,082.80
Profit before tax					6,111.36	531.88
Tax expense					1,043.05	132.89
Net Profit					5,068.31	398.99

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
3. Other Information						
a. Assets						
Segment assets	49,522.29	46,613.67	19,369.21	24,921.02	68,891.50	71,534.69
Unallocated assets					10,173.94	12,496.19
Total Assets	**49,522.29**	**46,613.67**	**19,369.21**	**24,921.02**	**79,065.45**	**84,030.88**
b. Liabilities						
Segment liabilities	12,696.63	15,256.88	10,254.46	9,303.88	22,951.10	24,560.76
Unallocated liabilities					16,417.82	25,441.81
Total Liabilities	**12,696.63**	**15,256.88**	**10,254.46**	**9,303.88**	**39,368.92**	**50,002.57**

Particulars	Building products		Steel buildings		Total	
	Year Ended 31 March 2018	Year Ended 31 March 2017	Year Ended 31 March 2018	Year Ended 31 March 2017	Year Ended 31 March 2018	Year Ended 31 March 2017
c. Others						
Capital expenditure	3,112.77	911.48	155.83	141.03	3,268.60	1,052.51
Depreciation	1,298.35	1,353.26	762.30	756.96	2,060.65	2,110.22
Non – cash expenses other than depreciation (includes impairment of trade receivables and other receivables)	94.69	212.00	262.56	519.19	357.25	731.19

2.38 Deferred Taxation

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Deferred tax assets				
Tax impact of:				
i. Expenditure covered by Section 43B of the Income-tax Act, 1961		225.22	238.74	221.65
ii. Impairment of trade receivables		571.71	520.63	318.37
iii. Foreign exchange loss		-	20.77	-
iv. MAT credit entitlement		420.00	-	-
Total deferred tax assets	**Total**	**1,216.93**	**780.14**	**540.02**
b. Deferred tax liabilities				
Tax impact of:				
i. Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements		3,785.45	3,615.11	3,529.48
ii. Effect of measuring financial instruments at fair value		-	-	10.45
iii. Others		305.43	305.45	117.94
Total deferred tax liability	**Total**	**4,090.88**	**3,920.56**	**3,657.87**
Net deferred tax liability	**Total**	**2,873.95**	**3,140.42**	**3,117.85**

2.39 Lease Commitments

Operating lease

The Company has taken properties on cancellable operating leases and has recognised rent of ₹ 465.46 lakhs (previous year ₹ 440.60 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.40 Earnings per Share

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. Number of equity shares of ₹ 10 each fully paid up at the beginning of the year	15,422,910	15,388,850
b. Number of equity shares of ₹ 10 each fully paid up at the year end	15,626,160	15,422,910
c. Weighted average number of equity shares used in computing earnings per share	15,496,289	15,394,449
d. Weighted average number of options granted	106,475	349,390
e. Weighted average number of options post adjustment for number of options granted	106,475	349,390
f. Net profit for the year – (₹ / lakhs)	5,197.71	381.24
g. Basic earnings per share (Rupees)	33.54	2.48
h. Diluted earnings per share (Rupees)	33.54	2.48
i. Nominal value of equity shares (Rupees)	10.00	10.00

2.41 Cost of Materials Consumed

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Opening stock		11,727.39	12,009.12
Add: Purchases		70,502.30	62,468.36
		82,229.69	74,477.48
Less: Closing stock		11,168.82	11,727.39
Cost of materials consumed*	**Total**	**71,060.87**	**62,750.09**
Materials consumed comprises:*			
Raw fibre		19,547.39	18,692.52
Cement		12,174.36	10,811.88
Steel		26,738.10	21,621.15
Other items		12,601.02	11,624.54
	Total	**71,060.87**	**62,750.09**

* excludes research and development expenses of ₹ 23.63 lakhs (previous year ₹ 24.37 lakhs).

2.42 Purchases of stock-in-trade

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Roofing accessories		1,036.69	1,083.94
Other items		742.84	437.36
	Total	**1,779.53**	**1,521.30**

2.43 Details of finished goods, work in progress and stock-in-trade

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a.	Work in progress			
i.	Building products	2,940.19	3,635.50	4,029.24
ii.	Steel buildings	226.12	287.26	218.35
	Total	**3,166.31**	**3,922.76**	**4,247.59**
b.	Finished goods			
i.	Building products	6,474.50	4,357.39	5,069.43
ii.	Steel buildings	819.22	902.79	977.66
	Total	**7,293.72**	**5,260.18**	**6,047.09**
c.	Stock-in-Trade			
i.	Roofing accessories	802.98	669.34	707.47
ii.	Other items	672.78	319.46	406.16
	Total	**1,475.76**	**988.80**	**1,113.63**

2.44 Details of revenue from sale of products

(₹ In Lakhs)

Particulars			For the year ended 31 March 2018	For the year ended 31 March 2017
a.	Manufactured goods			
	Building products		79,894.92	75,971.38
	Sale of manufactured goods		**79,894.92**	**75,971.38**
b.	Traded Goods			
i.	Roofing accessories		975.69	1,218.53
ii.	Other items		500.86	550.34
	Sale of traded goods		**1,476.55**	**1,768.87**
	Total sale of products	**Total**	**81,371.47**	**77,740.25**

2.45 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Principal amount due to micro and small enterprises	-	-	-
Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
According to the records available with the Company, dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is ₹ Nil (previous year `₹ Nil). Further no interest has been paid or was payable to such parties under the said Act during the year.			

2.46 Expenditure on Research and development

(₹ In Lakhs)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a.	**Capital nature***		
	Gross block	110.01	109.80
	Accumulated depreciation	**79.42**	**74.58**
	Net block	30.59	35.22
	Additions during the year	0.21	-
b.	**Revenue nature**		
i.	Cost of materials consumed	23.63	24.37
ii.	Consumption of stores and spare parts	7.91	6.66
iii.	Employee benefits expense		
	-Salaries and wages	37.51	52.03
	-Contributions to provident and other funds	2.10	2.57
iv	Miscellaneous expenses	14.02	44.76
		85.17	**130.39**
v	Depreciation	4.84	7.38
	Total	**90.01**	**137.77**
	***details of fixed assets utilised for research and development.**		

2.47 The details relating to corporate social responsibility (CSR) expenditure are as follows :

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Gross amount required to be spent by the Company during the year	71.40	75.01
Amount spent during the year (See Note below)	67.94	97.75
i. Construction/ acquisition of assets	-	-
ii. On purposes other than (i) above	67.94	97.75

2.48 Distribution made and proposed:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash dividend on Equity shares declared and paid:		
Final dividend for the year ended on 31 March 2017: ₹ 1.00 Per share	154.55	766.11
(31 March 2016: ₹ 5.00 Per share)		
Dividend distribution tax on final dividend	31.46	156.64
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2018: ₹ 6.50 per share	1,015.70	154.23
(31 March 2017: ₹ 1.00 per share)	206.75	31.39
Dividend Distribution Tax on proposed dividend		

2.49 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder 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, except in case of interim dividend. 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.

2.50 Number of shares held by each shareholder holding more than 5% shares

(₹ In Lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	(No. of shares)	%	(No. of shares)	%	(No. of shares)	%
a. Falak Investment Private Limited	7,383,470	47.25	7,383,470	47.87	7,383,470	47.98
b. HDFC Trustee Company Limited	-	-	902,542	5.85	-	-
c. ICICI Lombard General Insurance Company Limited	790,981	5.06	805,000	5.22	-	-

2.51 Employee Stock Option Scheme

The Company has granted 1,60,000 options (previous year nil options) to the employees during the year ended 31 March, 2018.The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

Particulars	ESOS 2011	ESOS 2012	ESOS 2014	ESOS 2015	ESOS 2017
Year in which scheme was established	2011-12	2012-13	2014-15	2015-16	2017-18
Number of options authorised and granted	1,50,720	1,60,945	1,40,000	1,70,000	1,60,000
Exercise price	₹ 126	₹ 268	₹ 336	₹ 262	₹ 571
Fair value	₹ 48.69	₹ 95.59	₹ 151.01	₹ 100.11	₹ 288.37
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four year after vesting date				
Option activity during the year under the plans is set out below:					
i. Opening balance	-	95,980	116,310	137,100	-
	(44,765)	*(1,03,385)*	*(1,29,965)*	*(1,70,000)*	-
ii. Granted during the year	-	-	-	-	160,000
	-	-	-	-	-
iii. Vested during the year	-	-	-	-	-
	-	-	-	-	-
iv. Exercised during the year	-	73,205	57,610	72,435	-
	(34,060)	-	-	-	-
v. Forfeited during the year	-	8,735	9,180	7,710	-
	-	*(7,405)*	*(13,655)*	*(32,900)*	-
vi. Expired during the year	-	14,040	-	-	-
	(10,705)	-	-	-	-

(₹ In Lakhs)

Particulars	ESOS 2011	ESOS 2012	ESOS 2014	ESOS 2015	ESOS 2017
vii. Outstanding at the year end	-	-	49,520	56,955	160,000
	-	*(95,980)*	*(116,310)*	*(137,100)*	-
viii. Options exercisable at the year end	-	-	49,520	56,955	-
	-	*(95,980)*	*(116,310)*	*(137,100)*	-
ix. Remaining contractual life (years) at the year end	-	-	1.81	2.80	4.82
	-	*0.81*	*2.81*	*3.80*	-
Previous year figures are in italics & brackets.					

The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, an expected dividend yield of 18.00% (previous year 2.00%) on the underlying equity shares, volatility in the share price of 47.51% (previous year 42.16%) and a risk free rate of interest of 7.26% (previous year 7.88%). The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

2.52 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ In Lakhs)

Particulars	Carrying value		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Assets			
Measured at cost			
Investment in Subsidiaries*	41.67	1,750.94	1,750.94
Financial Assets			
Measured at amortised cost			
- Security Deposits**	656.73	721.82	732.01
- Government subsidy receivables	884.74	1435.99	1,138.96
- Balances held as margin money (deposit accounts)	518.61	496.19	633.84
- Interest accrued on deposits	18.13	72.65	77.50
- Insurance claim receivable	11.47	278.61	9.11
- Advance recoverable in cash or kind	139.53	1,669.56	-
Trade receivable*	6,605.10	9,894.69	10,727.05
Cash & cash equivalents*	1,927.81	1,053.95	4,859.42
Other bank balances*	40.86	45.32	41.99
Total	**10,844.64**	**17,419.73**	**19,970.82**
Financial Liabilities			
Measured at fair value			
- Foreign exchange forward contracts	7.15	48.56	190.46
Measured at amortised cost			
Term Loan	8,384.55	19,801.75	25,521.62
Trade Payable*	15,023.01	16,063.19	16,511.31

(₹ In Lakhs)

Particulars	Carrying value		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other Financial Liabilities			
- Interest accrued on borrowings	43.05	56.52	103.54
- Unpaid dividend*	40.86	45.32	41.99
- Payable for capital goods*	299.38	53.53	76.19
- Retention monies	485.16	552.38	532.73
- Stockists' and other deposits *	3,026.05	2,858.51	2,554.24
Total	**27,309.21**	**39,479.77**	**45,532.08**

* The management assessed that carrying values approximates their fair value largely due to the short-term maturities of these instruments, hence the same has not been disclosed.
** The management assessed that Carrying Values approximate their fair value due to amortised cost being calculated based on the effective Interest rates, hence the same has not been disclosed.

2.53 Fair value hierarchy

The fair value of financial instruments as refered to in note 2.51 above have been classified into three categories depending upon the input used in the valuation technique.

The categories used are as follows :

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2018:

(₹ In Lakhs)

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	7.15	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017:

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	48.56	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 1 April 2016:

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	190.46	-

2.54 Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company take appropriate steps in order to maintain its capital structure. The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

The capital gearing ratio as on 31 March 2018, 31 March 2017 and 1 April 2016 was 13.99%, 35.52% and 37.50% respectively.

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non Current Borrowing	5,114.17	9,144.80	11,773.94
Current Borrowing	2,578.06	8,835.25	11,249.76
Other Financial Liabilities (Long term debt)	692.32	1,821.70	2,497.92
Cash & Cash Equivalent	(1,927.81)	(1,053.95)	(4,859.42)
Net Debt **Total**	**6,456.74**	**18,747.80**	**20,662.20**
Total Capital	39,696.53	34,028.31	34,429.83
Capital & Net Debt **Total**	**46,153.26**	**52,776.12**	**55,092.03**
Gearing Ratio	**13.99%**	**35.52%**	**37.50%**

2.55 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of: currency risk and interest rate risk.

The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Company regularly evaluates exchange rate exposure arising from the foreign currency transaction.

The Company uses forward contracts and derivative instruments to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Company negotiates the terms of those contracts to match the terms of the hedged exposure. The Company's exposure to unhedged foreign currency risk as at March 31, 2018 and March 31, 2017 has been disclosed in note 2.34.

For the year ended March 31, 2018, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 263.10 Lakhs/ ₹ (263.10) Lakhs respectively.

For the year ended March 31, 2017, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 204.81 Lakhs/ ₹ (204.81) Lakhs respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company has ₹ 3,902.65 lakhs (previous year ₹ 3,890.31 lakhs) of term loan carrying a floating interest rate of LIBOR plus 270 bps to LIBOR plus 400 bps and ₹ 1903.84 lakhs (previous year ₹ Nil) of term loans carrying a floating interest rate of MCLR plus 20bps to MCLR minus 20 bps, respectively. These loans expose the Company to risk of changes in interest rates. The remaining loans carry a fixed rate of Interest.

For details of the Company's short-term and long-term loans and borrowings, including interest rate profiles, refer to note 2.14 of these financial statements.

For the years ended 31 March 2018 and 31 March 2017, every 1% increase or decrease in the floating interest rate component (i.e., LIBOR and MCLR) applicable to its loans and borrowings would affect the Company's net profit by approximately ₹ 13.07 lakhs and ₹ 3.43 lakhs, respectively.

The Company's investments in term deposits with banks are for short durations, and therefore do not expose the Company to significant interest rates risk. To optimise the interest cost the company balances the borrowings from commercial paper, working capital loan and non-fund facilities from banks.

Interest rate sensitivity have been calculated assuming the borrowing outstanding at the reporting date have been outstanding for the entire reporting period.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits) and from foreign exchange transactions.

Trade receivables

To manage the credit risk the company periodically assesses the financial reliability of customers taking into account the financial condition and ageing of accounts receivable.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note .

Reconciliation of the allowances for credit losses :

The details of changes in allowances for credit losses for the year ended 31 March 2018, 31 March 2017 and 31 March 2016 are as follows:

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance as at 1 April (adjusted to opening balance of other equity)	594.31	584.00	584.00
Provision/ (reversal) made during the year	(5.31)	10.31	
Closing provision as on 31st March'18 (not routed through statement of profit and loss)	**589.00**	**594.31**	**584.00**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at 31 March 2018 and 31 March 2017, the Company had unutilised limits from banks of ₹ 16,172.25 lakhs and ₹ 11,772.57 lakhs respectively.

2.56 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with previous GAAP.

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

I. Exemptions applied

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

a. Property Plant & Equipment

As permitted by IND AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant & equipment. The same selection has been made in respect of Intangibles Assets.

The Company has purchased fixed assets under the 'Export Promotion Capital Goods Schemes'. The same has been considered as Government grants relating to assets and is presented in the financial statements by setting up the grant as deferred income and this has been recognised in profit or loss on a systematic basis over the useful life of the asset.

b. Share-based Payment

Ind AS 102, Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1 April 2016.

c. Investments in Subsidiaries

Ind AS 101 permits a First-time adopter to elect to measure its investments in subsidiaries at fair value of such investments at the Company's date of transition to Ind AS or Previous GAAP carrying amount at that date and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure its investments in Everest Building Products, Mauritius at its fair value as at 1st April, 2016 and its investments in Everest Building Solutions Limited at its Previous GAAP carrying value as at 1st April, 2016.

II. Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies).

2.57 Reconciliation of equity as at April 01, 2016

(₹ In Lakhs)

	Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
A.	**Assets**				
1.	**Non-current assets**				
	Property, plant and equipment	a	34,720.53	826.40	35,546.93
	Capital work in progress		182.44	-	182.44
	Intangible Assets		249.24	-	249.24
	Financial assets				
	(i) Investment	b	2,786.63	(1,035.69)	1,750.94
	(ii) Other financial assets	c	1,997.82	(131.39)	1,866.43
	Income tax assets (net)		4,297.67	-	4,297.67
	Other Non current assets	c	253.30	20.78	274.08
	Total - Non-current assets		**44,487.63**	**(319.90)**	**44,167.73**
2.	**Current assets**				
	Inventories		25,252.69	-	25,252.69
	Financial assets				
	i. Trade receivables	d	11,311.05	(584.00)	10,727.05
	ii. Cash and cash equivalent		4,859.42	-	4,859.42
	iii. Bank balances other than ii. above		41.99	-	41.99
	iv. Other financial assets	c	625.10	99.89	724.99

(₹ In Lakhs)

Particulars		Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
	Other current assets		6,060.73	4.37	6,065.10
	Total - Current assets		**48,150.98**	**(479.74)**	**47,671.24**
	Total assets		**92,638.61**	**(799.64)**	**91,838.97**
B.	**Equity and liabilities**				
1.	**Equity**				
	Equity Share Capital		1,538.89	-	1,538.89
	Other Equity		33,205.54	(314.60)	32,890.94
	Total equity		**34,744.43**	**(314.60)**	**34,429.83**
2.	**Non-current liabilities**				
	Financial Liabilities				
	(i) Borrowings	g	11,823.94	(50.00)	11,773.94
	Deferred tax liabilities (net)		3,226.35	(108.50)	3,117.85
	Other non current liabilities	a	-	140.35	140.35
	Total - Non-current liabilities		**15,050.29**	**(18.15)**	**15,032.14**
3.	**Current liabilities**				
	Financial Liabilities				
	(i) Borrowings		11,249.76	-	11,249.76
	(ii) Trade payables	h	16,688.02	(176.71)	16,511.31
	(iii) Deposits from business partners		2,554.24	-	2,554.24
	(iv) Other financial liabilities	h	3,252.37	190.46	3,442.83
	Provisions for retirement benefits	f	1,485.39	(926.08)	559.31
	Provision for income tax (net)		1,206.36	-	1,206.36
	Other current liabilities	a	6,407.75	445.44	6,853.19
	Total - Current liabilities		**42,843.89**	**(466.89)**	**42,377.00**
	Total Equity And Liabilities		**92,638.61**	**(799.64)**	**91,838.97**

2.58 Reconciliation of Equity as at March 31, 2017

(₹ In Lakhs)

Particulars		Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
A.	**Assets**				
1.	**Non-current assets**				
	Property, plant and equipment	a	33,591.42	768.96	34,360.38
	Capital work in progress		469.91	-	469.91
	Intangible Assets		78.97	-	78.97
	Financial assets				
	(i) Investment	b	2,786.63	(1,035.69)	1,750.94
	(ii) Other financial assets	c	1,296.20	(74.35)	1,221.85
	Income tax assets (net)		3,674.19	-	3,674.19

(₹ In Lakhs)

	Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
	Other Non current assets	c	242.92	18.25	261.17
	Total - Non-current assets		**42,140.24**	**(322.83)**	**41,817.41**
2.	**Current assets**				
	Inventories		23,457.12	-	23,457.12
	Financial assets				
	(i) Trade receivables	d	10,489.00	(594.31)	9,894.69
	(ii) Cash and cash equivalent		1,053.95	-	1,053.95
	(iii) Bank balances other than (ii) above		45.32	-	45.32
	(iv) Other financial assets	c	3,408.14	44.84	3,452.98
	Other current assets	c	4,304.44	4.97	4,309.41
	Total - Current assets		**42,757.97**	**(544.50)**	**42,213.47**
	Total assets		**84,898.21**	**(867.33)**	**84,030.88**
B.	**Equity and liabilities**				
1.	**Equity**				
	Equity Share Capital		1,542.29	-	1,542.29
	Other Equity	f	33,491.09	(1,005.07)	32,486.02
	Total equity		**35,033.38**	**(1,005.07)**	**34,028.31**
2.	**Non-current liabilities**				
	Financial Liabilities				
	(i) Borrowings	g	9,169.27	(24.47)	9,144.80
	Deferred tax liabilities (net)		3,124.21	16.21	3,140.42
	Total - Non-current liabilities		**12,293.48**	**(8.26)**	**12,285.22**
3.	**Current liabilities**				
	Financial Liabilities				
	(i) Borrowings		8,835.25	-	8,835.25
	(ii) Trade payables	h	16,106.10	(42.91)	16,063.19
	(iii) Deposits from business partners		2,858.51		2,858.51
	(iv) Other financial liabilities	h	2,529.45	48.56	2,578.01
	Provisions for retirement benefits		539.50	-	539.50
	Other current liabilities	a	6,702.54	140.35	6,842.89
	Total - Current liabilities		**37,571.35**	**146.00**	**37,717.35**
	Total Equity And Liabilities		**84,898.21**	**(867.33)**	**84,030.88**

2.59 Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit and Loss
Income				
Revenue from operations	i	123,598.32	(792.57)	122,805.75
Less: Excise Duty	j	8,060.68	(8,060.68)	
Revenue from operations (Net)		115,537.64	7,268.11	122,805.75
Other income		905.97	4.95	910.92
Total Income		**116443.61**	**7273.06**	**123716.67**
Expenses				
Cost of raw material and components consumed		62,750.09	-	62,750.09
Purchase of traded goods		1,521.30	-	1,521.30
Change in inventories of finished goods, work-in-progress and traded goods		1,236.57	-	1,236.57
Excise duty on sale of goods	j	-	8,060.68	8,060.68
Employee benefits expense	e, k	9,903.61	73.76	9,977.37
Depreciation and amortization expense	a	2,488.36	57.44	2,545.80
Finance costs	g	2,057.27	25.53	2,082.80
Other expenses	i	36,241.57	(1,231.39)	35,010.18
Total Expenses		**116,198.77**	**6,986.02**	**123,184.79**
Profit/(Loss) Before Tax		**244.84**	**287.04**	**531.88**
Tax Expenses				
(a) Current tax		100.94	-	100.94
(b) Adjustment of tax relating to earlier periods		-	-	-
(c) Deferred tax		(102.14)	134.09	31.95
Total Tax Expenses		**(1.20)**	**134.09**	**132.89**
Profit for the period		**246.04**	**152.95**	**398.99**
Other Comprehensive Income				
Items that will not be reclassified subsequently to the statement profit or loss				
(a) Re-measurement gains/(losses) on defined				
benefit plans	k	-	(27.15)	(27.15)
(b) Income tax effect	k	-	9.40	9.40
Net other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax		**-**	**(17.75)**	**(17.75)**
Total Comprehensive Income For The Year		**246.04**	**135.20**	**381.24**

2.60 Adjustment to Statement of Cash flows

There were no material differences between the statement of Cash Flows presented under Ind AS and the Previous GAAP.

2.61 Notes to the Reconciliations

a. Property, plant & equipment

Under previous GAAP government grant in the form of EPCG licenses was netted off with property, plant & equipment. However under Ind AS Company opt to recognize EPCG licenses as a increase in the cost of property, plant & equipment and treated the same as a deferred income. Deferred income is recognized as income on fulfilment of export obligation. Depreciation on such property, plant and equipment is charged as per the requirement of schedule II.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Asset			
Property, plant & equipment	826.40	768.96	-
Liability			
Deferred Income	(445.44)	(140.35)	-
(Profit) / Loss:			
Export incentives	-	-	(445.44)
Depreciation	-	-	57.44

b. Fair Valuation of Investments

Under the Previous GAAP, investments in Everest Building Products, Mauritius, a subsidiary company, were classified as long-term investments and carried at cost. Under Ind AS, the Company has elected to measure such investments at its fair value as at 1st April, 2016. The resulting fair value adjustment of such investments have been recognised in retained earnings at the date of transition. This decreased investments (non-current) and retained earnings by ₹ 1,035.69 Lakhs as at 31st March, 2017 (1st April, 2016 - ₹ 1,035.69 Lakhs).

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Asset			
Fair Valuation of Investments	(1,035.69)	-	-
Retained earning			
Fair Valuation of Investments	1,035.69	-	-

c. Financial assets

Under previous GAAP, Long Term Loans & Advances i.e. security deposit paid were recognised on undiscounted basis. Under Ind AS, financial assets in the form of long term interest free deposits to landlords have been accounted at fair value at date of transition and subsequently measured at amortised cost using the effective interest rate method.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Asset			
Security Deposit	(31.50)	1.96	-
Prepaid Asset	25.14	(1.91)	-
Profit / Loss			
Interest on Security deposit	-	-	(4.95)
Amortisation of Prepaid asset	-	-	4.90

d. Trade receivables

Under previous GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Due to ECL model, the Company impaired its trade receivable by ₹ 584.00 lakhs on 1 April 2016 which has been eliminated against retained earnings. The impact of ₹ 10.31 lakhs for year ended on 31 March 2017 has been recognized in the statement of profit and loss.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Asset			
Provision for ECL	(584.00)	(594.31)	-
Profit / Loss			
Provision for ECL	-	-	10.31

e Share based payments

Under previous GAAP, the Company recognised only the intrinsic value of the options granted as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Equity			
Share based payment	(36.83)	(100.42)	-
(Profit) / Loss:			
Share based payment	-	-	100.42

f Proposed dividend

Under previous GAAP, proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability when approved by shareholders in annual general meeting. Therefore, the liability of ₹ 926.08 lakhs for the year ended on 31 March 2016 recorded for dividend has been reversed against retained earnings on 1 April 2016 and recognised in the year of approval by shareholder in annual general meeting.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Equity			
Other Equity (Retained earning)	(926.08)	-	-
Liability			
Provisions	926.08	-	-

g Borrowings

Under previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Liability			
Finance cost - EIR adjustment	50.00	24.47	-
Profit / Loss			
Finance cost - EIR adjustment	-	-	25.53

h. Derivative Instruments- Forward contract

Under previous GAAP, premium or discount at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rate change. Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in profit and loss statement. Derivative assets and derivative liabilities are presented on gross basis.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
Liability			
Fair valuation of forward contracts	(13.75)	(5.65)	-
Profit / Loss			
Fair valuation of forward contracts	-	-	(8.11)

i. Revenue from Sales of Goods

Under previous GAAP, the over riding commission given on sales was recognized as an expenses in the statement of profit and loss. However as per Ind AS, over riding commission is through revenue, accordingly company has adjusted revenue by ₹ 1,238.00 lakhs with corresponding decrease in miscellaneous expenses within other expenses.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
(Profit) / Loss:			
Revenue from operations	-	-	1,238.00
Miscellaneous expenses	-	-	(1,238.00)

j. Excise Duty

Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased by ₹ 8060.68 lakhs.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
(Profit) / Loss:			
Revenue from operations	-	-	(8,060.68)
Excise duty	-	-	8,060.68

k. Defined benefit liabilities

Both under previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced and Remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

(₹ In Lakhs)

Particulars	Debit / [Credit] Balance sheet As at 1 April, 2016	Debit / [Credit] Balance sheet As at 31 March, 2017	Debit / [Credit] Statement of profit and loss Year Ended 31 March, 2017
(Profit) / Loss:			
Employee benefit expense	-	-	27.15
Remeasurement [gain]/loss on net defined benefit plans	-	-	(27.15)
Tax impact on above	-	-	9.40

2.62 As per Orissa Industrial Policy 2007, the Company is eligible for State Government incentives in the form of reimbursement of 75% of Value added tax (VAT) paid after adjusting input tax rebate on VAT/ CST.

Post GST implementation effective July 1, 2017, the VAT / CST Acts have been repealed but as the aforesaid Scheme has not been withdrawn by the Orissa Government, the benefits therein continue. Further, the State Government has assured the Company that a notification on revised criteria for the calculation of incentive under GST regime shall be announced soon and the incentive under GST regime should be more or less at par with incentives under VAT regime. Accordingly, the Company has accrued the incentives amounting to ₹ 134.74 lakhs in these financial statements post GST implementation.

2.63 The subsidiary Company under which the proposed fibre cement board project in UAE was being set up, has since decided not to pursue the project. Accordingly, the investment has been carried at the estimated realisable value and an impairment provision of ₹ 165 Lakhs has been recorded as an exceptional item. The subsidiary Company has also reduced its share capital and repatriated investments of ₹ 1522.06 Lakhs to the Company.

2.64 Previous Year's figures have been regrouped/reclassified, wherever necessary, to confirm to the classification of current year.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
EVEREST INDUSTRIES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Everest Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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

Other Matter

We did not audit the financial statements and other financial information, in respect of subsidiaries viz., Everest Building Products, Everest Ind FZE, Everest Building Products LLC (deregistered on November 27, 2017) and Everest Building Solutions Limited whose Ind AS financial statements include total assets of ₹ 1,598 lakhs and net assets of ₹ 329 lakhs as at March 31, 2018, and total revenues of ₹ 4,105 lakhs and net cash (inflows) of ₹ 68 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable that:

a. We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary company incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in "Annexure 1" to this report;

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 2.30 to the consolidated Ind AS financial statements;

    ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018;

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 1st May, 2018

ANNEXURE 1 REFERRED IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EVEREST INDUSTRIES LIMTED

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 Everest Industries Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Everest Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary company which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary company which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 company which is incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to one subsidiary Company, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 1st May, 2018

CONSOLIDATED BALANCE SHEET

AS AT 31st MARCH, 2018

(₹ In Lakhs)

			Note Reference	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A	**ASSETS**					
	1	**Non-current assets**				
		Property, plant and equipment	2.01	33,846.12	34,382.64	35,546.93
		Capital work in progress	2.02	2,054.31	1,795.41	182.44
		Intangible assets	2.03	210.31	78.97	249.24
		Financial assets				
		(i) Other financial assets	2.04	1,335.38	1,221.85	1,866.43
		Other Non current assets	2.05	280.39	261.17	870.53
		Income tax assets (net)	2.06	3,651.46	3,674.19	4,297.68
		Total - non-current assets		**41,377.97**	**41,414.23**	**43,013.25**
	2	**Current assets**				
		Inventories	2.07	24,754.00	23,472.38	25,252.69
		Financial assets				
		(i) Trade receivables	2.08	7,061.67	10,191.41	10,727.05
		(ii) Cash and cash equivalent	2.09	2,257.14	1,314.80	5,981.95
		(iii) Bank balances other than (ii) above	2.10	40.86	45.32	41.99
		(iv) Other financial assets	2.04	893.83	3,453.00	725.01
		Other current assets	2.05	3,828.54	4,680.77	6,159.16
		Total - current assets		**38,836.04**	**43,157.68**	**48,887.85**
		TOTAL ASSETS		**80,214.01**	**84,571.91**	**91,901.10**
B	**EQUITY AND LIABILITIES**					
	1	**Equity**				
		Share capital	2.11	1,562.62	1,542.29	1,538.89
		Other Equity	2.12	38,244.46	32,327.24	32,838.03
		Non-controlling interests		-	20.85	92.06
		Total equity		**39,807.08**	**33,890.38**	**34,468.98**
	2	**Non-current liabilities**				
		Financial Liabilities				
		(i) Borrowings	2.13	5,114.17	9,144.80	11,773.94
		Deferred tax liabilities (net)		2,873.96	3,140.42	3,117.85
		Other non current liabilities	2.14	-	-	140.35
		Total - non-current liabilities		**7,988.13**	**12,285.22**	**15,032.14**
	3	**Current liabilities**				
		Financial Liabilities				
		(i) Borrowings	2.13	2,578.06	8,835.25	11,249.76
		(ii) Trade payables	2.15	15,780.66	16,542.67	16,528.63
		(iii) Deposits from business partner	2.16	3,026.05	2,858.51	2,554.24
		(iv) Other financial liabilities	2.17	1,736.20	2,638.30	3,442.84
		Provisions for retirement benefits	2.19	521.92	539.50	559.31
		Provision for income tax (net)	2.20	1,309.13	4.79	1,207.43
		Other current liabilities	2.18	7,466.78	6,977.29	6,857.77
		Total - current liabilities		**32,418.80**	**38,396.31**	**42,399.98**
		TOTAL EQUITY AND LIABILITIES		**80,214.01**	**84,571.91**	**91,901.10**

See accompanying notes forming part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

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

(₹ In Lakhs)

		Note Reference	For the year ended 31 March 2018	For the year ended 31 March 2017
A.	**Income**			
	Revenue from operations (net of excise duty)		127,051.66	116,003.46
	Add : Excise duty		2,638.56	8,060.68
	Revenue from operations (gross of excise duty)	2.21	129,690.22	124,064.14
	Other income	2.22	1,004.21	912.98
	Total income		**130,694.43**	**124,977.12**
B.	**Expenses**			
	a. Cost of raw material and components consumed	2.23	71,060.87	62,750.09
	b. Purchase of traded goods	2.24	1,803.03	1,539.61
	c. (Increase)/ decrease in inventories of finished goods, work-in progress and traded goods	2.25	(1,748.79)	1,221.31
	d. Excise duty on sale of goods		2,638.56	8,060.68
	e. Employee benefits expense	2.26	10,817.00	10,041.52
	f. Finance costs	2.27	1,259.18	2,082.80
	g. Depreciation and amortization expense	2.01 & 2.03	2,354.61	2,545.80
	h. Other expenses	2.28	36,129.22	36,289.42
	Total expenses		**124,313.68**	**124,531.23**
C.	**Profit/(loss) before tax**		**6,380.75**	**445.89**
	Tax expenses			
	a. Current tax	2.29	1,409.60	112.05
	b. Deferred tax	2.29	(334.93)	31.95
	Total tax expenses		**1,074.67**	**144.00**
D.	**Profit for the year**		**5,306.08**	**301.89**
E	**Other comprehensive income**			
	i. Items that will not be reclassified subsequently to the statement profit or loss			
	(a) Re-measurement gains/(losses) on defined benefit plans		197.88	(27.15)
	(b) Income tax effect		(68.48)	9.40
	Other comprehensive income for the year, net of tax		**129.40**	**(17.75)**
F	**Total comprehensive income for the year , net of tax**		**5,435.48**	**284.14**
	Earnings per equity share (see note 2.39)			
	[Face value - ₹ 10 per share]			
	Basic earnings per share (Rupees)		35.08	1.85
	Diluted earnings per share (Rupees)		35.08	1.85

See accompanying notes forming part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

		For the year ended 31 March 2018	For the year ended 31 March 2017
A.	**Cash flow from operating activities**		
	Profit before tax	6,380.75	445.89
	Adjustments for:		
	Depreciation and amortisation expenses	2,354.61	2,545.80
	Finance costs	1,259.18	2,082.80
	Interest income	(354.67)	(242.41)
	Loss/ (profit) on sale of fixed assets (net)	(230.75)	(0.02)
	Liabilities / provisions no longer required written back	(260.74)	(520.47)
	Share based payment expense	76.98	100.42
	Provision for doubtful trade and other receivables (net)	357.25	731.19
	Impairment of trade receivables	619.42	70.25
	Impact of fair valuation of financial instruments	(46.86)	(8.16)
	Re-measurement (loss)/gain of defined benefit plan	197.88	(27.15)
	Net unrealised (gain)/loss on exchange rate fluctuation	10.72	(297.39)
	Operating profit before working capital changes	**10,363.76**	**4,880.75**
	Working capital adjustments:		
	(Increase)/decrease in inventories	(1,281.62)	1,780.31
	(Increase)/decrease in trade receivables	2,153.07	(285.96)
	(Increase)/decrease in other non current financial assets	225.82	335.09
	(Increase)/decrease in other non current assets	215.70	2.52
	(Increase)/decrease in other current financial assets	2,188.95	(2,560.95)
	(Increase)/decrease other current Asset	852.23	1,478.39
	Increase/(decrease) in trade Payables	(501.26)	682.42
	Increase/(decrease) in deposits from business partners	167.54	304.27
	Increase/(decrease) in other financial liabilities	40.77	(53.87)
	Increase/(decrease) in other current/ non current liabilities	489.49	(20.83)
	Increase/(decrease) in provisions	(17.58)	(19.81)
	Cash generated from operations	**14,896.87**	**6,522.33**
	Income tax paid	(82.53)	(691.20)
	Net cash flows from operating activities	**14,814.34**	**5,831.13**
B.	**Cash flow from/(used in) investing activities**		
	Capital expenditure on fixed assets, including capital advances	(2,264.68)	(2,240.00)
	Proceeds from sale of fixed assets (See note 2.09)	297.99	0.02
	Bank balances not considered as cash and cash equivalents		
	- Placed (deposits and unclaimed dividend accounts)	4.46	(3.33)
	Balances held as margin money	(22.42)	137.65
	Interest received	413.43	247.26
	Net cash flows used in investing activities	**(1,571.22)**	**(1,858.40)**

(₹ In Lakhs)

		For the year ended 31 March 2018	For the year ended 31 March 2017
C.	**Cash flow from financing activities**		
	Proceeds from issue of equity shares	20.33	3.40
	Securities premium received	559.21	39.51
	Proceeds from long-term borrowings	2,250.00	1,500.00
	Repayment of long-term borrowings	(7,410.01)	(4,741.23)
	Proceeds/(repayment) of short-term borrowings	(6,257.19)	(2,414.51)
	Finance costs	(1,272.65)	(2,104.29)
	Dividends paid	(159.01)	(766.11)
	Tax on dividend	(31.46)	(156.64)
	Net cash flows from/(used in) financing activities	**(12,300.78)**	**(8,639.87)**
	Net change in cash and cash equivalents	942.34	(4,667.14)
	Cash and cash equivalents at the beginning of the year	1,314.80	5,981.95
	Cash and cash equivalents at year end	**2,257.14**	**1,314.80**

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

A. Equity share capital

Particulars	Numbers of share	Amount
Balance as at April 1, 2016	**15,388,850**	**1,538.89**
Changes in equity share capital during the period		
Issue of equity shares under employee share option plan (See note 2.50)	34,060	3.40
Balance as at March 31, 2017	**15,422,910**	**1,542.29**
Changes in equity share capital during the period		
Issue of equity shares under employee share option plan (See note 2.50)	203,250	20.33
Balance as at March 31, 2018	**15,626,160**	**1,562.62**

B. Other equity

	Attributable to equity shareholders of the Company						
	Reserves and surplus					Items to OCI	
Particulars	Securities premium	General reserve	Share based payment reserve	Retained earnings	Foreign currency translation Reserve	Re-measurement gain/ (losses) on defined benefit plans	Total other equity
Balance as at 1 April 2016	**631.84**	**9,848.91**	**36.83**	**22,311.46**	**8.99**	**-**	**32,838.03**
Profit for the year	-	-	-	301.89	(79.98)	-	221.92
Other comprehensive income	-	-	-	-	-	(17.75)	(17.75)
Total comprehensive income for the year	**631.84**	**9,848.91**	**36.83**	**22,613.35**	**(70.99)**	**(17.75)**	**33,042.19**
Dividend paid during the year	-	-	-	(769.44)	-	-	(769.44)
Dividend distribution tax on dividend paid	-	-	-	(156.64)	-	-	(156.64)
Compensation options granted during the year/Changes during the period	-	-	100.42	-	-	-	100.42
Securities premium on shares issued during the year	39.51	-	-	-	-	-	39.51
Non- controlling interest	-	-	-	71.20	-	-	71.20
Balance as at 31 March 2017	**671.35**	**9,848.91**	**137.25**	**21,758.47**	**(70.99)**	**(17.75)**	**32,327.24**
Balance as at 1 April 2017	**671.35**	**9,848.91**	**137.25**	**21,758.47**	**(70.99)**	**(17.75)**	**32,327.24**
Profit for the year	-	-	-	5,306.08	10.71	-	5,316.79
Other comprehensive income	-	-	-	-	-	129.40	129.40
Total comprehensive income for the year	**671.35**	**9,848.91**	**137.25**	**27,064.55**	**(60.28)**	**111.65**	**37,773.43**
Dividend paid during the year	-	-	-	(154.55)	-	-	(154.55)
Dividend distribution tax on dividend paid	-	-	-	(31.46)	-	-	(31.46)

	Attributable to equity shareholders of the Company						
	Reserves and surplus					Items to OCI	
Particulars	**Securities premium**	**General reserve**	**Share based payment reserve**	**Retained earnings**	**Foreign currency translation Reserve**	**Re-measurement gain/ (losses) on defined benefit plans**	**Total other equity**
Compensation options granted during the year/Changes during the period	-	-	76.98	-	-	-	76.98
Securities premium on shares issued during the year	559.21	-	-	-	-	-	559.21
Transferred from share based payement reserve on exercise and lapse of options	72.53	-	(72.53)	-	-	-	-
Non- controlling interest	-	-	-	20.85	-	-	20.85
Balance as at 31 March 2018	**1,303.09**	**9,848.91**	**141.70**	**26,899.39**	**(60.28)**	**111.65**	**38,244.46**

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE 1.1

The consolidated financial statements comprise financial statements of Everest Industries Limited (the company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2018. Group is primarily engaged in manufacturing and trading of building products like roofing products, boards and panels, other building products and accessories and manufacturing of components of pre-engineered steel buildings and related accessories.

NOTE 1.2

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2017, the Group has prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These consolidated financial statements for the year ended March 31, 2018 are the first the Group has prepared in accordance with Ind AS. Refer to note 2.54 for information on how the Group adopted Ind AS:

These consolidated financial statements have been prepared on the historical cost or at amortised cost, except for the following assets and liabilities :

- derivative financial instruments are measured at fair value;
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary	
				31 March, 2018	31 March, 2017
Everest Building Products (w.e.f., 9 September, 2013)	Subsidiary	Mauritius	Company	100	100
Everestind FZE (w.e.f., 18 December, 2013)	Subsidiary	United Arab Emirates (UAE)	Everest Building Products	100	100
Everest Building Products LLC (w.e.f., 7 December 2014)	Subsidiary	United Arab Emirates (UAE)	Everest Building Products	-	49
Everest Building Solutions Limited (w.e.f., 1 August 2015)	Subsidiary	India	Company	100	100

Everest Building Products was incorporated on 9 September, 2013 with limited liability as a wholly owned subsidiary of the Company to promote business of the Company in the overseas market and to carry out the business of international trading of building products and accessories thereof.

Everestind FZE was incorporated on 18 December, 2013 as a free zone establishment with limited liability as a wholly owned subsidiary of Everest Building Products to carry out the business of international trading of building products and accessories thereof.

Everest Building Solutions Limited is a wholly owned subsidiary of the Company with effect from 1 August, 2015.

Everest Building Products LLC was incorporated on 7 December, 2014 with limited liability as a subsidiary of Everest Building Products, to set up a plant for manufacturing building products. The Company has been de-registered with effect from 27th November 2017.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. Subsidiaries are all entities that are controlled by the Company. Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

The shareholders/partners of Everest Building Products LLC in its meeting held on 2 August, 2017 had made an assessment of the affairs of the Company and based on un viability of the project arising out of unfavourable market conditions had decided to wind up the Company. Accordingly, the Company had applied for de registration of the Company to Ras Al Khaimah Economic Zone Authority, United Arab Emirates. Pursuant to application filed by the Company Ras Al Khaimah Economic Zone Authority, United Arab Emirates had officially de-registered on 27 November, 2017.

NOTE 1.3

Summary of significant accounting policies

i. Basis of consolidation

The consolidated financial statements relate to Everest Industries Limited (the Company), and its subsidiaries. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the entities that are consolidated are drawn up to the same reporting date as that of the Company i.e., 31 March, 2018.
- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-

group transactions and resulting unrealised profits or losses.

- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Non Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- The consolidated financial statements have been prepared using uniform accounting policies in the same manner as the Company's separate financial statements.

ii. Current Vs Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalent. The Group has identified twelve months as its operating cycle.

iii. Fair values measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Other techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

iv. Property, Plant and Equipment

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment (See Note 2.54 (i)(a))

Property, plant & equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted, if appropriate.

v. Depreciation on Property, plant & equipment

- Lease hold improvements (LHI) & leasehold lands are amortised on straight line basis over the period of lease or useful life whichever is lower.

- Depreciation on other Property, plant & equipment is provided on straight line basis at the rates based on the estimated useful life of the assets. The Group, based on management estimates, depreciates the assets over estimated useful lives which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.
- Depreciation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

vi. Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised. The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

vii. Research and development costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.3(v) above.

viii. Revenue Recognition

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

Based on Ind AS 18, the Group has assumed that recovery of excise duty flows to the Group on its own account, hence revenue includes excise duty. However, sales tax/ value added tax (VAT)/ goods and service tax (GST) is not received by the Group on its own account, rather it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognized

- **Sale of goods**
  Revenue from sale of goods is recognized, net of returns and rebates when all the significant risks and rewards of ownership of the goods have been passed to the buyer, which generally coincides with the despatch of goods to customers.

- **Revenue from contracts**
  Revenue from fixed price contracts is recognised in accordance with the percentage of completion method based on the work performed and when it is probable that the economic benefits associated with the contract will flow to the Group. The stage of completion of a contract is determined based on the proportion that contract costs incurred for work performed upto the reporting date bare to the total estimated contract costs. If a loss is projected on any of the contracts in process, the entire projected loss is recognised.

- **Interest**
  For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

  EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

- **Export Benefits:**
  Export benefits are accounted for in the year of exports based on eligibility and there is reasonable certainty in receiving the same.

ix. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

  Initial recognition and measurement

  On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), their transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

  Subsequent measurement

  Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, Security deposits & other receivables.

  Investments in subsidiaries

  Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiaries at fair value as its deemed cost on the date of transition to Ind AS.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets
The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivable.

Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for estimated losses on the current portfolio. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

- **Financial liabilities**
  Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement
Financial liabilities are subsequently measured at amortised cost using the EIR method.

Other financial liabilities (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments such as foreign exchange forward contracts, option contracts and swap contracts to hedge its foreign currency risk.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

x. Inventories
Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	- Weighted average
Raw materials	- Weighted average
Materials in transit	- At cost
Work in progress and Finished goods	- Material cost determined on weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	- Weighted average

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xi. Retirement and other Employee Benefits
Employee benefits include provident fund, superannuation, performance incentives, gratuity and compensated absences.

Short-term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans
The Group has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

The Group's contributions towards provident fund are deposited in a trust formed by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Group's superannuation scheme is considered as defined contribution scheme. The Group has no obligation, other than the contribution payable to the super-annuation fund. The Group recognizes contribution payable to the super-annuation fund scheme as an expense, when an employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Group deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the government for the Employees Provident Fund. The Group has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Group to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, and the return on plan assets (excluding net interest), are recognised to OCI in the period in which they occur and are not reclassified to profit or loss.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss for the period in which they are occur.

xii. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

xiii. Foreign Exchange Transactions and balances

The functional currency of the Group is India Rupees.

Initial recognition

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction

xiv. Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax loss; deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

xv. Earnings Per Share

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, 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 are adjusted for the effects of all dilutive potential equity shares.

xvi. Impairment of Non-financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate and when circumstances indicate that the carrying value may be impaired.

xvii. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement.

xviii. Contingent liability

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

xix. Share based payment transaction

Selected employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

xx. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

xxi. Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to chief operating decision maker (CODM). The managing director is considered to be the 'Chief Operating Decision Maker' (CODM).

Refer Note 2.36 for segment information presented.

xxii. Government grants and subsidies

Grants and subsidies from the government are recognised 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 recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income when on a systematic basis when related conditions or obligations are met by the Company.

xxiii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Group's cash management.

xxiv. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded of the nearest two decimal lakhs as per the requirement of schedule III, unless otherwise stated.

NOTE 1.4

Significant accounting judgments, estimates and assumptions

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

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

- **Useful Lives of Property, Plant and Equipment:** The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

- **Measurement of Defined Benefit Obligation:** The cost of the defined benefit gratuity plan and other Long term employee benefits (Compensated Absences) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

- **Share-based Payments:** The Group measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

- **Impairment in subsidiaries:** Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

- **Expected Credit Loss:** The Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Recent accounting pronouncements:
Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company continues to evaluate the changes that may be necessary. Upon adoption the Company does not expect a material change in the manner in which revenue arrangements are recognized from the current practice.

2.01 Property, plant and equipment

(₹ In Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings on Freehold Land	Building on Leasehold Land	Lease Hold Improve-ments	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipments	Others (Roads)	Total
Cost or valuation											
At 1st April 2016	**1,396.82**	**2,611.11**	**4,349.25**	**8,142.34**	**47.71**	**17,960.44**	**290.43**	**48.23**	**368.37**	**332.23**	**35,546.93**
Additions	-	30.20	11.80	194.99		680.89	36.61	41.59	134.23	23.41	1,153.72
Disposals	-	(1.16)	-	-	-	-	(0.10)	-	(0.29)	-	(1.55)
At 31 March 2017	**1,396.82**	**2,640.15**	**4,361.05**	**8,337.33**	**47.71**	**18,641.33**	**326.94**	**89.82**	**502.31**	**355.64**	**36,699.10**
Additions			49.10	18.22		1,516.70	4.25	145.75	97.49	4.54	1,836.05
Disposals		(17.73)		(39.16)	-	(70.31)	(0.45)	(0.04)	(5.09)		(132.78)
At 31 March 2018	**1,396.82**	**2,622.42**	**4,410.15**	**8,316.39**	**47.71**	**20,087.72**	**330.74**	**235.53**	**594.71**	**360.18**	**38,402.37**
Depreciation											
At 1st April 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	-	20.97	163.25	220.55	1.06	1,627.40	102.95	11.22	104.03	66.37	2,317.80
Disposals	-	(1.05)	-	-	-	-	(0.02)	-	(0.27)	-	(1.34)
At 31 March 2017	**-**	**19.92**	**163.25**	**220.55**	**1.06**	**1,627.40**	**102.93**	**11.22**	**103.76**	**66.37**	**2,316.46**
Depreciation charge for the year		33.56	161.21	219.40	1.00	1,600.54	90.01	25.40	126.57	47.64	2,305.33
Disposals		1.05			-	(65.03)	(0.42)		(1.14)		(65.54)
At 31 March 2018	**-**	**54.53**	**324.46**	**439.95**	**2.06**	**3,162.91**	**192.52**	**36.62**	**229.19**	**114.01**	**4,556.25**
Net Book Value											
At 1st April 2016	1,396.82	2,611.11	4,349.25	8,142.34	47.71	17,960.44	290.43	48.23	368.37	332.23	35,546.93
At 31 March 2017	1,396.82	2,620.23	4,197.80	8,116.78	46.65	17,013.93	224.01	78.60	398.55	289.27	34,382.64
At 31 March 2018	**1,396.82**	**2,567.89**	**4,085.69**	**7,876.44**	**45.65**	**16,924.81**	**138.22**	**198.91**	**365.52**	**246.17**	**33,846.12**

2.02 Capital work in progress

	31 March 2018	31 March 2017	31 March 2016
Capital work in progress	2,054.31	1,795.41	182.44
	2,054.31	**1,795.41**	**182.44**

2.03 Intangible assets

Particulars	Computer Software	Total
Cost		
At 1st April 2016	**249.24**	**249.24**
Addition	57.73	57.73
Disposals	-	-
At 31 March 2017	**306.97**	**306.97**
Addition	180.62	180.62
Disposals	-	-
At 31 March 2018	**487.59**	**487.59**
Amortisation		
At 1st April 2016	-	-
Amortisation	228.00	228.00
At 31 March 2017	**228.00**	**228.00**
Amortisation	49.28	49.28

(₹ In Lakhs)

Particulars	Computer Software	Total
At 31 March 2018	**277.28**	**277.28**
Net book Value		
At 1st April 2016	249.24	249.24
At 31 March 2017	78.97	78.97
At 31 March 2018	**210.31**	**210.31**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016

2.04 Other Financial assets

Non Current			
Unsecured, consider good			
a. Security deposits (at amortised cost)	626.04	676.98	632.12
b. Interest accrued but not due	5.39	1.15	-
c. Government subsidy recoverable	355.55	529.19	910.24
d. Balances held as margin money (deposit accounts)	348.40	14.53	324.07
	1,335.38	**1,221.85**	**1,866.43**
Current			
Unsecured, consider good			
a. Security deposits	30.69	44.86	99.91
b. Interest accrued but not due	12.74	71.50	77.50
c. Government subsidy recoverable	529.19	906.81	228.72
d. Insurance claim	11.47	278.61	9.11
e. Balances held as margin money (deposit accounts)	170.21	481.66	309.77
f. Other receivables	139.53	1,669.56	-
	893.83	**3,453.00**	**725.01**

2.05 Other assets

Non Current			
Unsecured, consider good			
a. Prepaid lease rental	13.82	18.25	20.77
b. Capital advances	266.57	31.65	638.49
c. Input credit receivables	-	211.27	211.27
	280.39	**261.17**	**870.53**
Current			
Unsecured, consider good			
a. Prepaid lease rental	4.51	15.25	4.37
b. Advances to employees	83.67	84.15	61.71
c. Prepaid expenses	524.61	717.59	656.36
d. Prepaid gratuity	233.13	14.50	31.84
e. Advance to supplier	1,677.21	2,105.78	3,992.03

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
f. Input credit receivables	1,302.96	1,625.98	1,285.01
g. Others	2.45	117.52	127.84
	3,828.54	**4,680.77**	**6,159.16**

2.06 Income tax assets (net)

Advance income tax (net of provision)	**3,651.46**	**3,674.19**	**4,297.67**

[Net of provision for current tax - ₹ 1436.07 lakhs (previous year ₹ NIL)
(as at 01 April 2016 ₹ 8,799.17 lakhs)]

2.07 Inventories

a. Raw materials			
i. On hand	9,398.16	9,637.60	10,831.86
ii. In transit	1,770.66	2,168.05	1,177.26
	11,168.82	**11,805.65**	**12,009.12**
b. Work-in-progress	3,166.31	3,922.76	4,247.59
c. Finished goods	7,293.72	5,260.18	6,047.09
d. Stock-in-trade	1,475.76	1,004.06	1,113.63
e. Stores and spares	1,535.47	1,400.33	1,760.15
f. Packing materials	113.92	79.40	75.11
	24,754.00	**23,472.38**	**25,252.69**

2.08 Trade receivables

a. Trade receivables			
i. Secured, considered good *	4,338.27	4,097.71	4,409.62
ii. Unsecured, considered good	2,723.40	6,093.70	6,317.43
ii. Doubtful	1,410.46	1,262.91	819.43
Total	**8,472.13**	**11,454.32**	**11,546.48**
Less: Impairment of trade receivables	1,410.46	1,262.91	819.43
Total	**7,061.67**	**10,191.41**	**10,727.05**

* Includes dues from subsidiaries (refer note no. 2.36 (c) (v))

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on historical credit loss experience and adjustments for forward looking information. (See note 2.55)

2.09 Cash and Cash Equivalent

a. Cash on hand	5.80	5.83	5.71
b. Cheques on hand	65.11	128.67	492.76
c. Remittence in transit	463.14	-	-
d. Balances with banks			
i. Current accounts	1,554.21	1,130.30	2,764.48
ii. Deposit accounts original maturity of 3 months or less	168.88	50.00	2,719.00
	2,257.14	**1,314.80**	**5,981.95**

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.10 Bank balances other than cash and cash equivalent			
Earmarked accounts			
i. Unpaid dividend	40.86	45.32	41.99
	40.86	**45.32**	**41.99**
2.11 Share capital			
1. Authorised Share capital	**1,700.00**	**1,700.00**	**1,700.00**
1,70,00,000 equity shares of ₹ 10 each (as at March 31, 2017 -1,70,00,000 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,70,00,000 equity shares of ₹ 10 each)			
2. Issued Share capital	**1,562.62**	**1,542.29**	**1,538.89**
1,56,26,160 equity shares of ₹ 10 each (as at March 31, 2017 -1,54,22,910 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,53,88,850 equity shares of ₹ 10 each)			
3. Subscribed and fully paid up (see note 2.49, 2.50 and 2.51)	**1,562.61**	**1,542.29**	**1,538.89**
1,56,26,160 equity shares of ₹ 10 each (as at March 31, 2017 -1,54,22,910 equity shares of ₹ 10 each) (as at April 1, 2016 - 1,53,88,850 equity shares of ₹ 10 each)			
2.12 Other Equity			
Share premium account	1,303.09	671.35	631.84
General reserve	9,848.91	9,848.91	9848.91
Share based payment Reserve	141.70	137.25	36.83
Retained Earning	27,011.04	21,740.72	22311.46
Foreign currency translation reserve	(60.28)	(70.99)	8.99
	38,244.46	**32,327.24**	**32,838.03**
1. Securities premium account	671.35	631.84	
Add: Premium on shares issued during the year	631.74	39.51	
Closing balance	**1,303.09**	**671.35**	
2. General reserve			
Opening balance	9,848.91	9,848.91	
Add: Transferred from surplus in Statement of Profit and Loss	-	-	
Closing balance	**9,848.91**	**9,848.91**	

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
3. Share based payment reserve			
Opening balance	137.25	36.83	
Add: Esos expense during the year	76.98	100.42	
Less: Transferred from share based payement reserve on exercise and lapse of options	72.53	-	
Closing balance	**141.70**	**137.25**	
4. Retained Earning			
Opening balance	21,740.72	22,311.46	
Add: Profit for the year	5,306.08	301.89	
Minority Share of Profit	20.85	71.20	
Items of OCI recognised directly in Retained earnings	129.40	(17.75)	
Less: Dividends proposed to be distributed to equity shareholders	154.55	769.44	
Tax on dividend	31.46	156.64	
Closing balance	**27,011.04**	**21,740.72**	
5. Foreign currency translation reserve			
Opening balance	(70.99)	8.99	
Add: Addition during the year	10.71	(79.98)	
Closing balance	(60.28)	(70.99)	
	38,244.46	**32,327.24**	

In respect of the year ended March 31, 2018, the directors propose that a final dividend of ₹ 6.50 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 1,222.45 lacs (including dividend distribution tax thereon of ₹ 206.75 lacs). (See note 2.48)

2.13 Borrowing at amortised cost

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Non Current			
i. Term loan	5,806.49	10,966.50	14,271.86
Less: Current maturities of long-term debt (secured) (Note 2.17 (a))	692.32	1,821.70	2,497.92
	5,114.17	**9,144.80**	**11,773.94**

Note:

External Commercial Borrowing (ECB) from DBS Bank Limited of ₹ Nil (previous year ₹ 412.80 lakhs) (as at 01 April, 2016 ₹ 2,064.00 lakhs) was secured by first pari-passu charges on all the movable fixed assets located at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immoveable fixed assets sitauted at Kymore, Lakhmapur and Bhagwanpur and second pari passu charge over entire current assets. The ECB was repayable in 15 quarterly instalments of USD 800,000 each; the last instalment was due in April 2017. The rate of interest is 3 monts Libor + 2.75% per annum.

External Commercial Borrowing (ECB) from Axis Bank Limited of ₹ 3,902.65 lakhs (previous year ₹ 3,890.31 lakhs) (as at 01 April, 2016 ₹ 6,633.29 lakhs) is secured by first pari-passu charges on all the movable fixed assets situated at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immovebale fixed assets located at Kymore, Bhagwanpur and Lakhmapur and pledge of shares held in subsidary. The ECB is repayable in single instalment ;the instalment is due in September 2022. The rate of interest is 3 months Libor + 2.70% per annum(previous year 3 months Libor + 4.00% per annum).

Term Loan from HDFC Bank Limited of ₹ Nil lakhs (previous year ₹ 2,187.86 lakhs) (as at 01 April, 2016 ₹ 1,124.57 lakhs) is secured by exclusive charge over the immovable property situated at Noida. The tranche I was repayable in 20 quarterly instalments of ₹ 102.23 lakhs each; the last instalment is due in November 2018. The rate of interest is banks MCLR + 1.30% per annum. The tranche II was repayable in 54 monthly instalments of ₹ 27.78 lakhs each.The rate of interest is banks MCLR + 1.30% per annum.

Working Capital Term Loan from ICICI Bank Limited of ₹ Nil (previous year ₹ 4,475.53.00 lakhs) (as at 01 April, 2016 ₹ 4,450.00 lakhs) was secured by exclusive charge over the immovable and movable property situated at Dahej. The loan was repayable in 15 quarterly instalments of ₹ 300.00 lakhs;the last instalment is due in December 2020. The rate of interest is banks base rate + 1.35% per annum.

Working Capital Term Loan from Kotak Mahindra Bank Limited of ₹ 1,903.84 lakhs (including ₹ 692.32 lakhs in current maturity) (previous year Nil) is secured by exclusive charge over the immovable and movable property situated at Dahej. The loan is repayable in 13 quarterly instalments of ₹ 173.08 lakhs;the last instalment is due in December 2020. The rate of interest is banks MCLR +0.20% per annum. For current maturites of long term borrowings see note 2.18.

The Company has financial covenants relating to the borrowing facilities that it has taken from the lenders which is maintained by the Company.

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Current			
i. Cash credit	827.75	727.43	4,681.61
ii. Buyers credit	1,750.31	1,607.82	6,568.15
iii Working capital loan	-	6,500.00	-
	2,578.06	**8,835.25**	**11,249.76**

Note:

Loans from banks are secured by a first pari-passu charge by way of hypothecation of stocks, present and future, book debts and receivables, first pari-passu charge on land and building situated at Podanur, second pari-passu charges on all movable fixed assets situated at Kymore, Podanur, Kolkata, Lakhmapur and Bhagwanpur and second pari-pasu charges on land and building situated at Kymore, Lakhmapur and Bhagwanpur.

2.14 Other non current liabilities

i. Deferred income on export benefit	-	-	140.35
	-	**-**	**140.35**

* Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and being amortised when export obligation are met by the Company.

2.15 Trade Payables

Total outstanding dues of creditors other than micro enterprises and small enterprises	15,780.66	16,542.67	16,528.63
	15,780.66	**16,542.67**	**16,528.63**

2.16 Deposits from business partners

a. Stockists' and other deposits	3,026.05	2,858.51	2,554.24
	3,026.05	**2,858.51**	**2,554.24**

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2.17 Other Financial Liabilities			
a. Current maturities of long-term debt (secured)			
i. Term loans from banks	692.32	1,821.70	2,497.92
b. Interest accrued but not due on borrowings	43.05	56.52	103.54
c. Unpaid dividends	40.86	45.32	41.99
d. Payables for purchase of fixed assets	299.38	53.53	76.19
e. Payables for purchase of fixed assets	653.44	612.67	532.74
f. Foreign exchange forward contracts	7.15	48.56	190.46
	1,736.20	**2,638.30**	**3,442.84**
2.18 Other current liabilities			
a. Advances from customers	5,584.16	5,075.00	4,247.81
b. Payables in respect of statutory dues	806.18	1,127.59	1,558.95
c. Deferred income on export benefit	0.00	140.35	445.43
d. Other Payables	1,076.44	634.35	605.58
	7,466.78	**6,977.29**	**6,857.77**
2.19 Provisions for retirement benefits			
a. Provision for employee benefits:			
i. Provision for compensated absences	521.92	539.50	559.31
	521.92	**539.50**	**559.31**
2.20 Provision for income tax (net)			
Provision for income tax net of advance	1,309.13	4.79	1,207.43
[Net of advance tax - ₹ 126.94 lakhs (previous year Nil) (as at 01 April, 2016 ₹ 3,145.91)]	**1,309.13**	**4.79**	**1,207.43**

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.21 Revenue from operation		
a. Revenue from sale of products		
i. Revenue from building products	79,894.92	75,971.38
ii. Revenue from traded products	1,625.55	1,853.77
b. Revenue from contracts	46,643.95	44,587.38
Sub total *	**128,164.42**	**122,412.53**
c. Other operating revenues		
i. Sale of scrap	666.52	593.78
ii. Export incentives	256.34	512.84
iii. Others (including other incentives)	602.94	544.99
	1,525.80	**1,651.61**
	129,690.22	**124,064.14**

*As per Ind AS 18 , the revenue is reported net of GST . However, excise duty on sale of goods is included in revenue amounting to ₹ 2,638.56 lakhs (Previous year ₹ 8,060.68 lakhs)

2.22 Other income

a. Interest income on financial assets carried at amortised cost		
i. Interest from banks on deposits	77.09	142.04
ii Other interest	27.47	36.61
	104.56	**178.65**
b. Interest on Income tax refund	250.11	63.76
c. Other non-operating income		
i. Net gain on sale of property, plant and equipment	230.75	0.02
ii Interest Income on Deposit	5.45	4.95
iii Liabilities / provisions no longer required written back	260.74	520.47
iv Miscellaneous income	152.60	145.13
	649.54	**670.57**
	1,004.21	**912.98**

2.23 Cost of raw materials consumed

Cost of materials consumed	71,060.87	62,750.09
	71,060.87	**62,750.09**

2.24 Purchase of traded goods

Purchase of traded goods	1,803.03	1,539.61
	1,803.03	**1,539.61**

(₹ In Lakhs)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
2.25	**Increase/(decrease) in Inventories of finished goods, work-in-progress and traded goods**		
	Inventories at the end of the year:		
	Finished goods	7,293.72	5,260.18
	Work-in-progress	3,166.31	3,922.76
	Stock-in -trade	1,475.76	1,004.06
		11,935.79	**10,187.00**
	Inventories at the beginning of the year:		
	Finished goods	5,260.18	6,047.09
	Work-in-progress	3,922.76	4,247.59
	Stock-in -trade	1,004.06	1,113.63
		10,187.00	11,408.31
		(1,748.79)	**1,221.31**
2.26	**Employee benefits expense**		
	a. Salaries and wages	9,456.32	8,710.38
	b. Contributions to provident and other funds	499.46	494.16
	c. Gratuity expense	149.77	148.29
	d. Employee stock option scheme	76.98	100.41
	e. Staff welfare expenses	634.47	588.28
		10,817.00	**10,041.52**
2.27	**Finance costs**		
	a. Interest expense on borrowings	1,072.04	1,811.51
	b. Other borrowing costs	187.14	271.29
		1,259.18	**2,082.80**
2.28	**Other expenses**		
	a. Consumption of stores and spare parts	3,840.37	3,556.15
	b. Consumption of packing materials	999.61	923.72
	c. Power and fuel	3,506.26	3,139.08
	d. Repairs and maintenance		
	- Building	267.60	231.94
	- Machinery	651.20	665.19
	- Others	359.12	365.90
	e. Rent (see note 2.37)	504.83	482.34
	f. Rates and taxes	624.62	733.38
	g. Insurance	281.76	264.65
	h Travelling	1,619.34	1,647.14
	i. Advertisement and sales promotion expenses	2,027.54	2,379.13
	j. Cost for erection of buildings	3,640.89	5,407.03
	k. Net loss on foreign currency transactions and translation	293.42	256.41
	l. Outward freight charges on finished goods	9,469.82	8,143.35

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
m. Professional and consultancy expenses (see note 2.30)	1,194.93	1,685.55
n. Contract labour	3,197.36	2,907.51
o. Research and development expenses (see note 2.47)	85.17	130.39
p. Provision for doubtful trade and other receivables (net)	357.25	731.19
q. Impairment of trade receivables (see note 2.08)	619.42	70.25
r. Expenditure on corporate social responsibility (see note 2.48)	67.94	97.75
s. Miscellaneous expenses	2,520.77	2,471.37
	36,129.22	**36,289.42**

2.29 Income Tax expenses

A. Tax Expenses recognized in Profit or Loss		
Current Tax		
Current Income Tax Charge	1,409.60	112.05
Deferred Tax		
Origination & Reversal of temporary difference	(334.93)	31.95
Income Tax Expenses	**1,074.67**	**144.00**
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurement on Post-employment Defined Benefit Plans	68.48	(9.40)
Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable		
Profit before Income Tax Expense	6,380.75	445.89
Enacted Statutory Income Tax Rate in India applicable to the Company	34.608%	34.608%
Computed Expected Income Tax Expense	2,208.25	154.31
Adjustments:		
Adjustment effect of deduction under section 80IC of Income tax Act	(334.99)	(46.51)
Effect of MAT credit entitlement of earlier years recognised in the current year	(758.96)	-
Additional deduction on reserarch cost under section 35(2AB) of Income Tax Act	(14.26)	(38.22)
Effect of deduction under Section 80G of Income Tax Act, 1961	11.77	21.23
Others	(37.14)	53.19
Current tax expenses recognised in statement of Profit and Loss	**1,074.67**	**144.00**

2.30 Contingent liabilities and commitments

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Contingent liabilities			
Claims against the Company not acknowledged as liabilities in respect of:			
Particulars			
i. Sales tax matters	2,132.00	2,013.69	2,101.03
ii. Excise and service tax matters	3,242.49	3,276.54	3,179.97
iii. Income tax matters	642.24	2,001.24	2,528.18
Total	**6,016.73**	**7,291.47**	**7,809.18**
iv. Advance paid/adjusted by authorities against above	868.67	2,100.89	1,383.72

b. Commitments

i. Estimated amount of contracts to be executed on capital account – ₹ 250.86 lakhs (net of advances – ₹ 97.36 lakhs), [previous year –₹ 208.20 lakhs (net of advances ₹ 143.24 lakhs) (as at 1 April, 2016 - ₹ 134.48 lakhs (net of advances ₹ 234.78 lakhs)]]

ii. The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.

iii. The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foresseeable losses.

2.31 Professional and consultancy expenses include auditors remuneration (excluding taxes) as follows:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. To statutory auditors		
i. Audit fee	35.00	35.00
ii. Limited Review	15.00	15.00
iii. For other services	15.00	-
iv. Reimbursement of expenses	8.68	4.90
	73.68	**54.90**

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
b. To cost auditor		
i. Cost audit fee	4.80	4.80
ii. Reimbursement of expenses	0.63	0.63
Total	**5.43**	**5.43**

2.32 Construction Contracts (see note 1.3(ix))

Disclosures pursuant to Ind AS 11 "Construction Contracts" as below

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Contract revenue recognised during the year	46,643.95	44,587.38
Aggregate of contract costs incurred and recognised profits (less recognised losses) in respect of contracts in progress up to the year end	34,122.88	34,238.64
Advances received for contracts in progress	2,292.14	3,153.16
Retentions money for contracts in progress	-	-

2.33 Foreign Exchange Disclosure

Particulars		As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Outstanding forward exchange contracts as on 31 March, 2018:				
Receivables	USD	29.58	7.50	-
	INR	1,975.81	514.78	-
Payables	USD	26.91	76.67	76.13
	INR	1,758.14	5,055.02	5,287.37
ECB Loan	USD	-	8.00	40.00
	INR	-	412.80	2,064.00
Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:				
Receivables	USD	-	4.86	15.73
	INR	-	315.05	1,043.42
Receivables	EURO	-	0.19	-
	INR	-	13.45	-
Payables	USD	20.90	8.24	38.37
	INR	1,359.40	534.34	2,545.12
ECB Loan	USD	60.00	60.00	100.00
	INR	3,902.64	3,890.32	6,633.29
See note 2.54 for sensitivity analysis				

2.34 Employee Benefit

a. Defined contribution plan

The company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company recognised ₹ 76.14 lakhs (previous year ₹ 81.18 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

I. Gratuity Fund

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2018:

i. Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Defined Benefit Obligation		1,767.61	1,833.85	1,696.07
Fair Value of Plan Assets		2,000.72	1,848.35	1,727.91
Funded Status (Surplus/(Deficit)	**Total**	**233.11**	**14.50**	**31.84**

ii. Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost		168.29	156.81
Net Interest expenses		(18.52)	(8.52)
Amount recognised in Statement of Profit and Loss	**Total**	**149.77**	**148.29**

iii. Amount recognised in Other Comprehensive Income:

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gain)/loss due to DBO experience		(76.58)	(106.07)
Actuarial (gain)/loss due to DBO assumption changes		(100.49)	110.92
Return on plan assets (greater)/less than discount rate		(20.81)	22.30
Actuarial (gains)/ losses recognized in OCI	**Total**	**(197.88)**	**27.15**

iv. Changes in the present value of the defined benefit obligation are, as follows

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of defined benefit obligations as on 01 April 2017		1,833.85	1,696.07	1,592.36
Current service cost		168.29	156.81	150.25
Interest cost		124.16	126.43	119.20
Benefits paid		(170.18)	(150.31)	(128.27)
Actuarial (gain)/loss on obligations		(188.51)	4.85	(37.47)
Present value of defined benefit obligations as on 31 March 2018	**Total**	**1,767.61**	**1,833.85**	**1,696.07**

v. Changes in the fair value of plan assets are, as follows:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fair value of plan assets at the beginning of the year		1,848.35	1,727.91	1400.21
Interest Income on plan assets		131.24	138.41	123.82
Employer contribution		3.02	4.33	200
Return on plan assets greater/(lesser) than discount rate		20.82	(22.30)	(2.33)
Benefits paid		(2.69)	-	6.21
Fair value of plan assets at the end of the year	**Total**	**2,000.74**	**1,848.35**	**1,727.91**

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

Investment details	As at 31 March 2017	As at 1 April 2016
	Funded	Funded
With Government of India securities	64.58%	56.79%
With Debt instruments	25.47%	30.07%
With Equity shares	6.88%	8.01%
Other deposits	3.07%	5.13%
Total	**100.00%**	**100.00%**

The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets as at 31 March, 2018 has not been provided by the Life Insurance Corporation of India.

vii. Principal actuarial assumptions used in determining gratuity obligations:

Assumptions	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.20%	7.10%	7.80%
Salary escalation	8.00%	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)		
Withdrawal rate	15.00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%

viii. A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount Rate		
Effect on DBO due to 0.5% increase in Discount Rate	(33.28)	(80.43)
Effect on DBO due to 0.5% decrease in Discount Rate	34.66	86.97
Salary Escalation Rate		
Effect on DBO due to 0.5% increase in Salary Escalation Rate	34.34	85.83
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(33.29)	(80.16)

ix. The following payments are expected contributions to the defined benefit plan in future years:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
31-Mar-18	-	117.78
31-Mar-19	330.85	126.99
31-Mar-20	332.81	140.30
31-Mar-21	307.74	159.34
31-Mar-22	294.47	148.27
March 31, 2023 to March 31, 2027	1,457.04	1,143.14

II. Provident Fund

The Company's contribution towards provident fund is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Company is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The following tables set out the funded status of provident fund in the Company's financial statements as at 31 March, 2018:

i. Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Defined Benefit Obligation		7,710.05	7,243.84	6,746.67
Fair Value of Plan Assets		7,958.98	7,411.34	6,902.81
Funded Status (Surplus/(Deficit)	**Total**	**248.93**	**167.50**	**156.14**

(ii) Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost		11.72	12.03
Net Interest expenses		7.86	7.78
Immediate recognition of (gain)/losses- other long term employee benefit plan		(101.01)	(31.17)
Other adjustments		81.43	11.36
Amount recognised in Statement of Profit and Loss*	**Total**	**-**	**-**

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

(iii) Amount recognised in Other Comprehensive Income

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gain)/loss due to DBO experience		(12.60)	(14.77)
Actuarial (gain)/loss due to DBO assumption changes		(60.61)	(3.05)
Actuarial (gain)/loss arising during period		(73.21)	(8.91)
Return on plan assets (greater)/less than discount rate		(27.80)	(22.26)
Actuarial (gains)/ losses recognized in OCI *	**Total**	**-**	**-**

* An employer expense of ₹ NIL has been shown as there is no net liability on account of the interest guarantee. Therefore no expense needs to be recognised.

(iv) Changes in the present value of the defined benefit obligation are as follows

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of defined benefit obligations as on 01 April 2017		7,243.84	6,746.67	6,190.94
Current service cost		251.70	380.12	243.27
Interest cost		615.00	565.91	505.10
Employee contribution		515.35	699.94	537.40
Benefits paid		(841.63)	(814.98)	(719.90)
Actuarial (gain)/loss on obligations		(73.21)	(333.82)	(10.14)
Present value of defined benefit obligations as on 31 March 2018	**Total**	**7,711.05**	**7,243.84**	**6,746.67**

(v) Changes in the present value of the defined benefit obligation are as follows

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fair value of plan assets at the beginning of the year		7,411.34	6,902.81	6288.52
Interest Income on plan assets		607.14	558.13	498.6
Employer contribution		755.33	1,068.03	770.17
Return on plan assets greater/(lesser) than discount rate		27.80	(302.65)	65.42
Benefits paid		(842.63)	(814.98)	(719.90)
Fair value of plan assets at the end of the year	**Total**	**7,958.98**	**7,411.34**	**6,902.81**

(vi) **The major categories of plan assets of the fair value of the total plan assets are as follows:**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Funded	Funded	Funded
Government of India securities	37.91%	24.43%	29.20%
PSU	19.13%	40.51%	42.28%
Private sector bond	20.01%	12.12%	8.91%
Special deposit scheme	17.97%	18.57%	19.61%
Mutual Fund	4.98%	4.37%	-
Total	**100.00%**	**100.00%**	**100.00%**

(vii) **Principal actuarial assumptions used in determining provident fund obligations:**

Assumptions	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.20%	7.10%	7.80%
Rate of return on EOFO	8.55%	8.60%	8.25%
Mortality rate	Indian Assured Lives Mortality (2006 -08) (modified)		
Withdrawal rate	15.00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%	Upto 30 years: 3.00% From 31 to 44 years:2:00% Above 44 years: 1:00%

2.35 Related Party Disclosures

a. List of related parties

i. Enterprise exercising significant influence

Falak Investment Private Limited

ii. Key management personnel/Whole time director

Mr. Aditya Vikram Somani, Chairman

Mr. Manish Sanghi, Managing Director

Mr. Y. Srinivasa Rao, Executive Director

Mr. Neeraj Kohli, Company Secretary

Mr. Nikhil Dujari, Chief Financial Officer (with effect from 2 December, 2016)

Mr. Rakesh Kumar Gupta, Chief Financial Officer (till 1 December, 2016)

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
b. Transactions with related parties during the year:		
i. Dividend paid to enterprise exercising significant influence		
Falak Investment Private Limited	73.83	369.17
ii. Remuneration to key management personnel/whole time director		
Mr. Aditya Vikram Somani	243.00	178.67
Mr. Manish Sanghi	218.03	186.68
Mr. Y. Srinivasa Rao	167.51	140.97
Mr. Neeraj Kohli	20.50	17.22
Mr. Nikhil Dujari	65.12	20.10
Mr. Rakesh Kumar Gupta	-	49.15

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
iii. Dividend paid to key management personnel		
Mr. Aditya Vikram Somani	0.01	0.02
Mr. Manish Sanghi	0.76	3.07
Mr. Y. Srinivasa Rao	0.11	0.37
Mr. Rakesh Kumar Gupta	-	0.31

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
c. Balances outstanding with related parties at the year end:		
i. Share capital from enterprise exercising significant influence		
Falak Investment Private Limited	738.35	738.35
ii. Commission due to Key management personnel		
Mr. Aditya Vikram Somani	45.00	-
iii. Performance incentive due to key management personnel		
Mr. Manish Sanghi	12.00	-
Mr. Y. Srinivasa Rao	10.00	-

2.36 Segment Information

a. Business segments:

The company has determined following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM).Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories. Steel buildings consist of manufacture and erection of pre – engineered and smart steel buildings and its accessories.

b. Geographical segments:

Since the Company's activities/operations are primarily within the country and as such there is only one geographical segment.

c. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. Segment revenue and expenses:

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Company's financial statements.

Information about business segments:

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
1. Segment Revenue						
External revenue	81,520.47	77,825.15	46,643.95	44,587.38	128,164.42	122,412.53
Other operating income	753.58	1,233.36	772.22	418.25	1,525.80	1,651.61
Total Revenue	**82,274.06**	**73,610.00**	**47,416.17**	**41,927.64**	**129,690.23**	**124,064.14**
2. Segment Results	10,328.80	5,345.27	833.17	(182.51)	11,161.97	5,162.76
Unallocated expenses (net of income)					3,522.04	2,634.07
Operating Profit	10,328.80	5,345.27	833.17	(182.51)	7,639.93	2,528.69
Finance costs					1,259.18	2,082.80
Profit before tax					6,380.75	445.89
Tax expense					1,074.67	144.00
Net Profit					5,306.08	301.89

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
3. Other Information						
A. Assets						
Segment assets	49,587.82	48,232.49	20,487.91	25,594.19	70,075.73	73,826.68
Unallocated assets					10,138.28	10,745.23
Total Assets	**49,587.82**	**48,232.49**	**20,487.91**	**25,594.19**	**80,214.01**	**84,571.91**

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
B. Liabilities						
Segment liabilities	12,704.31	15,283.97	11,278.78	9,955.75	23,983.09	25,239.72
Unallocated liabilities					16,423.84	25,441.81
Total Liabilities	**12,704.31**	**15,283.97**	**11,278.78**	**9,955.75**	**40,406.93**	**50,681.53**

(₹ In Lakhs)

Particulars	Building products		Steel buildings		Total	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
C. Others						
Capital expenditure	1,534.34	2,372.30	155.83	141.03	1,690.17	2,513.33
Depreciation	1,298.35	1,378.50	762.30	756.96	2,060.65	2,135.46
Non – cash expenses other than depreciation (includes impairment of trade receivables and other receivables)	94.69	212.00	262.56	508.88	357.25	720.88

2.37 Deferred Taxation

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Deferred tax assets			
i. Expenditure covered by Section 43B of the Income-tax Act, 1961	225.22	238.74	221.65
ii. Impairment of trade receivables	571.71	520.63	318.37
iii. Foreign exchange loss	-	20.77	-
iv. MAT credit entitlement	420.00	-	-
Total deferred tax assets	**1,216.93**	**780.14**	**540.02**
b. Deferred tax liabilities			
Tax impact of:			
i. Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements	3,785.45	3,615.11	3,529.48
ii. Effect of measuring financial instruments at fair value	-	-	10.45
iii. Others	305.44	305.45	117.94
Total deferred tax liability	**4,090.89**	**3,920.56**	**3,657.87**
Net deferred tax liability	**2,873.96**	**3,140.42**	**3,117.85**

2.38 Lease Commitments

Operating lease

The Company has taken properties on cancellable operating leases and has recognised rent of ₹ 465.46 lakhs (previous year ₹ 440.60 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.39 Earnings per Share

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. Number of equity shares of ₹ 10 each fully paid up at the beginning of the year	15,422,910	15,388,850
b. Number of equity shares of ₹ 10 each fully paid up at the year end	15,626,160	15,422,910
c. Weighted average number of equity shares used in computing earnings per share	15,496,289	15,394,449
d. Weighted average number of options granted	106,475	349,390
e. Weighted average number of options post adjustment for number of options granted	106,475	349,390

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
f. Net profit for the year – (₹ / lakhs)	5,435.48	284.14
g. Basic earnings per share (Rupees)	35.08	1.85
h. Diluted earnings per share (Rupees)	35.08	1.85
i. Nominal value of equity shares (Rupees)	10.00	10.00

2.40 Cost of Materials Consumed

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Opening stock		11,727.39	12,009.12
Add: Purchases		70,502.30	62,468.36
		82,229.69	**74,477.48**
Less: Closing stock		11,168.82	11,727.39
Cost of materials consumed*	**Total**	**71,060.87**	**62,750.09**
Materials consumed comprises:*			
Raw fibre		19,547.39	18,692.52
Cement		12,174.36	10,811.88
Steel		26,738.10	21,621.15
Other items		12,601.02	11,624.54
	Total	**71,060.87**	**62,750.09**

* excludes research and development expenses of ₹ 23.63 lakhs (previous year ₹ 24.37 lakhs).

2.41 Purchases of stock- in-trade

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
Roofing accessories		1,036.69	1,083.94
Other items		766.34	455.67
	Total	**1,803.03**	**1,539.61**

2.42 Details of finished goods, work in progress and stock-in-trade

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Work in progress				
i. Building products		2,940.19	3,635.50	4,029.24
ii. Steel buildings		226.12	287.26	218.35
	Total	**3,166.31**	**3,922.76**	**4,247.59**
b. Finished goods				
i. Building products		6,474.50	4,357.39	5,069.43
ii. Steel buildings		819.22	902.79	977.66
	Total	**7,293.72**	**5,260.18**	**6,047.09**

(₹ In Lakhs)

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
c. Stock-in-Trade				
i. Roofing accessories		802.98	669.34	707.47
ii. Other items		672.78	334.72	406.16
	Total	**1,475.76**	**1,004.06**	**1,113.63**

2.43 Details of revenue from sale of products

a. Manufactured goods			
Building products		79,894.92	75,971.38
Sale of manufactured goods		**79,894.92**	**75,971.38**
b. Traded Goods			
i. Roofing accessories		975.69	1,218.53
ii. Other items		649.86	635.24
Sale of traded goods		**1,625.55**	**1,853.77**
Total sale of products	**Total**	**81,520.47**	**77,825.15**

2.44 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Principal amount due to micro and small enterprises	-	-	-
Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-

According to the records available with the Company, dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is ₹ Nil (previous year ₹ Nil). Further no interest has been paid or was payable to such parties under the said Act during the year.

2.45 Expenditure on Research and development

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Capital nature*		
Gross block	110.01	109.80
Accumulated depreciation	79.42	74.58
Net block	30.59	35.22
Additions during the year	0.21	-
Capital work in progress	-	-

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
	Revenue nature		
i.	Cost of materials consumed	23.63	24.37
ii.	Consumption of stores and spare parts	7.91	6.66
iii.	Employee benefits expense		
	-Salaries and wages	37.51	52.03
	-Contributions to provident and other funds	2.10	2.57
iv	Miscellaneous expenses	14.02	44.76
		85.17	**130.39**
v	Depreciation	4.84	7.38
	Total	**90.01**	**137.77**
***details of fixed assets utilised for research and development.**			

2.46 The details relating to Corporate Social Responsibility (CSR) expenditure are as follows :

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Gross amount required to be spent by the Company during the year	71.40	75.01
Amount spent during the year (See Note below)	67.94	97.75

(₹ In Lakhs)

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
i.	Construction/ acquisition of assets	-	-
ii.	On purposes other than (i) above	67.94	97.75

2.47 Distribution made and proposed:

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash dividend on Equity shares declared and paid:		
Final dividend for the year ended on 31 March 2017: ₹ 1.00 Per share (31 March 2016: ₹ 5.00 Per share)	154.55	766.11
Dividend distribution tax on final dividend	31.46	156.64
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2018: ₹ 6.50 per share (31 March 2017: ₹ 1.00 per share)	1015.70	154.23
Dividend Distribution Tax on proposed dividend	206.75	31.39

2.48 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder 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, except in case of interim dividend. 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.

2.49 Number of shares held by each shareholder holding more than 5% shares

(₹ In Lakhs)

Particulars	Year Ended 31 March 2018		Year Ended 31 March 2017		As at 1 April 2016	
	(No. of shares)	%	(No. of shares)	%	(No. of shares)	%
a. Falak Investment Private Limited	7,383,470	47.25	7,383,470	47.87	7,383,470	47.98
b. HDFC Trustee Company Limited	-	-	902,542	5.85	-	-
c. ICICI Lombard General Insurance Company Limited	790,981	5.06	805,000	5.22	-	-

2.50 Employee Stock Option Scheme

The Company has granted 1,60,000 options (previous year nil options) to the employees during the year ended 31 March, 2018.The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

(₹ In Lakhs)

Particulars	ESOS 2011	ESOS 2012	ESOS 2014	ESOS 2015	ESOS 2017
Year in which scheme was established	2011-12	2012-13	2014-15	2015-16	2017-18
Number of options authorised and granted	1,50,720	1,60,945	1,40,000	1,70,000	1,60,000
Exercise price	₹ 126	₹ 268	₹ 336	₹ 262	₹ 571
Fair Value	₹ 48.69	₹ 95.59	₹ 151.01	₹ 100.11	288.37
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four year after vesting date				
Option activity during the year under the plans is set out below:					
i. Opening balance	-	95,980	116,310	137,100	
	44,765	*1,03,385*	*1,29,965*	*1,70,000*	
ii. Granted during the year	-	-	-	-	160,000
	-	-	-	-	
iii. Vested during the year	-	-	-	-	
	-	-	-	-	
iv. Exercised during the year	-	73,205	57,610	72,435	-
	34,060	-	-	-	-
v. Forfeited during the year	-	(8,735)	(9,180)	(7,710)	
	-	*(7,405)*	*(13,655)*	*(32,900)*	
vi. Expired during the year	-	14,040	-	-	
	10,705	-	-	-	
vii. Outstanding at the year end	-	-	49,520	56,955	160,000
	-	*95,980*	*116,310*	*137,100*	
viii. Options exercisable at the year end	-	-	49,520	56,955	
	-	*95,980*	*116,310*	*137,100*	

(₹ In Lakhs)

Particulars	ESOS 2011	ESOS 2012	ESOS 2014	ESOS 2015	ESOS 2017
ix. Remaining contractual life (years) at the year end	-	-	1.81	2.80	4.82
	-	*0.81*	*2.81*	*3.80*	-

Previous year figures are in italics.

The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, an expected dividend yield of 18.00% (previous year 2.00%) on the underlying equity shares, volatility in the share price of 47.51% (previous year 42.16%) and a risk free rate of interest of 7.26% (previous year 7.88%). The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

2.51 Fair values

Particulars	Carrying value		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:			
Financial Assets			
Measured at amortised cost			
- Security Deposits**	656.73	721.84	732.03
- Government subsidy receivables	884.74	1,435.99	1,138.96
- Balances held as margin money (deposit accounts)	518.61	496.19	633.84
- Interest accrued on deposits	18.13	72.65	77.50
- Insurance claim receivable	11.47	278.61	9.11
- Advance recoverable in cash or kind	139.53	1,669.56	-
Trade receivable*	7,061.67	10,191.41	10,727.05
Cash & cash equivalents*	2,257.14	1,314.80	5,981.95
Other bank balances*	40.86	45.32	41.99
Total	**11,588.88**	**16,226.37**	**19,342.43**
Financial Liabilities			
Measured at fair value			
- Foreign exchange forward contracts	7.15	48.56	190.46
Measured at amortised cost			
Term Loan	8,384.55	19,801.75	25,521.62
Trade Payable*	15,780.66	16,542.67	16,528.63
Other Financial Liabilities			
- Interest accrued on borrowings	43.05	56.52	103.54
- Unpaid dividend*	40.86	45.32	41.99
- Payable for capital goods*	299.38	53.53	76.19
- Retention monies	653.44	612.67	532.74
- Stockists' and other deposits *	3,026.05	2,858.51	2,554.24
Total	**28,235.14**	**40,019.53**	**45,549.41**

* The management assessed that carrying values approximates their fair value largely due to the short-term maturities of these instruments, hence the same has not been disclosed.

** The management assessed that Carrying Values approximate their fair value due to amortised cost being calculated based on the effective Interest rates, hence the same has not been disclosed.

2.52 Fair value hierarchy

The fair value of financial instruments as refered to in note 2.51 above have been classified into three categories depending upon the input used in the valuation technique.

The categories used are as follows :

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2018:

(₹ In Lakhs)

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	7.15	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017:

(₹ In Lakhs)

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	48.56	-

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 1 April 2016:

(₹ In Lakhs)

Particulars	Level 1	Level 2	Level 3
Foreign exchange forward contracts	-	190.46	-

2.53 Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company take appropriate steps in order to maintain its capital structure. The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

The capital gearing ratio as on 31 March 2018, 31 March 2017 and 1 April 2016 was 13.34%, 35.30% and 36.18% respectively.

(₹ In Lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	As at 01.04.2016
Non Current Borrowing	5,114.17	9,144.80	11,773.94
Current Borrowing	2,578.06	8,835.25	11,249.76
Other Financial Liabilities (Long term debt)	692.32	1,821.70	2,497.92
Cash & Cash Equivalent	(2,257.14)	(1,314.80)	(5,981.95)
Net Debt	**6,127.41**	**18,486.95**	**19,539.67**
Total Capital	39,807.08	33,890.38	34,468.98
Capital & Net Debt	**45,934.49**	**52,377.33**	**54,008.65**
Gearing Ratio	**13.34%**	**35.30%**	**36.18%**

2.54 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of: currency risk and interest rate risk.

The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Company regularly evaluates exchange rate exposure arising from the foreign currency transaction.

The Company uses forward contracts and derivative instruments to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Company negotiates the terms of those contracts to match the terms of the hedged exposure. The Company's exposure to unhedged foreign currency risk as at March 31, 2018 and March 31, 2017 has been disclosed in note 2.32.

For the year ended March 31, 2018, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 263.10 Lakhs/ ₹ (263.10) Lakhs respectively.

For the year ended March 31, 2017, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by ₹ 204.81 Lakhs/ ₹ (204.81) Lakhs respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Comapny manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company has ₹ 3,902.65 lakhs (previous year ₹ 3,890.31 lakhs) of term loan carrying a floating interest rate of LIBOR plus 270 bps to LIBOR plus 400 bps and ₹ 1,903.84 lakhs (previous year ₹ Nil) of term loans carrying a floating interest rate of MCLR plus 20bps to MCLR minus 20 bps, respectively. These loans expose the Company to risk of changes in interest rates. The remaining loans carry a fixed rate of Interest.

For details of the Company's short-term and long-term loans and borrowings, including interest rate profiles, refer to note 2.13 of these financial statements.

For the years ended 31 March 2018 and 31 March 2017, every 1% increase or decrease in the floating interest rate component (i.e., LIBOR and MCLR) applicable to its loans and borrowings would affect the Company's net profit by approximately ₹ 13.07 lakhs and ₹ 3.43 lakhs , respectively.

The Company's investments in term deposits with banks are for short durations, and therefore do not expose the Company to significant interest rates risk. To optimise the interest cost the Company balances the borrowings from commercial paper, working capital loan and non-fund facilities from banks.

Interest rate sensitivity have been calculated assuming the borrowing outstanding at the reporting date have been outstanding for the entire reporting period.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits) and from foreign exchange transactions.

Trade receivables

To manage the credit risk the company periodically assesses the financial reliability of customers taking into account the financial condition and ageing of accounts receivable.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note .

Reconciliation of the allowances for credit losses :

The details of changes in allowances for credit losses during the year ended 31 March 2018, 31 March 2017 and 1 April 2016 are as follows:

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance as at 1 April (adjusted to opening balance of other equity)	594.31	584.00	584.00
Provision/(reversal) made during the year	(5.31)	10.31	
Closing provision as on 31st March'18 (not routed through statement of profit and loss)	589.00	594.31	584.00

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at 31 March 2018 and 31 March 2017, the Company had unutilised limits from banks of ₹ 16,172.25 lakhs and ₹ 11,772.57 lakhs respectively.

2.55 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with previous GAAP.

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

I. Exemptions applied

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

a. Property Plant & Equipment

As permitted by IND AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant & equipment. The same selection has been made in respect of Intangibles Assets.

The Company has purchased fixed assets under the 'Export Promotion Capital Goods Schemes'. The same has been considered as Government grants relating to assets and is presented in the financial statements by setting up the grant as deferred income and this has been recognised in profit or loss on a systematic basis over the useful life of the asset.

b. Share-based Payment

Ind AS 102, Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1 April 2016.

c. Investments in Subsidiaries

Ind AS 101 permits a First-time adopter to elect to measure its investments in subsidiaries at fair value of such investments at the Company's date of transition to Ind AS or Previous GAAP carrying amount at that date and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure its investments in Everest Building Products, Mauritius at its fair value as at 1st April, 2016 and its investments in Everest Building Solutions Limited at its Previous GAAP carrying value as at 1st April, 2016.

II. Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies).

2.56 Reconciliation of equity as at April 01, 2016

(₹ In Lakhs)

Particulars		Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
A.	**Assets**				
1.	**Non-current assets**				
	Property, plant and equipment	a	34,778.60	768.33	35,546.93
	Capital work in progress		942.66	(760.22)	182.44
	Intangible assets		249.24	-	249.24
	Financial assets				
	(i) Other financial assets	b	2,104.92	(238.49)	1,866.43
	Income tax assets (net)		4,297.68	-	4,297.68
	Other Non current assets	b	849.75	20.78	870.53
	Total - Non-current assets		**43,222.85**	**(209.60)**	**43,013.25**
2.	**Current assets**				
	Inventories		25,252.69	-	25,252.69
	Financial assets				
	(i) Trade receivables	c	11,311.05	(584.00)	10,727.05
	(ii) Cash and cash equivalent		5,981.95	-	5,981.95
	(iii) Bank balances other than (ii) above		41.99	-	41.99
	(iv) Other financial assets	b	625.10	99.91	725.01
	Other current assets	b	6,229.01	(69.85)	6,159.16
	Total - current assets		**49,441.79**	**(553.94)**	**48,887.85**
	Total assets		**92,664.64**	**(763.54)**	**91,901.10**
B.	**Equity and liabilities**				
1.	**Equity**				
	Equity share capital		1,538.89	-	1,538.89
	Other equity		33,117.48	(279.45)	32,838.03
	Non-controlling interests		92.06		92.06
	Total equity		**34,748.43**	**(279.45)**	**34,468.98**
2.	**Non-current liabilities**				
	Financial liabilities				
	(i) Borrowings	f	11,823.94	(50.00)	11,773.94
	Deferred tax liabilities (net)		3,226.35	(108.50)	3,117.85
	Other non current liabilities	a	-	140.35	140.35
	Total - Non-current liabilities		**15,050.29**	**(18.15)**	**15,032.14**
3.	**Current liabilities**				
	Financial Liabilities				
	(i) Borrowings		11,249.76	-	11,249.76
	(ii) Trade payables	g	16,705.35	(176.72)	16,528.63
	(iii) Deposits from business partners		2,554.24	-	2,554.24

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
(iv) Other financial liabilities	g	3,252.37	190.47	3,442.84
Provisions	e	1,485.39	(926.08)	559.31
Income tax liability (net)		1,207.43	-	1,207.43
Other current liabilities	a	6,411.38	446.39	6,857.77
Total - Current liabilities		**42,865.92**	**(465.94)**	**42,399.98**
Total Equity And Liabilities		**92,664.64**	**(763.54)**	**91,901.10**

2.57 Reconciliation of equity as at March 31, 2017

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
A. Assets				
1. Non-current assets				
Property, plant and equipment	a	33,648.47	734.17	34,382.64
Capital work in progress		2,628.88	(833.47)	1,795.41
Intangible assets		78.97	-	78.97
Financial assets				
(i) Other financial assets	b	1,400.97	(179.12)	1,221.85
Income tax assets (net)		3,674.19	-	3,674.19
Other non current assets	b	242.92	18.25	261.17
Total - Non-current assets		**41,674.39**	**(260.17)**	**41,414.23**
2. Current assets				
Inventories		23,472.38	-	23,472.38
Financial assets				
(i) Trade receivables	c	10,785.72	(594.31)	10,191.41
(ii) Cash and cash equivalent		1,314.80	-	1,314.80
(iii) Bank balances other than (ii) above		45.32	-	45.32
(iv) Other financial assets	b	3,408.14	44.86	3,453.00
Other current assets	b	4,675.80	4.97	4,680.77
Total - current assets		**43,702.15**	**(544.48)**	**43,157.68**
Total assets		**85,376.55**	**(804.64)**	**84,571.91**
B. Equity and liabilities				
1. Equity				
Equity Share Capital		1,542.29	-	1,542.29
Other Equity		33,271.59	(944.35)	32,327.24
Non-controlling interests		18.84	2.01	20.85
Total equity		**34,832.72**	**(944.35)**	**33,890.38**

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
2. Non-current liabilities				
Financial Liabilities				
(i) Borrowings	f	9,169.27	(24.47)	9,144.80
Deferred tax liabilities (net)		3,124.21	16.21	3,140.42
Total - Non-current liabilities		**12,293.48**	**(8.26)**	**12,285.22**
3. Current liabilities				
Financial Liabilities				
(i) Borrowings		8,835.25	-	8,835.25
(ii) Trade payables	g	16,585.62	(42.96)	16,542.67
(iii) Loans		2,858.51		2,858.51
(iv) Other financial liabilities	g	2,589.74	48.56	2,638.30
Provisions		539.50	-	539.50
Income tax liability (net)		4.79	-	4.79
Other current liabilities	a	6,836.94	140.36	6,977.29
Total - Current liabilities		**38,250.35**	**145.96**	**38,396.31**
Total Equity And Liabilities		**85,376.55**	**(806.66)**	**84,571.91**

2.58 Reconciliation of statement of profit and loss for the year ended March 31, 2017

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
Revenue from operations	h	124,856.72	(792.58)	124,064.14
Less: Excise duty	i	8,060.68	(8,060.68)	-
Revenue from operations (Net)		116,796.04	7,268.10	124,064.14
Other income		908.03	4.95	912.98
Total income		**117,704.07**	**7,273.05**	**124,977.12**
Expenses				
Cost of raw material and components consumed		62,750.09	-	62,750.09
Purchase of traded goods		1,539.61	-	1,539.61
Change in inventories of finished goods, work-in-progress and traded goods		1,221.31	-	1,221.31
Excise duty on sale of goods	i	-	8,060.68	8,060.68
Employee benefits expense	d, j	9,967.77	73.75	10,041.52
Depreciation and amortization expense	a	2,513.60	32.20	2,545.80
Finance costs	f	2,057.27	25.53	2,082.80
Other expenses	h	37,520.80	(1,231.39)	36,289.42
Total expenses		**117,570.46**	**6,960.77**	**124,531.23**

(₹ In Lakhs)

Particulars	Note	As per previous GAAP	Effect of transition to Ind AS	As per Ind AS balance Sheet
Profit/(Loss) before tax		**133.61**	**312.28**	**445.89**
Tax expenses				
(a) Current tax		112.05	-	112.05
(b) Adjustment of tax relating to earlier periods		-	-	-
(c) Deferred tax		(102.14)	134.09	31.95
Total tax expenses		**9.91**	**134.09**	**144.00**
Profit for the period		**123.70**	**178.19**	**301.89**
Other comprehensive income				
Items that will not be reclassified subsequently to the statement profit or loss				
(a) Re-measurement gains/(losses) on defined				
benefit plans	j	-	(27.15)	(27.15)
(b) Income tax effect	j	-	9.40	9.40
Net other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax		**-**	**(17.75)**	**(17.75)**
Total comprehensive income For the year		**123.70**	**160.44**	**284.14**

2.59 Adjustment to statement of cash flows

There were no material differences between the statement of Cash Flows presented under Ind AS and the Previous GAAP

2.60 Notes to the Reconciliations

a. Property, plant & equipment

Under previous GAAP government grant in the form of EPCG licenses showed as a contingent liability consequent to the pending fulfilment of export obligation. However under Ind AS Company opt to recognize EPCG licenses as a increase in the cost of property, plant & equipment and treated the same as a deferred income. Deferred income is recognized as income on fulfilment of export obligation. Depreciation on such property, plant and equipment is charged as per the requirement of schedule II.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Asset			
Property, plant & equipment	768.33	734.17	-
Liability			
Deferred Income	(446.39)	(140.36)	-
(Profit) / Loss:			
Export incentives	-	-	(446.39)
Depreciation	-	-	32.20

b. Financial Assets

Under previous GAAP, Long Term Loans & Advances i.e. security deposit paid were recognised on undiscounted basis. Under Ind AS, financial assets in the form of long term interest free deposits to landlords have been accounted at fair value at date of transition and subsequently measured at amortised cost using the effective interest rate method.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Asset			
Security Deposit	(31.50)	1.96	-
Prepaid Asset	25.14	(1.91)	-
Profit / Loss			
Interest on Security deposit	-	-	(4.95)
Amortisation of Prepaid asset	-	-	4.90

c. Trade receivables

Under previous GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Due to ECL model, the Company impaired its trade receivable by ₹ 584.00 lakhs on 1 April 2016 which has been eliminated against retained earnings. The impact of ₹ 10.31 lakhs for year ended on 31 March 2017 has been recognized in the statement of profit and loss.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Asset			
Provision for ECL	(584.00)	(594.31)	-
Profit / Loss			
Provision for ECL	-	-	10.31

d. Share based payments

Under previous GAAP, the Company recognised only the intrinsic value of the options granted as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Equity			
Share based payment	(36.83)	(100.42)	-
(Profit) / Loss:			
Share based payment	-	-	100.42

e. Proposed dividend

Under previous GAAP, proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability when approved by shareholders in annual general meeting. Therefore, the liability of ₹ 926.08 lakhs for the year ended on 31 March 2016 recorded for dividend has been reversed against retained earnings on 1 April 2016 and recognised in the year of approval by shareholder in annual general meeting.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Equity			
Other Equity (Retained earning)	(926.08)	-	-
Liability			
Provisions	926.08	-	-

f. Borrowings

Under previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Liability			
Finance cost - EIR adjustment	50.00	24.47	-
Profit / Loss			
Finance cost - EIR adjustment	-	-	25.53

g. Derivative instruments- Forward contract

Under previous GAAP, premium or discount at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rate change. Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in profit and loss statement. Derivative assets and derivative liabilities are presented on gross basis.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Liability			
Fair valuation of forward contracts	(13.75)	(5.60)	-
Profit / Loss			
Fair valuation of forward contracts	-	-	(8.15)

h. Revenue from sales of goods

Under previous GAAP, the over riding commission given on sales was recognized as an expenses in the statement of profit and loss. However as per Ind AS, over riding commission is through revenue, accordingly Company has adjusted revenue by ₹ 1,238.00 lakhs with corresponding decrease in miscellaneous expenses within other expenses.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
Profit / Loss			
Revenue from operations	-	-	1,238.00
Miscellaneous expenses	-	-	(1,238.00)

i. Excise duty

Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased by ₹ 8,060.68 lakhs.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
(Profit) / Loss:			
Revenue from operations	-	-	(8,060.68)
Excise duty	-	-	8,060.68

j. Defined benefit liabilities

Both under previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced and Remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

(₹ In Lakhs)

Particulars	Debit / [Credit]	Debit / [Credit]	Debit / [Credit]
	Balance sheet As at 1 April, 2016	Balance sheet As at 31 March, 2017	Statement of profit and loss Year Ended 31 March, 2017
(Profit) / Loss:			
Employee benefit expense	-	-	27.15
Remeasurement [gain]/loss on net defined benefit plans	-	-	(27.15)
Tax impact on above			9.40

2.61 "As per Orissa Industrial Policy 2007, the Company is eligible for State Government incentives in the form of reimbursement of 75% of Value added tax (VAT) paid after adjusting input tax rebate on VAT/ CST.

Post GST implementation effective July 1, 2017, the VAT / CST Acts have been repealed but as the aforesaid Scheme has not been withdrawn by the Orissa Government, the benefits therein continue. Further, the State Government has assured the Company that a notification on revised criteria for the calculation of incentive under GST regime shall be announced soon and the incentive under GST regime should be more or less at par with incentives under VAT regime. Accordingly, the Company has accrued the incentives amounting to ₹ 134.74 lakhs in these financial statements post GST implementation.

2.62 Previous Year's figures have been regrouped/reclassified, wherever necessary, to confirm to the classification of current year.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

Sanjay Vij
Partner
Membership No : 95169

Mumbai
1st May, 2018

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
1st May, 2018

Y Srinivasa Rao
Executive Director

Mumbai
1st May, 2018

Nikhil Dujari
Chief Financial Officer

Mumbai
1st May, 2018

Neeraj Kohli
Company Secretary

Mumbai
1st May, 2018

Conceptualised, designed and developed by
Valorem Advisors - www.valoremadvisors.com

EVEREST

ATTENDANCE SLIP

EVEREST INDUSTRIES LIMITED

CIN : L74999MH1934PLC002093
Regd. Office: GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra.
Phone : 02557-250375/462, Fax : 02557-250376, E-mail Id: compofficer@everestind.com, Website: www.everestind.com

I/We .... R/o .... hereby record my/our presence at the 85th Annual General Meeting of the Company held on Wednesday, the 25th July, 2018 at 12.30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra.

DPID * : ______________________________	Folio No. : ______________________________
Client Id * : ______________________________	No. of Shares : ______________________________

* Applicable for investors holding shares in electronic form.

Signature of member/ proxy

PROXY FORM

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

EVEREST INDUSTRIES LIMITED

CIN : L74999MH1934PLC002093
Regd. Office: GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra.
Phone : 02557-250375/462, Fax : 02557-250376, E-mail Id: compofficer@everestind.com, Website: www.everestind.com

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

I/We, being the member(s) of ....shares of Everest Industries Limited, hereby appoint :

1) .... of .... having e-mail id .... or failing him

2) .... of .... having e-mail id .... or failing him

3) .... of .... having e-mail id .... or failing him

and whose signature(s) are appended below as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 85th Annual General Meeting of the Company, to be held on Wednesday, 25th July, 2018 at 12:30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422202, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Standalone and Consolidated Audited Financial Statements, Reports of the Board of Directors and Auditors for the financial year ended 31st March, 2018.		
2. Declaration of dividend on Equity Shares for the Financial Year 2017 -18.		
3. Re-appointment of Mr. Y Srinivasa Rao, Director of the Company who retires by rotation.		
4. Ratification of appointment of M/s. S.R. Batliboi & Co. LLP as Statutory Auditors of the Company.		

P.T.O.

5.	Fixation of Remuneration of Mr. Y Srinivasa Rao, Whole Time Director designated as Executive Director of the Company for the remaining period of his current Tenure.		
6.	Ratification of Remuneration of Cost Auditors of the Company for the financial year ending 31st March, 2019.		
7.	Approval for authorizing the Board for further issue of equity shares to employees under Employees Stock Option Scheme -2018.		
8.	Approval for continuation of Mr. M.L. Gupta as an Independent Non – Executive Director of the Company.		

* Applicable for investors holding shares in electronic form

Signed this .... day of July 2018.

Affix Revenue Stamp and sign across the stamp

....
Signature of member

.... Signature of first proxy holder

.... Signature of second proxy holder

.... Signature of third proxy holder

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.**
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
4. ** This is optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

REGISTERED OFFICE

EVEREST INDUSTRIES LIMITED
Gat 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra (INDIA)
Phone: 02557-250375/462 | Fax: 02557-250376 | Helpline: 18004191991
Website: www.everestind.com | Email: info@everestind.com