

SYNERGY GREEN INDUSTRIES PVT. LTD.

(CIN : U27100PN2010PTC137493)

7TH ANNUAL REPORT 2016 – 2017

BOARD OF DIRECTORS

(As on 31-03-2017)

Mr. Rajendra V. Shirgaokar	Chairman
Mr. Prafulla V. Shirgaokar	Director
Mr. Shishir S. Shirgaokar	Director
Mr. Chandan S. Shirgaokar	Director
Mr. Neeraj S. Shirgaokar	Director
Mr. Anant S. Huilgol	Director
Mr. Jeevan V. Shirgaokar	Director
Mr. Sachin R. Shirgaokar	Managing Director
Mr. Sohan S. Shirgaokar	Joint Managing Director
Mr. V. S. Reddy	Executive Director (Technical)
Mr. Vinod R. Shirhatti	Director

Auditors :

M/s. P. G. Bhagwat,
Chartered Accountants,
C. S. No. 221, B-1, E Ward, Rajhans Appartment,
2nd Floor, Flat No. S-6, Tarabai Park, Kolhapur - 416 003.
Phone - (0231) - 2659546

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Corporate Office :

392, 'E' Ward,
Assembly Road, Shahupuri,
Kolhapur - 416 001, Maharashtra, INDIA.
Ph No.: 0231 - 2658375

Works :

Plot. No. C - 18,
Five Star MIDC, Kagal
Kolhapur - 416 216, Maharashtra, INDIA
Ph. No.: 0231 - 2305311

Bankers :

Bank of Baroda

ANNUAL GENERAL MEETING

WEDNESDAY, THE 20TH DAY OF SEPTEMBER, 2017 AT 3.00 P. M.
AT 392, 'E' WARD, ASSEMBLY ROAD, SHAHUPURI, KOLHAPUR - 416001

Chairman's Letter

Dear Share Holders,

I have a great pleasure in sharing that, your company has made significant progress during the fiscal year 2016-17 with 46% growth in sales revenue and three folds increase in profitability. During the year your company sales revenue increased from Rs 82.59 Crore to 120.67 Crore and achieved a net profit of Rs 4.86 Crore as against Rs 1.55 Crore during last fiscal year.

Product Mix & Customer Base: Your company's growth is strongly supported by large customer base along with industry diversification. Development of 2 MW parts like V110 model to M/S Vesats, G114 model to M/S Gamesa and Atlas 1.2 & S111 gear box models to M/S ZF strengthens the product mix. Further business growth is also being maintained on non wind segment by adding more customers in Pumps, Valves, Mining & Plastic injection parts. Non wind revenue contributions expected to grow from present levels of 20% to 25% during FY 2017-18.

Industry overview and future prospects :

- a. During the year 2016-17 India's wind turbine installations are at 5400 MW with second successive growth of 51%. For the first time in global history, renewable attracted highest investments in energy sector.
- b. Year 2017 has opened up new chapter for Indian renewable with reverse auctioning. Discovered price during first auction was Rs 3.46/Unit from a previous working levels of Rs 4.5/Unit. With dramatic reduction in energy costs, there is going to be big upward momentum for the Industry. However entire manufacturing chain needs to undergo huge cost restructure to tackle with these competitive prices.
- c. Wind Industry need to get settle down in new orbit with GST regime and reverse auctioning system. GST reform taken away all the subsidies to Industry, however this will be compensated with low prices discovered in reverse auctioning. There will be time lag in adapting the new reverse auctioning system may impact short term demand during this transformation.
- d. Profit margins are expected to be under pressure due to stiff market competitiveness and increase in input steel commodity prices. However operational excellence initiatives and in-house machining facilities are expected to protect present margin levels.

Looking at present market conditions along with peaking of production capacities, business consolidation is expected during FY 2017-18. Industry stabilization in new environment along capacity expansion planned during FY 2017-18 should drive 30% plus revenue growth during FY 2018-19.

I am highly thankful to our Board for their valuable guidance and our management team & all employees for their continued effort towards the vision and bringing excellent growth to organisation. I take this opportunity to thank our banker, Bank of Baroda for their continued support in achieving our goals. I also acknowledge the support extended by Central & State governments and express our sincere thanks to them. I would like to express our appreciation to our partners in our various ventures. I would also like to thank our esteem shareholders for your continued support.

With Warm Regards
Rajendra Vinayak Shirgaokar
Chairman

NOTICE

Notice is hereby given that the Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at ' 392, E- Ward, Shahupuri, Kolhapur- 416 001', on 20th September, 2017 at 3.00 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2017 and Balance sheet as on that date and Auditor's and the Directors' Reports thereon.
2. To appoint the Auditors and to fix their remuneration and to pass the following resolution as an Ordinary Resolution in this connection:

"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. P. G. Bhagwat, Chartered Accountants, (Firm Registration No. 101118W) be and are hereby re-appointed as Statutory Auditors of the Company for financial year 2017-18, at a remuneration and upon other terms and conditions, to be fixed by the Board of Directors in mutual consultation with M/s. P. G. Bhagwat, Chartered Accountants".

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provision of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and Rules thereunder the approval of the shareholders of the company be and is hereby accorded for alteration of the existing Memorandum of Association by substitution of the same by new set of Memorandum of Association as per drafts placed before the members"

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

"RESOLVED THAT pursuant to the provision of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules thereunder the approval of the shareholders of the company be and is hereby accorded for alteration of the existing Articles of Association by substitution of the same by new set of Articles of Association as per drafts placed before the members"

5. **To consider and to pass if thought fit, with or without modification, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 shareholders do hereby ratify the remuneration of Rs.1,00,000 fixed by the Board of Directors to be paid to Adawadkar Chougule & Associates, Cost Accountant(s) (Firm Registration No.00425) for conducting Audit of Cost Records maintained by the Company in respect of financial year 2017-18."

SYNERGY GREEN INDUSTRIES PVT. LTD.

SACHIN R. SHIRGAOKAR

MANAGING DIRECTOR

DIN: 01512497

Place : Kolhapur.

Date : 29 August 2017

- NOTES :**
1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.*
 2. *AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 IS ANNEXED HEREWITH AND FORMS A PART OF THE NOTICE.*

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

Item No. 3 & 4:

The Companies Act, 2013 has prescribed new format of Memorandum of Association and also new model regulations to be adopted in Articles of Association; It is thought advisable to adopt new sets of Memorandum of Association and Articles of Association as practice of good governance.

As per the provisions of Section 13 of the Companies Act, 2013, and Rules made thereunder alteration in the provisions of the Memorandum of Association can be effected with the approval of the shareholders by a Special Resolution; As per the provisions of section 14 of the Act and Rules made thereunder, alteration in Articles of Association can be effected with the approval of the shareholders by a Special Resolution. Hence Resolutions at Item nos. 3 & 4 are proposed as Special Resolutions for your consideration.

None of the Directors, Key managerial Personnel or their relatives is or is deemed to be concerned or interested, directly or indirectly, in the said Resolution.

Draft Memorandum of Association and Draft Articles of Association as per Companies Act 2013 are available for inspection at Register Office of the company during business hours.

Item No. 5:

Pursuant to the provisions of Section 148 of the Companies Act, 2013, based on turnover of the company for financial year 2016-17, the Board of Directors, in its meeting held on 20th September, 2017 appointed CMA Adawadkar Chougule & Associates, Cost Accountant(s) (Registration No.00425) as Cost Auditor to conduct audit of Cost Records of the company for financial year 2017-18 at remuneration of Rs.1,00,000 As per the provisions of Rule 14 of Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost Auditors needs to be ratified by the shareholders. Hence Resolution at Item No. 5 is proposed as an Ordinary Resolution for your consideration.

None of the Directors, Key managerial Personnel or their relatives is or is deemed to be concerned or interested, directly or indirectly, in the said Resolution.

SYNERGY GREEN INDUSTRIES PVT. LTD.

SACHIN R. SHIRGAOKAR
MANAGING DIRECTOR
DIN: 01512497

Place : Kolhapur.
Date : 29 August 2017

Management Discussion and Analysis

Wind Industry Analysis:

2016-17 was another great year for the Indian Wind Industry with 5.4 GW of installations recording a healthy growth of 55%. Indian government set a target of 175 GW through renewable energy by 2022. Out of which 60 GW is from wind utility, 60 GW from Solar utility, 40 GW solar rooftop and balance from others.

Year 2017 has opened up new chapter for Indian renewable with reverse auctioning. Discovered price during first auction was Rs 3.46/Unit from a previous working levels of Rs 4.5/Unit. With dramatic reduction in energy costs, there is going to be big upward momentum for the Industry. However entire manufacturing chain needs to undergo huge cost restructure to tackle with these competitive prices.

Wind Industry need to get settle down in new orbit with GST regime and reverse auctioning system. GST reform taken away all the subsidies to Industry, however this will be compensated with low prices discovered in reverse auctioning. There will be time lag in adapting the new reverse auctioning system may impact short term demand during this transformation.

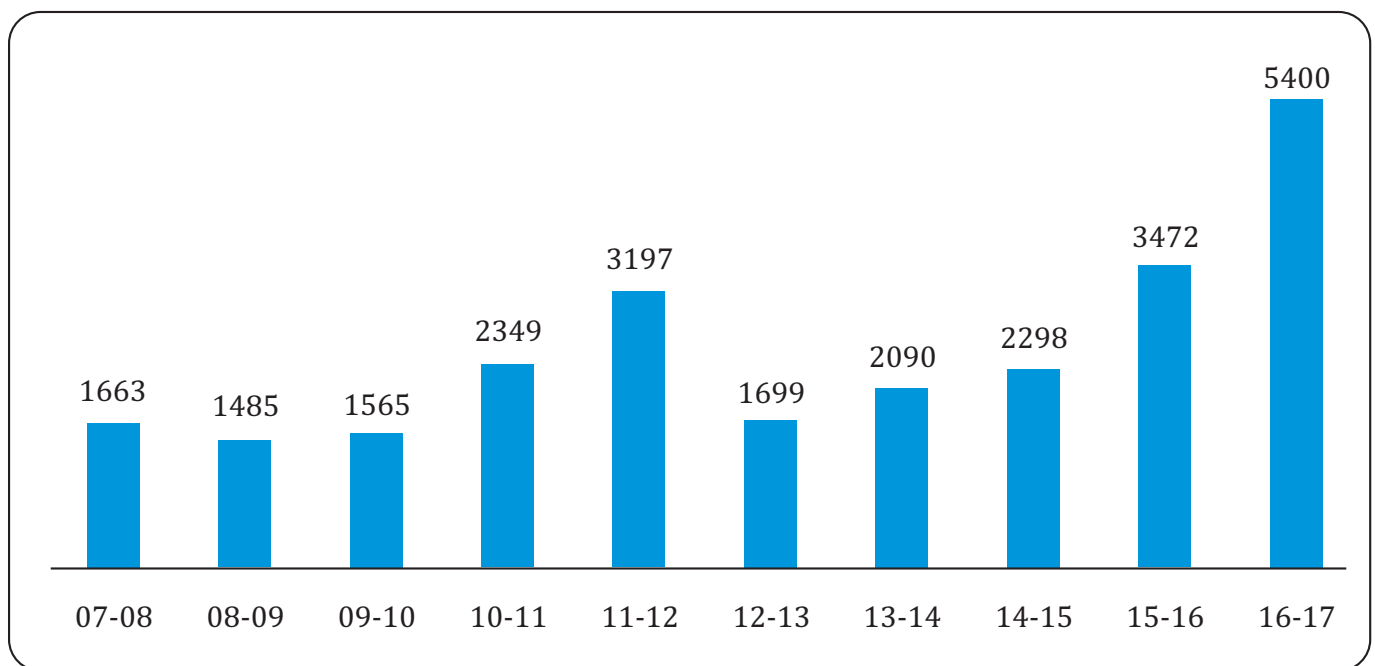


figure 1: Annual Wind Turbine Installations during last 10 years in India

Visualising the impact of climate change on environment, all global leaders are seriously committed towards renewable energy. For the first time in global history, renewable attracted highest investments in energy sector.

As per Global Wind Energy Council (GWEC) estimates, descent growth is projected for next three decades. Considering moderate growth scenario, cumulative global installations are expected to grow nine folds from 432 GW in 2015 to 3,983 GW by 2050. Advance growth scenario may be take up to 13 times with 5805 GW installations by 2050

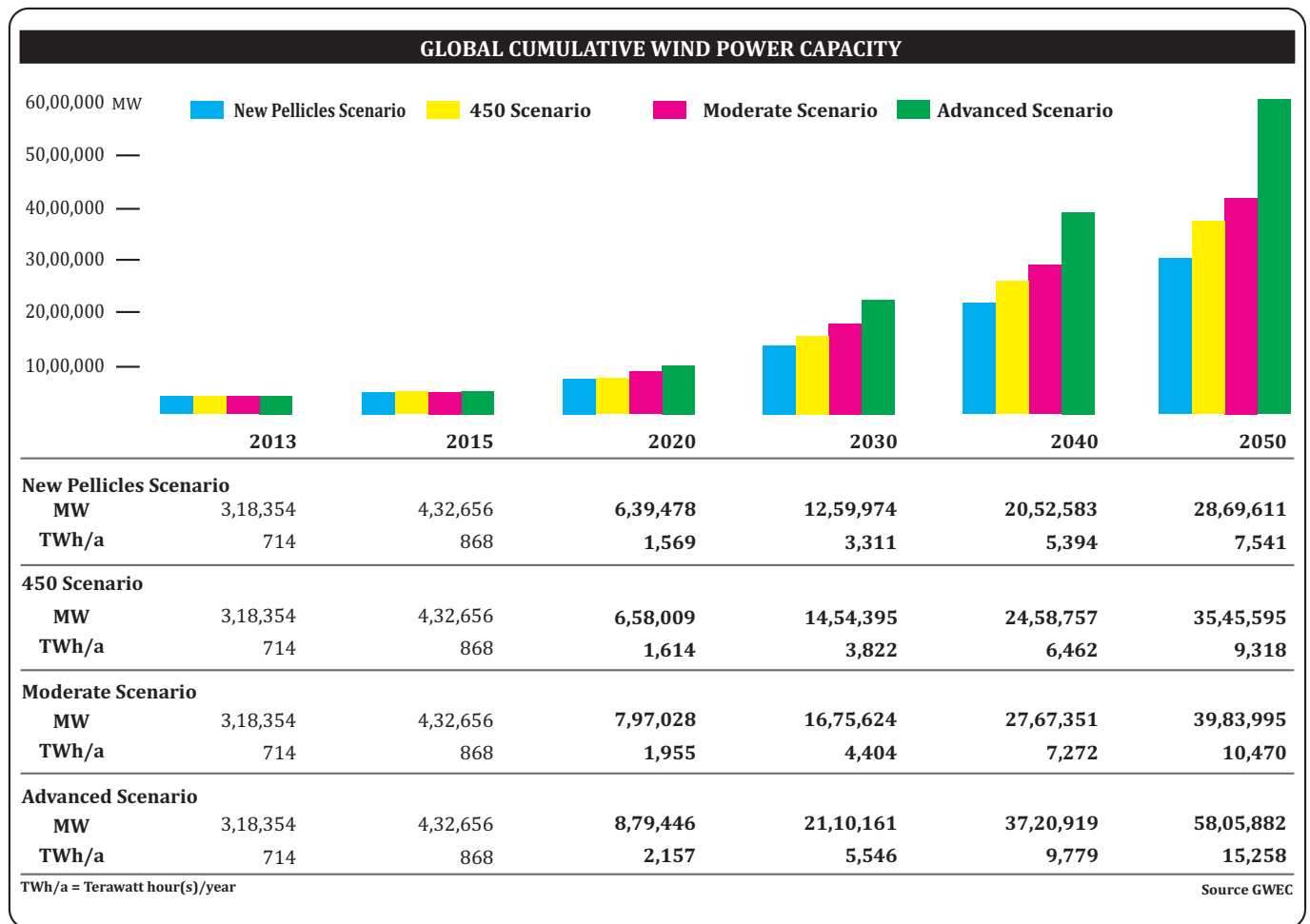


figure 2: Global Cumulative Wind Power Capacity

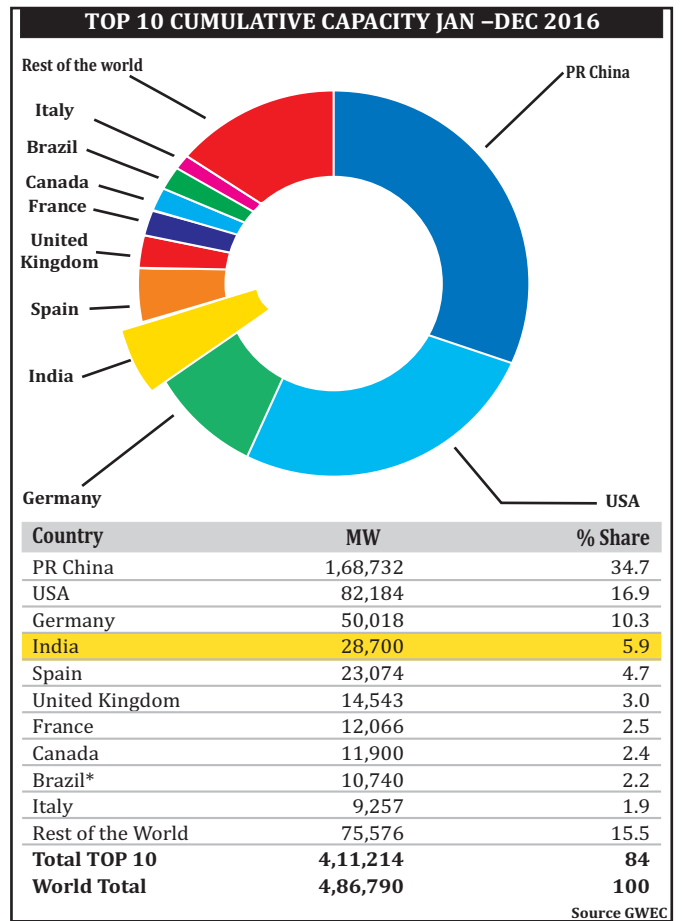
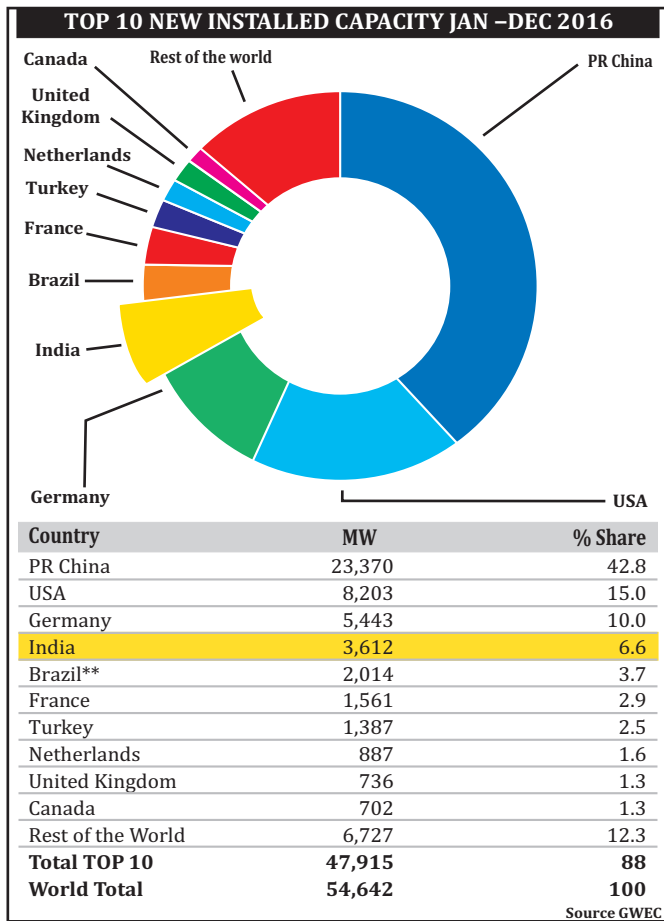
INDIA –CUMULATIVE CAPACITY UP TO 2050							
Total Capacity in MW	2013	2014	2015	2020	2030	2040	2050
New Pellicles Scenario	20,150	22,465	25,088	50,063	1,11,938	1,84,838	2,56,789
450 Scenario	20,150	22,465	25,088	67,098	1,55,736	2,54,827	3,58,314
Moderate Scenario	20,150	22,465	25,088	44,734	1,16,257	2,27,137	3,72,830
Advanced Scenario	20,150	22,465	25,088	56,297	1,63,473	2,94,184	4,52,197

figure 3: India's Cumulative Installed Capacity up to 2050

GWEC report for India's cumulative installations projected to grow 15 times from 25 GW in 2015 to 372 GW by 2050 with moderate growth scenario. Advance growth scenario may take up to 18 times with 452 GW installations by 2050. These projections are going to give huge growth opportunity for the Indian wind turbine Industry.

Globally Indian wind turbine industry is positioned at 4th place in terms of annual and cumulative installations. Having built more than 10 GW of installation capacity, within a short period of time India is likely to move to 3rd position by replacing Germany.

Considering the competitive advantage, major global players in wind Industry like Vestas Denmark, GE USA & Enercon Germany are planning to create India as a manufacturing hub for the wind turbines. With this Indian foundry industry has got tremendous growth opportunities from local demand and also for the global requirements.



*Projects fully commissioned, grid connections pending in some cases

Figure 3: Top 10 countries wind power installation till Dec 2016

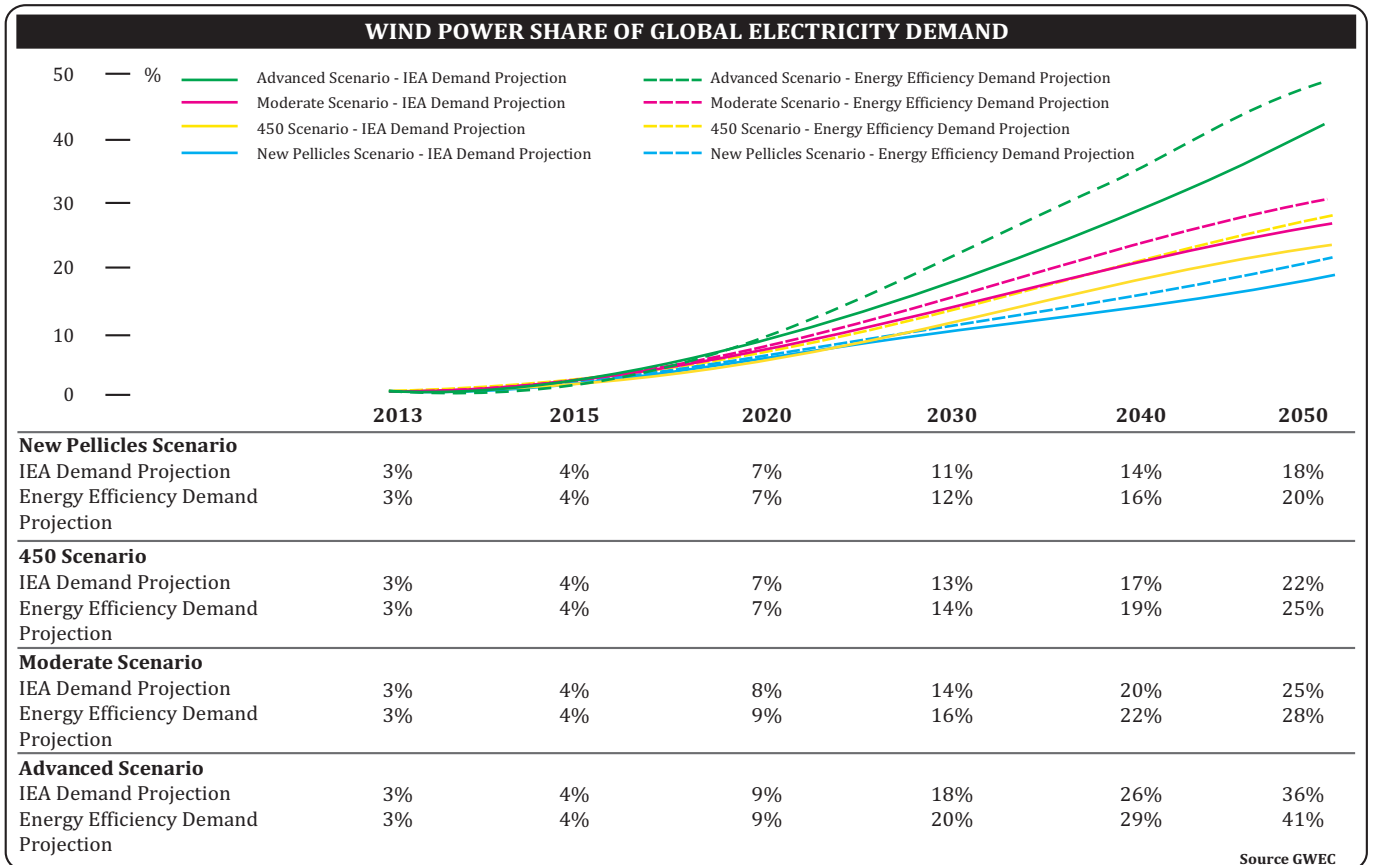


Figure 5: Wind power share of Global Electricity Demand

Non Wind Industry Analysis:

Apart from Wind Turbine Industry, company is also producing castings to Pump, Mining, Plastic Injection & Metro train parts. Looking at India's growth story, these industries are also offering huge growth opportunities for large castings.

During FY 2016-17, non wind segment contributed 20% and expected to reach 25% during FY 2017-18. As part of the risk mitigation strategy, It is being planned to achieve equal business volumes from Wind domestic, Wind Global and Non wind segment by 2020

Performance Analysis:

Sales Revenue:

Following are the Sales revenues figures in Rs Crore for last four full year of operations.

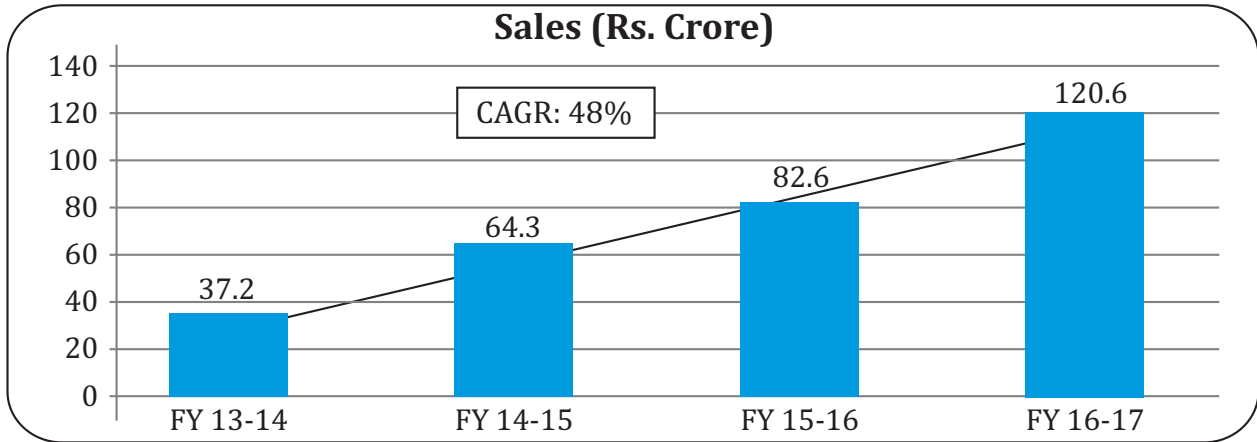


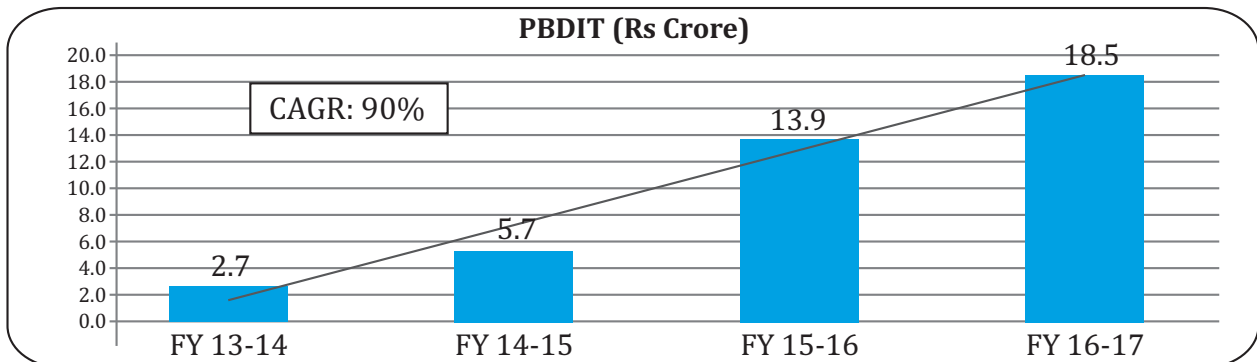
figure 6: Sales Revenue figures in Rs Crores

During the year, Sales Revenues increased from Rs 82.6 Crore to 120.6 Crore and achieved a growth rate of 46% for the year & CAGR of 48%. Revenue growth was primarily driven with significant business contribution from M/S Gamesa & M/S ZF from wind Industry with 56% of sales. M/S Gamesa business grown three folds and M/S ZF business got doubled during the year. Development activity completed for global leader M/S Vestas with a revenue contribution of Rs 8.6 Crore in first year and significant growth contributions are projected in upcoming years.

Looking at present market conditions along with peaking of production capacities, business consolidation is expected during FY 2017-18. Industry stabilization in new environment along capacity expansion planned during FY 2017-18 should drive 35% plus revenue growth during FY 2018-19.

Profitability:

During the year PBDIT figures increased from Rs 13.9 Crore to 18.5 Crore with a growth rate of 33%. PBDIT ratio to sales revenue is at 15.3% as against 16.8% during previous year. Stable raw material prices supported in maintaining the profitability.



Profit margins are expected to be under pressure due to stiff market competitiveness and increase in input steel commodity prices. However operational excellence initiatives and in-house machining facilities are expected to protect present margin levels.

DIRECTORS' REPORT

To,
The Members
Synergy Green Industries Pvt. Ltd.
Shahupuri, Kolhapur

Your Directors have pleasure in submitting their Seventh Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS :

The financial results for the year ended 31st March, 2017 are as under :-

Particulars	2016-2017	2015-2016
Profit Before interest, Depreciation & Tax	18,52,93,929	13,89,24,071
Less: Finance Cost	8,31,24,758	7,33,09,676
Less: Depreciation & Amortization Expense	6,13,51,007	5,50,75,629
Profit before Tax	4,08,18,164	1,05,38,766
Provision for Tax	-	-
Income Tax (JV)	(50,838)	(31,410)
Deferred Tax	78,29,038	50,13,382
Profit after Tax	4,85,96,364	1,55,20,738
Less : Proposed Dividend & Tax thereon	-	-
Balance carried to Balance Sheet	4,85,96,364	1,55,20,738

2. DIVIDEND AND RESERVES :

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended 31st March, 2017.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS :

The highlights of the Company's performance during the year consideration are as under :-

- a) Revenue from operations increased by 46.08% from Rs. 8,259.66 lacs for the previous year to Rs.12,067.19 lacs for the current year.
- b) Net Profit for the year increased by 163.00% from Rs.155.20 lacs for the previous year to Rs.408.18 lacs for the current year
- c) Earnings per share have increased by 213.55% from Rs.3.10 for the previous year to Rs.9.72 for the current year

During the year, we have successfully developed 2MW parts of G114 model to M/S Gamesa & V110 model to M/S Vestas and rolled out both models for serial production. We have developed two more models Atlas 1.2 & S 111 gear box castings to M/S ZF Wind. We have received development order for 2 MW parts from M/S Regen Powertech. We have successfully completed India's largest diffuser bowl project of 27 Nos to M/S Xylem with single piece weighing up to 19 MT and repeat order are expected for similar products.

With development of M/S Vesats parts and additional models to M/S ZF, significant revenue growth is expected with these customers. With peaking of production capacity and dynamic change in customer profiles, consolidation of revenue is expected during FY 2017-18. Capacity expansion planned during FY 2017-18 should drive 30% revenue growth during FY 2018-19. Profit margins are expected to be under pressure due to stiff market competitiveness and input cost increase. However operational excellence initiatives and in-house machining facilities are expected to protect present margin levels.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY :

There was no Change in the nature of the business activity of the Company, during the year under consideration.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

The Company has not provide any Loans, Guarantees or made any investment under the provision of section 186 of Companies Act 2013 during the year under consideration.

8. DEPOSITS :

The Company has neither accepted nor renewed any deposits during the year under section 73 of Companies Act 2013.

9. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL :**BOARD OF DIRECTORS**

The Board comprises of 11 (Eleven) Directors out of which 8 (Eight) are non-executive Directors. The Chairman is the Non - Executive Chairman.

APPOINTMENT / REAPPOINTMENT OF DIRECTOR

Shri Sachin R. Shirgaokar and Shri Sohan S. Shirgaokar was re-appointed as Managing Director and Joint Managing Director of the Company respectively effective from 1st January, 2017 for the term of 5 years.

KEY MANAGERIAL PERSONNEL :

Mr. Sachin R. Shirgaokar acts as Managing Director of the Company.

Mr. Sohan S. Shirgaokar acts as Joint Managing Director of the Company.

Mr. V. S. Reddy acts as Whole time / Executive Director of the Company.

Mr. Suhas Kulkarni acts as Chief Financial Officer of the Company.

Mr. Nilesh Mankar acts as Company Secretary (Membership No.A39928) of the Company.

None of the Directors are liable for retirement by rotation.

11. DECLARATION OF INDEPENDENT DIRECTORS :

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

12. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW :

The Company had four Board meetings during the year under consideration.

13. DIRECTORS RESPONSIBILITY STATEMENT :

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement :-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY :

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

15. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :

The parameters prescribed for Corporate Social Responsibility initiatives did not apply to the company during the period under consideration. The Company was not required to develop and implement any designated Corporate Social Responsibility initiatives during the said period.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES :

All the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis. The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders' as utmost priority.

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 is furnished in Annexure I and is attached to this report.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :

The Company does not have any Subsidiary, Joint venture or Associate Company.

18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant and material orders have been passed by regulators or courts or tribunals impacting the going concern status of the company and company's operations in future.

19. ANNUAL RETURN :

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure II and is attached to this Report.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :**A. Conservation of Energy :**

- i. Energy Conservation :** Constraint in material handling at pouring area was resulting to higher power consumption in melting operations. Same is optimised by installing additional 60 MT crane in this area. With this 3% reduction in power consumption and 10% increase in production is estimated.
- ii. Alternate source of energy :** In house LPG based Heat treatment of Planetary carrier gear box castings was introduced instead of diesel based heat treatment furnaces at vendors. Due to higher calorific value of LPG over diesel and elimination of additional transportation to vendors, around 50% reduction on heat treatment cost was achieved. Still 30% of heat treatment is being carried out at vendors and same is planned to execute in-house with an additional investment for second furnace. Diesel fired ladle pre-heater is being replaced with LPG fired to avoid ladle rinsing and to optimise fuel cost. Same is expected to save 1% electricity consumption.
- iii. Capital Investment on Energy Conservation :** Capital investment of Rs 93 lacs on crane is completed and Rs 15 lacs investment on ladle pre-heater is under progress.

B. Technology Absorption :

- i. Effort towards technology absorption :** Adaptive thermal analysis system (ATAS) is being implemented to optimise the liquid metal quality. This system will be benefiting the operational efficiency and reduction in manufacturing costs.
- ii. Import Substitution :** Filters are being imported by our suppliers which are used for metal filtration. Trials are in progress to eliminate/minimise the filters usage by the way of implementing clean production practices.
- iii. Technological Up gradation :** Technology up-gradation is in progress to enhance moulding & finishing processes by introducing mould compaction system, flood coating and automated shot blasting machine.

C. Foreign exchange earning & Outgo :

During the year, the total foreign exchange used was Rs.54,88,027 and the total foreign exchange earned was Rs.1,40,64,321.

21. SHARES:

During the year under consideration, there is no change in Share Capital.

BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

a. SWEAT EQUITY :

The Company has not issued any Sweat Equity Shares during the year under review.

b. BONUS SHARES :

No Bonus Shares were issued during the year under review.

c. EMPLOYEES STOCK OPTION PLAN :

The Company has not provided any Stock Option Scheme to the employees.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2016-2017.

23. AUDITOR'S REPORT :

The Auditor's Report does not contain any significant qualification. Notes to Accounts and Auditor's Remarks in their report are self explanatory and do not call for any future comments.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

24. STATUTORY AUDITORS :

M/s. P. G. Bhagwat, (Firm Registration No.101118W) Chartered Accountants, the acting Statutory Auditors retire at the conclusion of the ensuing Annual General Meeting of the Company. They have confirmed their eligibility and willingness for re appointment as Auditors for financial year 2017-18. Your Directors recommend ratification of appointment of M/s. P. G. Bhagwat, (Firm Registration No.101118W), Chartered Accountants, as statutory auditors of the company for F.Y. 2017-18 for the approval of Shareholders.

For **SYNERGY GREEN INDUSTRIES PVT.LTD.**

Place : Kolhapur.
Date : 08 Jun 2017

Sachin R. Shirgaokar
Managing Director
(DIN: 01512497)

Sohan S. Shirgaokar
Joint Managing Director
(DIN: 00217631)

Form No. AOC –2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sr. No.	Particulars	1	2	3
1	Name(s) of the related party			
2	Nature of relationship			
3	Duration of the contracts / arrangements/transactions			
4	Salient terms of the contracts or arrangements or transactions including the value	-----NOT APPLICABLE-----		
5	Justification for entering into such contracts or arrangements or transactions			
6	Date(s) of approval by the Board			
7	Amount paid as advances, if any			
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188			

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Particulars	1	2
1	Name(s) of the related party	S. B. Reshellers Pvt. Ltd.	The Ugar Sugar Works Ltd.
2	Nature of relationship	Holding Company	Fellow Subsidiary
3	Duration of the contracts / arrangements/transactions	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017
4	Salient terms of the contracts or arrangements or transactions including the value	1. Purchase of Other items ₹ .4,29,00,954.00 2. Labour Charges Paid ₹ .66,79,516.00 3. Purchase of Fixed Asset ₹ .44,85,226.00 4. Service Charges Received ₹ .9,705.00 5. Lease Rent Paid ₹ .4,60,000.00	1. Purchase of other items ₹ .1,21,175.00
5	Justification for entering into such contracts or arrangements or transactions	Routine Business	Routine Business
6	Date(s) of approval by the Board	-----	-----
7	Amount paid as advances, if any	-----	-----

ANNEXURE-II

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS :

(i) CIN	: U27100PN2010PTC137493
(ii) Registration date	: 08/10/2010
(iii) Name of the company	: SYNERGY GREEN INDUSTRIES PVT. LTD.
(iv) Category/sub-category of the company	: LIMITED BY SHARES
(v) Address of the registered office and contact details	: 392, E WARD, SHAHUPURI, KOLHAPUR - 416001. TEL.: 0231-2658375
(vi) Whether listed company	: No
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product / Services	% to total Turnover of the Company
1.	Windmill Parts	3450	62%
2.	Other CI & SGI Castings	2431	38%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares Held	Applicable Section
1.	S.B. Reshellers Pvt. Ltd.	U29199MH1949PTC007210	Holding Company	48.19% (Percentage to total paid up share capital including preference shares)	2(46) on the basis of control over BOD

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

(I) Category-wise Shareholding.

Category of shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A	Promoters									
1	Indian									
a	Individual / HUF		2113865	2113865	42.28%		2113865	2113865	42.28%	
b	Central Govt.									
c	Sate Govt. (S)									
d	Bodies Corp.		2874661	2874661	57.49%		2874661	2874661	57.49%	
e	Banks / FI									
f	Any Other									
	Sub Total (A) (1)		4988526	4988526	99.77%		4988526	4988526	99.77%	
2	Foreign									
a	NRIs - Individuals									
b	Other - Individuals									
c	Bodies Corp.									
d	Bank / FI									
e	Any Other....									
	Sub-total (A) (2)									
	Total Shareholding of Promoter (A)=(A) (1)+ (A) (2)		4988526	4988526	99.77%		4988526	4988526	99.77%	
B	Public Shareholding									
1	Institutions									
a	Mutual Funds									
b	Bank / FI									
c	Central Govt.									
d	State Govt(s)									
e	Venture Capital Funds									
f	Insurance Companies									
g	FII's									
h	Foreign Venture Capital Funds									
i	Others (specify)									
	Sub Total (B)(1)									
2	Non-Institutions									
a	Bodies Corp.									
i	Indian									
ii	Overseas									
b	Individuals									
i	Individual Shareholders holding nominal share Capital upto of ₹ .1 Lac									
ii	Individual Shareholders holding nominal share capital in excess ₹ .1 Lac									
c	Any Other (Non-Promoters)		11474	11474	0.23%		11474	11474	0.23%	
	Sub Total(B)(2)		11474	11474	0.23%		11474	11474	0.23%	
	Total Public Shareholding (B)=(B)(1)+(B) (2)		11474	11474	0.23%		11474	11474	0.23%	
d	Shares held by Custodian for GDRs & ADRs									
	Grand Total (A+B+C)		50,00,000	50,00,000	100.00%		50,00,000	50,00,000	100.00%	

(II) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change In shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total Shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total Shares	
1	Anant Shriniwas Huilgol & Asha Anant Huilgol	34218	0.69%		34218	0.69%		
2	Anant Shriniwas Huilgol & Namita Sandeep Huilgol	205	0.004%		205	0.004%		
3	Asha Anant Huilgol & Sandeep Anant Huilgol	9945	0.20%		9945	0.20%		
4	Chandan Sanjeev Shirgaokar & Radhika Sanjeev Shirgaokar	3951	0.08%		3951	0.08%		
5	D. M. Shirgaokar Enterprises Pvt. Ltd.	100433	2.01%		100433	2.01%		
6	Jeevan Vasant Shirgaokar & Anuja Jeevan Shirgaokar	14460	0.29%		14460	0.29%		
7	Laxmi Sachin Shirgaokar & Sachin Rajendra Shirgaokar	20000	0.40%		20000	0.40%		
8	Prabhakar Shirgaokar Enterprises LLP	4500	0.09%		4500	0.09%		
9	Prafulla Shirgaokar Enterprises LLP	15000	0.30%		15000	0.30%		
10	Prafulla Vinayak Shirgaokar & Smita Prafulla Shirgaokar	51266	1.03%		51266	1.03%		
11	Radhika Sanjeev Shirgaokar & Chandan Sanjeev Shirgaokar	371176	7.42%		371176	7.42%		
12	Radhika Sanjeev Shirgaokar & Sohan Sanjeev Shirgaokar	371177	7.42%		371177	7.42%		
13	Rajendra Vinayak Shirgaokar & Sachin Rajendra Shirgaokar	10000	0.20%		10000	0.20%		
14	S.B.Reshellers Pvt.Ltd.	2622982	52.46%		2622982	52.46%		
15	Sachin Rajendra Shirgaokar	5000	0.10%		5000	0.10%		
16	Sachin Rajendra Shirgaokar & Laxmi Sachin Shirgaokar	363114	7.26%		363114	7.26%		
17	Sandhya Ashok Gupta	410	0.01%		410	0.01%		
18	Shishir Suresh Shirgaokar & Savita Shishir Shirgaokar	84932	1.70%		84932	1.70%		
19	Shraddha Dinkar Shirgaokar	409	0.01%		409	0.01%		
20	Smita Prafulla Shirgaokar & Prafulla Vinayak Shirgaokar	14650	0.29%		14650	0.29%		
21	Sohan Sanjeev Shirgaokar	5000	0.10%		5000	0.10%		
22	Sohan Sanjeev Shirgaokar & Radhika Sanjeev Shirgaokar	3952	0.08%		3952	0.08%		
23	Suresh Shirgaokar Enterprises Pvt. Ltd.	59246	1.18%		59246	1.18%		
24	Vendavagali Srinivasa Reddy & Sou.Vendavagali Kuberi Reddy	750000	15.00%		750000	15.00%		
25	Vinayak Shirgaokar Enterprises LLP	72500	1.45%		72500	1.45%		
	Total	4988526	99.77%		4988526	99.77%		

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year				
2	Date wise increase / decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer / bonus / sweat equity, etc):	There is no change in Promoters' Shareholding			
3	At the end of the year				

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year				
2	Date wise increase / decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer / bonus / sweat equity, etc):	Not Applicable			
3	At the end of the year (or on the date of separated during the year)				

(I) Shareholding of Director's and Key Managerial Personnel's

Sl. No.	Director's and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shri Sachin R. Shirgaokar				
	At the beginning of the year	5000	0.10%	5000	0.10%
	Date wise increase / decrease in promoters Shareholding during the year specifying the reasons for increase /decrease (e.g., allotment / transfer / bonus / sweat equity etc.)		0.00%	5000	0.10%
	At the end of the year	5000	0.10%	5000	0.10%

Sl. No.	For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2	Shri Sohan S. Shirgaokar				
	At the beginning of the year	5000	0.10%	5000	0.10%
	Date wise increase / decrease:	----	0.10%	5000	0.10%
	At the end of the year	5000	0.10%	5000	0.10%
3	Shri Rajendra V. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
4	Shri Prafulla V. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
5	Shri Shishir S. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
6	Shri Chandan S. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
7	Shri Niraj S. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				

Sl. No.	For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8	Shri Anant S. Huilgol				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
9	Shri Jeevan V. Shirgaokar				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
10	Shri V. S. Reddy				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
11	Shri Vinod R. Shirhatti				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				
12	Shri Suhas B. Kulkarni (KMP)				
	At the beginning of the year				
	Date wise increase / decrease:				
	At the end of the year				

(I) INDEBTEDNESS

Indebtness of the company including interest outstanding / accrued but not due for payment.

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year					
i)	Principal Amount	39,34,24,327.63	11,68,80,000.00	-	51,03,04,327.63
ii)	Interest due but not paid	32,79,126.00	27,56,329.00	-	60,35,455.00
iii)	Interest accrued but not due	8,259.20	-	-	8,259.20
Total(i+ii+iii)		39,67,11,712.83	11,96,36,329.00	-	51,63,48,041.83
Change in Indebtness during the financial year					
● Addition		1,19,47,204.75	8,23,75,000.00	-	9,43,22,204.75
● Reduction		(5,84,68,086.00)	(6,71,40,000.00)	-	(12,56,08,086.00)
Net Change		(4,65,20,881.25)	1,52,35,000.00	-	(3,12,85,881.25)
Indebtness at the end of the financial year					
i)	Principal Amount	34,69,03,446.38	13,21,15,000.00	-	47,90,18,446.38
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	39,633.00	-	-	39,633.00
Total(i+ii+iii)		34,69,43,079.38	13,21,15,000.00	-	47,90,58,079.38

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Sachin S. Shirgaokar (Managing Director)	
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the income-tax Act, 1961	30,00,000.00	30,00,000.00
b.	Value of perquisites under section 17(2) Income-tax Act, 1961.	-	-
c.	Profits in lieu of salary under section 17(3)Income-tax Act, 1961.	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	36,01,230.00	36,01,230.00
	--as % of profit	6%	-
	--others, specify	-	-
5	Others, please specify	10,000.00	10,000.00
	Total(A)	66,11,230.00	66,11,230.00
	Ceiling as per the Act		

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

Sl. No.	Particulars of Remuneration	Name of JMD/WTD/Manager	Total Amount
		Mr. Sohan S. Shirgaokar (Joint Managing Director)	
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the income-tax Act, 1961	30,00,000.00	30,00,000.00
b.	Value of perquisites under section 17(2) Income-tax Act, 1961.	-	-
c.	Profits in lieu of salary under section 17(3)Income-tax Act, 1961.	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	36,01,230.00	36,01,230.00
	--as % of profit	6%	-
	--others, specify	-	-
5	Others, please specify	10,000.00	10,000.00
	Total(A)	66,11,230.00	66,11,230.00
	Ceiling as per the Act		

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. V. S. Reddy (Executive Director-Technical)	
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the income-tax Act, 1961	47,69,469.00	47,69,469.00
b.	Value of perquisites under section 17(2) Income-tax Act, 1961.	-	-
c.	Profits in lieu of salary under section 17(3)Income-tax Act, 1961.	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	12,00,410.00	12,00,410.00
	--as % of profit	2%	-
	--others, specify	-	-
5	Others, please specify	10,000.00	10,000.00
	Total(A)	59,79,879.00	59,79,879.00
	Ceiling as per the Act		

A. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr. Suhas B. Kulkarni (CFO)	
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the income-tax Act, 1961.	13,98,027.00	13,98,027.00
b.	Value of perquisites under section 17(2) Income-tax Act, 1961.		
c.	Profits in lieu of salary under section 17(3)Income-tax Act, 1961.		
2	Stock Option		
3	Sweat Equity		
4	Commission --as % of profit --others, specify		
5	Others, please specify		
	Total	13,98,027.00	13,98,027.00

B. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr. Nilesh M. Mankar (CS)	
1	Gross Salary		
a.	Salary as per provisions contained in section 17(1) of the income-tax Act, 1961.	4,73,277.00	4,73,277.00
b.	Value of perquisites under section 17(2) Income-tax Act, 1961.		
c.	Profits in lieu of salary under section 17(3)Income-tax Act, 1961.		
2	Stock Option		
3	Sweat Equity		
4	Commission --as % of profit --others, specify		
5	Others, please specify		
	Total	4,73,277.00	4,73,277.00

B. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment compounding fees imposed	Authority (RD/NCLT /Court)	Appeal made, if any (give details)
A	COMPANY					
	Penalty			NIL		
	Punishment					
	Compounding					
B	DIRECTORS					
	Penalty			NIL		
	Punishment					
	Compounding					
C	OTHER OFFICERS IN DEFAULT					
	Penalty			NIL		
	Punishment					
	Compounding					

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
SYNERGY GREEN INDUSTRIES PVT. LTD.****Report on the Financial Statements**

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by The Companies (Auditor's Report) Order, 2016 issued by Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note C-1(A) to the financial statements;
 - II. The Company did not have any long-term contracts including derivative contracts for which provision is required under the applicable law or accounting standards, for 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.
 - IV. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts of maintained by the company.

For **M/s. P. G. Bhagwat**
Chartered Accountants
Firm's Registration No: 101118W

Nikhil M Shevade
Partner
Membership No.217379

Place : Kolhapur.
Date : 08th June 2017

ANNEXURE –A to the Auditors Report

(Referred to in paragraph 1 of our 'Report on Other Legal and Regulatory Requirements' of even date.)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) The fixed assets were physically verified during the year by the management at reasonable intervals. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory was physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies between the physical stock and the book records noticed on verification were properly dealt with in the books of accounts.
- (iii) According to 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.

Accordingly, the reporting under Clause 3 (iii) (a), (b) and (c) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.

- (iv) According to information & explanations given to us, in our opinion no loans, investments, guarantees, and security have been given/provided by the company.

Accordingly, the reporting under Clause 3 (iv) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.

- (v) According to information and explanation given to us, the Company has not accepted any deposits from public, accordingly the reporting under Clause 3 (v) of the Companies (Auditor's report) Order, 2015, is not applicable to the Company.

- (vi) We have broadly reviewed the books of accounts and records maintained by the company relating to manufacture of SG iron casting pursuant to the rules made by Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 and are of the opinion that prima facie. the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- (vii) (a) According to information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

- (b) According to information and explanation given to us, there are no dues of Income tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty and Cess which have not been deposited on account of any dispute other than those mentioned below:

Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax	1,01,250.00	A.Y. 2012-13	Commissioner of Income Tax(Appeals)

- (viii) According to the information and explanations given to us, the Company is regular in repayment of principle of Term Loans. However, we have observed delays in repayment of interest on term loans which have been made good subsequently.
- (ix) According to the information and explanation given to us, in our opinion the Company has utilized the money raised by way of term loans during the year for the purpose for which they were raised.
- (x) According to information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanation given to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act is not applicable to the Company, accordingly the reporting under Clause 3 (xi) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (xii) The Company is not a Nidhi Company, accordingly the reporting under Clause 3 (xii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (xiii) According to information & explanation given to us, in our opinion all transactions with related parties are in Compliance with sections 177 & 188 of Companies Act 2013 wherever applicable and the details have been disclosed in notes to accounts of Financial Statements as per Accounting Standard 18 - Related Parties Disclosures.
- (xiv) According to information & explanation given to us, the Company has not issued any shares or securities by way of preferential allotment/private placement during the year under review, accordingly provisions of section 42 are not applicable to the Company.
- (xv) According to information & explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with them; accordingly provisions of section 192 are not applicable to the Company.
- (xvi) According to information & explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **M/s. P. G. Bhagwat**
Chartered Accountants
Firm's Registration No: 101118W

Nikhil M Shevade
Partner
Membership No.217379

Place : Kolhapur.
Date : 08th June 2017

Annexure –B to the Auditor's Report

(Referred to in paragraph 2(f) of our 'Report on Other Legal & Regulatory Requirement' of even date)

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 Synergy Green Industries Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s. P. G. Bhagwat**
Chartered Accountants
Firm's Registration No: 101118W

Nikhil M Shevade
Partner
Membership No.217379

Place : Kolhapur.
Date : 08th June 2017

Synergy Green Industries Pvt. Ltd.

BALANCE SHEET AS AT 31ST MARCH 2017

(All figures in Rs.)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a) Share capital	B - 1	17,81,00,000	17,81,00,000
b) Reserves and Surplus	B - 2	(18,50,67,191)	(23,36,63,556)
		(69,67,191)	(5,55,63,556)
(2) Non-Current Liabilities			
a) Long-Term Borrowings	B - 3	31,80,48,762	32,88,26,562
b) Other Long-Term Liabilities	B - 4	12,000	12,000
c) Long-Term Provisions	B - 5	47,68,007	33,40,421
		32,28,28,769	33,21,78,983
(3) Current Liabilities			
a) Short Term Borrowings	B - 6	10,69,62,205	12,80,09,680
b) Trade Payables	B - 7	36,60,25,370	31,29,38,620
c) Other Current Liabilities	B - 8	12,83,00,930	10,62,96,101
d) Short-Term provisions	B - 9	7,21,814	14,72,467
		60,20,10,319	54,87,16,868
Total Liabilities		91,78,71,897	82,53,32,295
II. ASSETS			
(1) Non-current Assets			
a) Property, plant & Equipments			
i) Tangible Assets	B - 10	33,28,03,557	32,12,66,752
ii) Intangible Assets	B - 10	9,06,689	2,43,796
iii) Capital work-in-progress		79,85,325	-
iv) Intangible assets under development		28,87,650	7,50,000
		34,45,83,221	32,22,60,548
b) Deferred Tax Asset (net)	B - 11	4,09,88,002	3,31,58,964
c) Long-term loans and advances	B - 12	89,74,421	11,43,938
d) Other non-current assets	B - 13	12,80,682	7,36,186
		39,58,26,326	35,72,99,636
(2) Current Assets			
a) Inventories	B - 14	22,76,50,093	23,31,05,827
b) Trade Receivables	B - 15	23,60,24,326	19,13,61,425
c) Cash and Bank Balance	B - 16	1,10,95,927	1,51,32,420
d) Short-Term loans and advances	B - 17	10,33,488	2,15,145
e) Other current assets	B - 18	4,62,41,737	2,82,17,842
		52,20,45,571	46,80,32,659
Total Assets		91,78,71,897	82,53,32,295
Corporate Information, Basis of Preparation and Significant Accounting Policies			
	A		
Other Information & Disclosure			
	C		

Signed pursuant to the provisions of section 134 of the Companies Act 2013, in authentication of this Balance Sheet and Notes referred to therein.

As per our report attached.

For **M/s. P. G. Bhagwat**

Chartered Accountants

Firm's Registration No.: 101118W

For **SYNERGY GREEN INDUSTRIES PVT. LTD.**

Nikhil M Shevade

Partner

Membership No.: 217379

Place : Kolhapur.

Date : 08th June 2017

Sachin R. Shirgaokar

Managing Director

(DIN : 01512497)

Sohan S. Shirgaokar

Joint Managing Director

(DIN : 00217631)

Synergy Green Industries Pvt. Ltd.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2017

(All figures in Rs.)

Sr. No.	Particulars	Note No.	For the year ended 31 March 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2016
I	REVENUE FROM OPERATIONS Less: Excise Duty	B - 19	1,23,40,71,273 2,90,89,040	1,20,49,82,233	84,25,95,590 2,00,61,766	82,25,33,824
II	Other Income	B - 20		17,36,774		34,31,961
III	Total Revenue (I + II)			1,20,67,19,007		82,59,65,785
IV	Expenses					
	a) Cost of Materials Consumed	B - 21		43,57,47,969		29,46,51,810
	b) Changes in inventories of finished goods and work-in-progress	B - 22		2,09,30,295		(3,97,61,937)
	c) Employee Benefit Expenses	B - 23		12,08,79,942		8,19,21,815
	d) Finance Costs	B - 24		8,31,24,758		7,33,09,676
	e) Depreciation and Amortisation Expenses	B - 25		6,13,51,007		5,50,75,629
	f) Other Expenses	B - 26		44,38,66,872		35,02,30,024
	Total Expenses (IV)			1,16,59,00,843		81,54,27,017
V	Profit before Tax			4,08,18,164		1,05,38,768
VI	Tax Expenses					
	1) Current Tax		-		-	
	2) Short / (Excess) Provision for Income tax		(50,838)		(31,410)	
	3) Deferred Tax (Assets)		78,29,038		50,13,382	
VII	Profit for the period			77,78,200 4,85,96,364		49,81,972 1,55,20,740
VIII	Basic & Diluted Earnings per Equity Share			9.72		3.10
	Corporate Information, Basis of Preparation and Significant Accounting Policies	A				
	Other Information & Disclosure	C				

Signed pursuant to the provisions of Section 134 of the Companies Act 2013, in authentication of this Balance sheet and Notes referred to therein.

As per our report attached.

For **M/s. P. G. Bhagwat**

Chartered Accountants

Firm's Registration No: 101118W

For **SYNERGY GREEN INDUSTRIES PVT. LTD.**

Nikhil M Shevade

Partner

Membership No.217379

Place : Kolhapur.

Date : 08th June 2017

Sachin R. Shirgaokar

Managing Director

(DIN: 01512497)

Sohan S. Shirgaokar

Joint Managing Director

(DIN: 00217631)

Synergy Green Industries Pvt. Ltd.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2017

(All figures in Rs.)

Particulars	2016-17	2015-16
A. Cash flow from operating activities		
Net Loss before taxation	4,08,18,164	1,05,38,768
Adjustments for		
Depreciation & Amortisation	6,13,51,007	5,50,75,629
Loss/(profit) on sale of Fixed assets	-	-
Interest income	(11,27,720)	(9,47,808)
Dividend income	-	-
Finance Costs	8,31,24,758	7,33,09,676
Operating Profit/ (Loss) before working capital changes	18,41,66,209	13,79,76,265
(Increase)/decrease in trade and other receivables	(6,50,16,508)	(8,32,67,373)
(Increase)/decrease in Inventories	54,55,734	(6,86,35,668)
Increase/(decrease) in trade and other payables	8,12,33,199	8,96,78,287
Cash generated from operations	20,58,38,634	7,57,51,511
Income tax paid	5,14,834	(5,46,871)
Net cash flow from Operating activities	20,63,53,468	7,52,04,640
B. Cash flow from investing activities		
Purchase of and Advance given against Capital assets	(9,15,04,164)	(2,80,16,484)
Proceeds from sale of Fixed assets	-	-
Fixed Deposits with original maturity above 3 months (Net)	38,67,211	(63,66,438)
Interest received	15,77,750	8,06,958
Deposits given/received to/ from third parties	-	-
Net cash flow from Investing activities	(8,60,59,203)	(3,35,75,964)
C. Cash flow from financing activities		
Proceeds from issue of Share Capital	-	-
Share Application mony (pending allotment)	-	-
Repayment/proceed of/from borrowings (net)	(3,12,85,881)	3,07,78,651
Finance Costs	(8,91,28,836)	(7,25,35,601)
Dividends paid	-	-
Net cash flow from Financing activities	(12,04,14,717)	(4,17,56,950)
Net increase / (decrease) in Cash and Cash Equivalents	(1,20,452)	(1,28,274)
Cash and Cash Equivalents at the beginning of the year	8,19,724	9,47,998
Cash and Cash Equivalents at the end of the year [as per Note B-16(1)]	6,99,272	8,19,724

Notes :

Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 of Companies(Accounting Standard) Rules, 2006.

Purchase of fixed assets includes movement in capital work in progress.

Figures for the previous year have been regrouped where necessary.

As per our report attached.

For **M/s. P. G. Bhagwat**

Chartered Accountants

Firm's Registration No: 101118W

For **SYNERGY GREEN INDUSTRIES PVT. LTD.**

Nikhil M Shevade

Partner

Membership No.217379

Place : Kolhapur.

Date : 08th June 2017

Sachin R. Shirgaokar

Managing Director

(DIN : 01512497)

Sohan S. Shirgaokar

Joint Managing Director

(DIN : 00217631)

Notes to Financial Statements for the year ended 31-03-2017

NOTE A-1 : CORPORATE INFORMATION

Incorporated as on 08-10-2010, Synergy Green Industries Pvt.Ltd., is a subsidiary of S.B.Reshellers Pvt.Ltd. The Company manufactures Heavy Cast Iron(CI) and SG Iron Castings required for Wind Turbines, Machine Tools and for Pumps & Valves. The Works is situated at Kagal - Hatkanangale Five Star Industrial Area, Kolhapur - 416216 and at Gokulshirgaon MIDC, Kolhapur.

NOTE A-2 : BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of The Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements have been presented as per requirements of Schedule III to The Companies Act, 2013.

NOTE A-3 : SIGNIFICANT ACCOUNTING POLICIES

1) Property, Plant and Equipments And Intangible Assets:-

A) Tangible Assets And Intangible Assets :-

- i) Tangible Assets are Carried at cost of acquisition or construction(Inclusive of freight, duties, taxes and expenses related to acquisition and installation and commissioning) less accumulated depreciation and impairment losses if any.
- ii) Intangible Assets are recorded at the consideration paid for acquisition.

B) Depreciation and Amortization :-

- a) Fixed Assets:- Depreciation on Tangible Assets is provided on the "Written Down value" Method, as per the useful life of assets prescribed in Part C of Schedule II of Companies Act, 2013, except Tools & Equipments which is depreciated using straight line method. Life of Dies and Moulds is taken as 8 years, and life of Tools & Equipments is taken as 4 years based on technical evaluation.
- b) Depreciation on addition to assets or sale/disposal of assets is calculated pro rata from the date put to use or up to the date of sale/disposal, as the case may be.
- c) Intangible assets which consist of computer software is amortized over a period of three years.

2) Borrowing Cost :-

Borrowing costs that are attributable to acquisition, construction or erection of qualifying assets incurred during the period of acquisition or construction, are capitalized as part of the cost of the asset. Other borrowing costs are recognised as expenditure in the period in which they are incurred.

3) Impairment of Assets :-

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual assets, unless the assets does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an assets exceeds its recoverable amount the assets is considered impaired and is written down to it's recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognised impairment loss is changed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

4) Inventories :-

- i) Raw material, Stores & Spares are valued at lower of cost or net realisable value. Cost includes cost of purchases and incidental expenses incurred in bringing the inventories to their present locations and conditions. Cost is arrived at mainly on the basis of Weighted Average Method.
- ii) Work in Progress and Finished goods are valued at lower of cost or net realisable value. Cost includes direct material, labour cost and proportion of manufacturing overheads based on the normal operating capacity. Finished goods lying in the factory premises are valued inclusive of Excise duty.
- iii) Runners and Risers are valued at replacement cost or net realisable value whichever is lower.
- iv) The inventory of patterns purchased and held for sale is valued at lower of cost and net realizable value. The cost comprises of all the costs of purchases and other costs incurred in bringing the inventories to their present location and condition.

5) Revenue recognition :-

- i) Revenue from sale of goods is recognised on dispatch to customer. Sales value is inclusive of excise duty and export benefit, if any, and net of sales tax, sales returns.
- ii) Revenue in respect of export Incentives is recognized only when it is reasonably certain that the ultimate collection will be made.

6) Retirement Benefits :-

Retirement benefits have been recognised in accordance with AS-15(Revised 2005) and accordingly,

- i) liability for balance of leave as on the last date of the year is fully provided on actuarial basis;
- ii) liability on account of retirement benefits such as provident fund are administered through separate funds. Contribution to provident fund are accounted for at respective specified rates; and
- iii) Gratuity is accounted on the basis of actuarial valuation, Method of valuation of Gratuity adopted by Actuary is 'Projected Unit Credit Method'.

7) Foreign Currency Transactions :-

All foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. The short term and long term monetary items are restated at the rate of exchange prevailing on the date of Balance Sheet. The exchange differences on settlement / restatement are adjusted to Profit and Loss Account.

8) Taxation :-

Provision for taxation is made on the basis of the taxable profits, computed for the current accounting period in accordance with the provisions of the Income Tax Act 1961. Deferred Tax resulting from timing difference between book profits and tax profits is accounted for at the applicable rate of tax to the extent timing differences are expected to crystallize, in the case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realized, applying the tax rates that have been substantively enacted by the Balance Sheet date.

9) Provisions & Contingencies :-

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information. However 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. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES TO ACCOUNTS PART B

B -1 SHARE CAPITAL

		Rs.	
Particulars		As at 31 March 2017	As at 31 March 2016
1)	Authorised Share Capital		
	50,00,000 Equity shares of Rs. 10/- each (Previous year 50,00,000 Equity shares of Rs. 10 /- each)	5,00,00,000	5,00,00,000
	13,00,000 Preference Shares of Rs. 100 /- each (Previous year 13,00,000 Preference Share of Rs. 100 /- each)	13,00,00,000	13,00,00,000
		18,00,00,000	18,00,00,000
2)	Issued and Subscribed & Paid-up Share Capital		
	50,00,000 Equity Shares of Rs. 10/- each (Previous year 50,00,000 Equity Shares of Rs. 10/- each)	5,00,00,000	5,00,00,000
	12,81,000, 10% Non-cumulative redeemable Preference shares of Rs. 100/- Each (Previous year 12,81,000 10% Non-Cumulative redeemable Preference Share of Rs. 100 /- each)	12,81,00,000	12,81,00,000
	Total	17,81,00,000	17,81,00,000

(a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars		As at 31 March 2017	As at 31 March 2016
I.	Number of shares outstanding as at the beginning of the year	50,00,000	50,00,000
	Add/Less: Increase / reduction in shares during the year	-	-
	Number of shares bought back during the year	-	-
	Number of shares outstanding as at the end of the year	50,00,000	50,00,000

Reconciliation of number of Preference shares outstanding at the beginning and at the end of the year

Particulars		As at 31 March 2017	As at 31 March 2016
II.	Number of shares outstanding as at the beginning of the year	12,81,000	12,81,000
	Add :		
	Number of shares allotted for cash pursuant to issue	-	-
	Less :		
	Number of shares redeemed during the year	-	-
	Number of shares outstanding as at the end of the year	12,81,000	12,81,000

b) Rights, preferences and restrictions attaching to various classes of shares

Sr. No.	Class of shares	Rights, preferences and restrictions (including restrictions on distribution of dividends and repayment of capital) attached to the class of shares
1)	Equity Shares of Rs. 10 Each	Each member present in person shall have one vote and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. For the year ended March 31, 2017 the Board of Directors has not proposed any dividend (Previous year Nil).

2)	10% Non-cumulative redeemable Preference shares of Rs.100/-each	Each Share shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate of 10%, on the capital for the time being paid up or credited as paid up thereon. However Dividend is on Non cumulative basis. Each share has priority to the equity share of the company, but shall not confer any further or other right to participate either in profits or assets. The shares are redeemable at any time after completion of one year but within twenty years from the date of allotment
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c) Shareholding in the company by the Holding Company –S. B. Reshellers Pvt. Ltd.

Sr. No.	Class of shares	No. of shares held in the aggregate by Holding Co.
1)	Equity Shares of Rs. 10 each	26,22,982
2)	10% Non-cumulative redeemable preference shares of Rs. 100/- each	5,96,000

d) Shares in the company held by each shareholder holding more than 5% shares

Sr. No.	Name of the shareholder	Number of shares held in the company		Percentage of shares held	
		2016 - 17	2015 - 16	2016 - 17	2015 - 16
i)	Equity Shares of Rs. 10/-each				
a.	S. B. Reshellers Pvt. Ltd.	26,22,982	26,22,982	52.46	52.46
b.	Radhika Sanjeev Shirgaokar & Chandan Sanjeev Shirgaokar	3,71,176	3,71,176	7.42	7.42
c.	Sachin Rajendra Shirgaokar & Laxmi Sachin Shirgaokar	3,68,114	3,68,114	7.36	7.36
d.	Radhika Sanjeev Shirgaokar & Sohan Sanjeev Shirgaokar	3,71,177	3,71,177	7.42	7.42
e.	Vendavagali Srinivasa Reddy & Sou. Vendavagali Kuberi Reddy	7,50,000	7,50,000	15.00	15.00
ii)	Non-cumulative redeemable Preference Shares of Rs. 100/-Each				
a.	S. B. Reshellers Pvt. Ltd.	5,96,000	5,96,000	46.53	46.53
b.	The Ugar Sugar Works Ltd	6,40,000	6,40,000	49.96	49.96

B -2 RESERVES AND SURPLUS

		Rs.	
Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1)	Profit and Loss Account		
a.	As per Last Balance Sheet	(23,36,63,556)	(2,491,84,294)
b.	Profit/ (Loss) Carried From Statement of Profit & Loss	4,85,96,364	1,55,20,738
Total		(18,50,67,191)	(23,36,63,556)

B –3 LONG-TERM BORROWINGS

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	TERM LOANS FROM BANKS, SECURED		
a.	Term loan from Bank of Baroda - Term Lone I	16,82,00,000	21,66,00,000
b.	Term loan from Bank of Baroda - Term Lone II	1,56,00,000	2,04,00,000
c.	Car loan from ICICI Bank Ltd - Vehicles	2,85,012	6,31,562
d.	Car loan from HDFC Bank Ltd - Vehicles	18,48,750	-
	Sub Total	18,59,33,762	23,76,31,562
2)	UNSECURED LOANS		
a.	Deposits from Directors, Relatives of Directors and Companies	13,21,15,000	9,11,95,000
	Sub Total	13,21,15,000	9,11,95,000
	Total	31,80,48,762	32,88,26,562

Out of above, guaranteed by Managing Director and Joint Managing Director 23,70,00,000 29,02,00,000

(I) Principal terms, security and repayment schedule of long term secured loans

- a. Term Loan –I** from Bank of Baroda (BOB) is obtained for construction of new factory building and purchase of imported as well as indigenous machinery. Hypothecation of plant & machineries, shed materials & equitable mortgage of factory land, building at Kagal location; and collateral charge over the current assets; Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S. B. Reshellers Pvt. Ltd., the holding company. Bank of Baroda had reviewed the term lone account of the company and issued sanction letter on 16.03.2016. Accordingly, the loan is repayable in 18 quarterly instalments commencing from 30 June, 2017 out of which 17 instalments of Rs. 1.21 Crores & Last instalment of Rs. 1.09 Crores which is falling due on 30 September 2021 subject to annual review.
- b. Term Loan –II** from Bank of Baroda (BOB) is obtained for construction of Administrative building and purchase of indigenous machinery & movable fixed assets. Hypothecation of plant & machineries, shed materials & equitable mortgage of factory land, building at Kagal location; and collateral charge over the current assets; Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S. B. Reshellers Pvt. Ltd., the holding company. Bank of Baroda had reviewed the term lone account of the company and issued sanction letter on 16.03.2016. Accordingly, the loan is repayable in 17 quarterly instalments of Rs. 12 Lacs commencing from 30 June, 2017 & last instalment is falling due on 18 August 2021 subject to annual review.
- c.** Vehicle Loan from ICICI Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 1st March 2019. Rate of interest 11.01% p.a.
- d.** Vehicle Loan from HDFC Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 7th March 2021. Rate of interest 9.30% p.a.
- e.** Deposits are accepted from Directors, relatives of Directors and Companies and are repayable on maturity @ 12% p. a. interest

Other Particulars

Sr. No.	Rate of Interest	As at 31 March 2017		As at 31 March 2016	
		Current	Non Current	Current	Non Current
a.	BOB Base Rate + 3.00% (18 Quarters)	4,84,00,000	16,82,00,000	4,84,00,000	21,66,00,000
b.	BOB Base Rate + 3.00% (18 Quarters)	48,00,000	1,56,00,000	48,00,000	2,04,00,000
c.	ICICI Bank 11.01% (60 Months)	3,46,550	2,85,012	2,68,086	6,31,562
d.	HDFC Bank CAR LOAN 9.30% (60 Months)	4,60,930	18,48,750	-	-
	Total	5,40,07,480	18,59,33,762	5,34,68,086	23,76,31,562

Note :

There is no continuing default, as at the balance sheet date, in repayment of principles. However there are delays in repayment of interest thereon which have been made good subsequently.

B -4 OTHER LONG TERM LIABILITIES

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1.	Others		
a.	Security Deposits from Contractors	12,000	12,000
	Total	12,000	12,000

B -5 LONG-TERM PROVISIONS

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1.	Provision for Gratuity	-	-
2.	Provision for Leave Encashment	32,38,007	21,70,421
3.	Superannuation payable	15,30,000	11,70,000
	Total	47,68,007	33,40,421

B -6 SHORT-TERM BORROWINGS

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1.	Secured :-		
	Working Capital Loans- from Bank		
a.	Cash Credit	10,69,62,205	9,73,24,680
b.	Bank of Baroda Lone Against FDR	-	50,00,000
	Sub Total	10,69,62,205	10,23,24,680
2.	Unsecured :-		
a.	Deposits from Directors, Relatives of Directors and Companies	-	2,56,85,000
	Sub Total	-	2,56,85,000
	Total	10,69,62,205	12,80,09,680

Out of above, guaranteed by Managing Director and Joint Managing Director 10,69,62,205 9,73,24,680

a) Principal terms, security and repayment schedule of short term borrowings

Cash Credit from Bank of Baroda is secured against Hypothecation of stock, book debts, current and future, and collateral security in nature of equitable mortgage of factory land and building and extended charge on Plant and Machineries of the Company. Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd., the holding company. The cash credit is repayable on demand and carries rate of interest at BR+2.50% p.a.

- b) There is no continuing default, as at the balance sheet date, in repayment of any of the above loans & interest thereon.

B -7 TRADE PAYABLES

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1.	Acceptances	14,58,83,968	5,05,34,779
2.	Creditors for Supplies and Services	22,01,41,402	26,24,03,841
Total		36,60,25,370	31,29,38,620

B -8 OTHER CURRENT LIABILITIES

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	Current maturities of long term debt Secured :		
a.	From Banks	5,40,07,480	5,34,68,086
2)	Interest accrued but not due on borrowings	39,633	8,259
3)	Interest accrued and due on borrowings	--	32,79,126
4)	Interest Payable on Deposits	--	27,56,329
5)	Creditors for Purchase of Fixed Assets	3,55,75,392	2,22,15,150
6)	Advance from Customers	42,67,042	-
7)	Security Deposits of Civil Contractors	3,09,238	3,09,238
8)	<u>Other payables</u>		
a.	Salary & wages payable	1,90,65,593	1,25,89,254
b.	Contribution to PF	5,33,795	4,04,195
c.	Statutory Dues	13,99,436	11,78,393
d.	Provision for Other Expenses	1,31,03,321	1,00,88,071
Total		12,83,00,930	10,62,96,101

B -9 SHORT-TERM PROVISIONS

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1.	Provision for Gratuity	2,25,919	11,71,630
2.	Provision for Leave Encashment	4,95,895	3,00,837
Total		7,21,814	14,72,467

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

B -10 PROPERTY, PLANT AND EQUIPMENTS

	Tangible Assets											Intangible Assets	
	Lease Hold Land	Buildings	Plant & Machinery	Tools & Equipments	Dies & Moulds	Furniture & Fixture	Office Equipment	Office Equip-Computer	Vehicle	Total	Computer Softwares	Total	
GROSS BLOCK:													
As at 01-04-2015	1,51,64,916	14,61,81,755	28,53,35,719	-	3,69,22,696	9,79,482	8,07,488	24,48,534	28,72,862	49,07,13,452	55,77,309	55,77,309	
Additions	-	1,97,95,660	32,03,178	-	1,86,11,042	54,25,963	10,95,606	5,58,286	-	4,86,89,735	1,02,008	1,02,008	
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing costs	-	-	-	-	-	-	-	-	-	-	-	-	
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	
Revaluation / Impairments	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31-03-2016	1,51,64,916	16,59,77,415	28,85,38,897	-	5,55,33,738	64,05,445	19,03,094	30,06,820	28,72,862	53,94,03,187	56,79,317	56,79,317	
Transition Effect As 10	-	-	-	1,02,29,039	-	-	-	-	-	1,02,29,039	-	-	
Additions	-	6,51,702	3,14,98,520	50,83,147	2,86,56,261	4,64,236	1,54,913	1,63,321	27,59,883	6,94,31,983	11,27,207	11,27,207	
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing costs	-	-	-	-	-	-	-	-	-	-	-	-	
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31-03-2017	1,51,64,916	16,66,29,117	32,00,37,417	1,53,12,186	8,41,89,999	68,69,681	20,58,007	31,70,141	56,32,745	61,90,64,209	68,06,524	68,06,524	
DEPRECIATION / AMORTISATION:													
As at 01.04.2015	6,17,017	3,60,26,771	10,67,39,893	-	1,54,26,409	5,88,967	5,39,937	19,73,772	12,69,938	16,31,82,704	53,13,623	53,13,623	
Charge for the year	1,64,538	1,08,86,538	3,35,64,362	-	83,22,005	7,10,117	3,65,679	4,31,785	5,08,708	5,49,53,732	1,21,898	1,21,898	
Adjustment on deletions	-	-	-	-	-	-	-	-	-	-	-	-	
At 31.03.2016	7,81,555	4,69,13,309	14,03,04,255	-	2,37,48,414	12,99,084	9,05,616	24,05,557	17,78,646	21,81,36,436	54,35,521	54,35,521	
Transition Effect As 10	-	-	-	72,37,523	-	-	-	-	-	72,37,523	-	-	
Charge for the year	1,64,538	1,04,22,931	3,09,64,790	27,41,358	1,36,42,648	13,96,478	4,87,545	3,03,610	7,62,795	6,08,86,693	4,64,314	4,64,314	
Adjustment on deletions	-	-	-	-	-	-	-	-	-	-	-	-	
At 31.03.2017	9,46,093	5,73,36,240	17,12,69,045	99,78,881	3,73,91,062	26,95,562	13,93,161	27,09,167	25,41,441	28,62,60,652	58,99,835	58,99,835	
NET BLOCK:													
As at 31.03.2016	1,43,83,361	11,90,64,106	14,82,34,642	-	3,17,85,324	51,06,361	9,97,478	6,01,263	10,94,216	32,12,66,751	2,43,796	2,43,796	
As at 31.03.2017	1,42,18,823	10,92,92,877	14,87,68,372	53,33,305	4,67,98,937	41,74,119	6,64,846	4,60,974	30,91,304	33,28,03,557	9,06,689	9,06,689	

B -11 DEFERRED TAX ASSET (NET)

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	Deferred Tax Asset		
	On account of time differences in -		
a.	Statutory Liabilities	49,98,196	17,63,651
b.	Provision for Gratuity	74,689	3,87,341
c.	Unabsorbed Depreciation*	<u>4,47,80,898</u>	4,47,80,898
		4,98,53,783	4,69,31,890
2)	Less: Deferred Tax Liabilities		
	On account of time differences in		
a.	Depreciation	88,65,781	1,37,72,926
	Total (1) + (2)	4,09,88,002	3,31,58,964

* Deferred Tax Asset for the unabsorbed losses and unabsorbed depreciation computed in accordance with the taxation law has been recognised only if there is convincing evidence that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

B -12 LONG-TERM LOANS AND ADVANCES

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	Capital Advance	89,59,421	11,43,938
2)	Advance to Gratuity Trust	15,000	-
	Total	89,74,421	11,43,938

B -13 OTHER NON-CURRENT ASSETS

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	Non Current Portion in Fixed Deposit with Bank	4,54,610	4,05,780
2)	Interest Accrued on Fixed Deposits with Bank	17,643	31,977
3)	Other Deposits	8,08,429	2,98,429
	Total	12,80,682	7,36,186

B -14 INVENTORIES

Sr. No.	Particulars	Rs.	
		As at 31 March 2017	As at 31 March 2016
1)	Raw Materials	2,86,14,710	2,13,69,743
2)	Stores & Spares	1,79,98,351	1,35,01,334
3)	Tools & Equipments	--	29,91,516
4)	Patterns Stock	3,07,10,881	2,39,86,788
5)	Work in Process	15,03,26,151	17,12,56,446
	Total	22,76,50,093	23,31,05,827

B -15 TRADE RECEIVABLES

		Rs.	
Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1)	Trade receivables outstanding for more than six months from the date they became due for payment		
i)	Secured , considered good	-	-
ii)	Unsecured , considered good	22,49,414	24,47,600
iii)	Doubtful	--	--
		<u>22,49,414</u>	<u>24,47,600</u>
	Less : Allowance for bad and doubtful advances	--	--
	Total	<u>22,49,414</u>	<u>24,47,600</u>
2)	Trade Receivables (Others)		
i)	Secured , considered good	-	-
ii)	Unsecured , considered good	23,37,74,912	18,89,13,825
iii)	Doubtful	-	-
		<u>23,37,74,912</u>	<u>18,89,13,825</u>
	Less : Allowance for bad and doubtful advances	-	-
		<u>23,37,74,912</u>	<u>18,89,13,825</u>
	Total	23,60,24,326	19,13,61,425

Debts due from a Private Company in which Directors of the Company are Directors or members

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B -16 CASH AND BANK BALANCES

		Rs.	
Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1)	Cash & Cash Equivalents		
i)	Cash on hand	52,519	73,930
ii)	Balances with Banks in Current Accounts	1,91,949	3,33,098
iii)	Fixed Deposits (with original maturity for 3 months or less)	4,54,804	4,12,696
	Total (1)	<u>6,99,272</u>	<u>8,19,724</u>
2)	Other Bank Balances		
	Fixed Deposit (With original maturity for more than 3 months) lien against bank guarantee & letter of credit	1,08,51,265	1,47,18,476
	Less: Non-Current portion in above, disclosed under Other Non-Current Assets	<u>4,54,610</u>	4,05,780
		<u>1,03,96,655</u>	<u>1,43,12,696</u>
	Total (2)	1,03,96,655	1,43,12,696
	Total (1) + (2)	1,10,95,927	1,51,32,420

B -17 SHORT TERM LOANS & ADVANCES

Rs.

Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1)	Unsecured & Considered Good		
a)	Staff Advances	2,45,120	37,440
b)	Advance to Suppliers	7,88,369	1,77,705
	Total	10,33,489	2,15,145

B -18 OTHER CURRENT ASSETS

Rs.

Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1)	Prepaid Expenses	17,36,559	7,65,208
2)	Interest Accrued on Fixed Deposits with Bank	3,59,682	7,95,378
3)	Central Excise Receivable	1,69,23,303	24,31,419
4)	Service Tax receivable	17,777	6,10,100
5)	Vat Receivable	2,64,20,858	2,22,66,507
6)	Advance Income Tax	7,83,558	13,49,230
	Less: Provision for Income Tax	-	-
		7,83,558	13,49,230
	Total	4,62,41,737	2,82,17,842

B -19 REVENUE FROM OPERATIONS

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Sale of Products		
a)	Windmill Castings	72,92,02,872	51,94,86,769
b)	Other Castings	<u>45,57,28,796</u>	28,73,85,453
		1,18,49,31,668	80,68,72,222
2)	Other Operating Revenues		
a)	Sale of Pattern	1,94,68,499	1,28,51,262
b)	Deemed Sale	3,10,729	-
c)	Sale of Scrap	2,08,537	-
d)	Services Charges	<u>62,800</u>	28,10,340
		2,00,50,565	1,56,61,602
	Total	1,20,49,82,233	82,25,33,824

B -20 OTHER INCOME

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Interest Income	11,27,720	9,47,808
2)	Foreign Exchange Fluctuation Gain	--	2,92,208
3)	Export Incentive	1,90,957	10,89,815
4)	Excess Provision Written Back	4,16,827	11,02,130
5)	Miscellaneous Receipts	1,270	-
	Total	17,36,774	34,31,961

B -21 COST OF MATERIAL CONSUMED

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Raw Material Consumed		
	Opening Stock	2,13,69,743	1,46,91,453
	Add:-Purchases	<u>42,41,57,337</u>	28,85,96,789
		44,55,27,080	30,32,88,242
	Less:- Closing Stock	<u>2,86,14,710</u>	2,13,69,743
	Sub total	41,69,12,370	28,19,18,499
2)	Pattern Material Consumed		
	Opening Stock	2,39,86,788	48,44,234
	Add:-Purchases	<u>2,55,59,692</u>	3,18,75,865
		4,95,46,480	3,67,20,099
	Less:- Closing Stock	<u>3,07,10,881</u>	2,39,86,788
	Sub total	1,88,35,599	1,27,33,311
	Total	43,57,47,969	29,46,51,810

B -22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN PROGRESS

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Opening Stock		
	a) Work in Progress	17,12,56,446	13,14,94,509
	b) Finished Goods	-	-
		17,12,56,446	13,14,94,509
2)	Closing Stock		
	a) Work in Progress	15,03,26,151	17,12,56,446
	b) Finished Goods	-	-
		15,03,26,151	17,12,56,446
Total		2,09,30,295	(3,97,61,937)

B -23 EMPLOYEES BENEFIT EXPENSES

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Salary, Wages, Allowances, Bonus & Gratuity	5,75,82,888	4,26,53,385
2)	Wages Contract Labour	4,80,71,923	3,44,35,945
3)	Contribution to Employees P F & Other Funds	1,19,30,758	26,42,170
4)	Staff and Labour Welfare Expenses	32,94,373	21,90,315
Total		12,08,79,942	8,19,21,815

B -24 FINANCE COST

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Interest Expense	7,81,13,344	7,02,20,698
2)	Finance Charges	50,11,414	30,88,978
Total		8,31,24,758	7,33,09,676

B -25 DEPRECIATION AND AMORTISATION EXPENSES

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
1)	Depreciation	6,08,86,693	5,49,53,731
2)	Amortization	4,64,314	1,21,898
Total		6,13,51,007	5,50,75,629

B -26 OTHER EXPENSES

		Rs.	
Sr. No.	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
A)	<u>Manufacturing Expenses</u>		
1)	Consumption of Stores, Spares & Consumables	15,50,50,112	10,41,38,345
2)	Consumption of Tools & Tackles	-	25,57,302
3)	Power & Fuel Consumed	10,51,35,140	7,17,84,697
4)	Labour Charges	9,88,31,863	11,85,30,917
5)	Other Manufacturing Expenses	48,84,349	48,86,274
6)	Deemed Purchase	3,10,729	--
7)	Repairs & Maintenance - Building	6,46,853	11,33,640
8)	Repairs & Maintenance - Machinery	81,81,184	58,62,147
9)	Repairs & Maintenance - Others	69,75,871	48,28,647
	Sub total	38,00,16,101	31,37,21,969
B)	<u>Administrative Expenses</u>		
1)	Rent, Rates & Taxes, excluding taxes on income	39,61,566	36,59,846
2)	Insurance	6,88,033	7,16,602
3)	Printing & Stationary	4,50,887	3,81,848
4)	Postage, Telephone & Telegram	5,44,745	5,23,702
5)	Consultation Fees	14,35,942	13,92,056
6)	Staff & Guest Expenses	3,86,740	7,38,373
7)	Travelling & Conveyance Expenses	38,53,108	33,17,490
8)	Payment to Auditors		
	a) As auditors		
	- Audit Fees	1,80,000	1,80,000
	- Tax Audit	20,000	20,000
		2,00,000	2,00,000
	b) Other Services	28,004	28,500
	(For Certification etc.)		
	c) For reimbursement of expenses	4,296	3,621
		2,32,300	2,32,121
9)	Garden Expenses	3,10,942	-
10)	Directors Sitting Fees	95,000	--
11)	General repairs & Maintenance	25,925	1,19,808
12)	Miscellaneous Expenses	9,24,109	4,65,597
13)	Foreign Exchange Loss	2,03,417	-
	Sub total	1,31,12,714	1,15,47,443
C)	<u>Selling & Distribution Expenses</u>		
1)	Packing & Forwarding	38,16,517	30,44,843
2)	Carriage Outward	4,65,76,346	2,16,64,284
3)	Sales Promotion Expenses	3,45,194	2,51,485
	Sub total	5,07,38,057	2,49,60,612
	Grand Total	44,38,66,872	35,02,30,024

Note C : OTHER INFORMATION AND DISCLOSURES

1. Contingent Liabilities & Commitments:
 - a. Contingent Liabilities not provided for
 - i) Disputed Income Tax Liability- Matter under Appeal: Rs. 2,02,500/- (Previous Year Rs. 2,02,500/-)
 - ii) Claims against the Company not acknowledged as debts : Nil (Previous year Nil)
 - iii) Guarantees : Nil (Previous Year Nil)
 - b. Commitments
 - i) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 7,28,48,912/- (Previous Year Rs. 1,30,64,966/-)
 - ii) Others :
 - a. Commitments under EPCG license towards duty saved and Interest thereon for Rs. 3,84,08,156/- (Previous Year Rs. 3,44,98,050/-)
 - b. Commitments under PSI Scheme 2007 towards exemption of stamp duty on mortgage for Rs. 12,82,500/- (Previous Year Rs. 11,81,250/-)
 - c. Commitments under PSI Scheme 2007 towards exemption of Electricity Duty for a period of 15 years for Rs. 2,97,93,433/- (Previous Year Rs. 1,89,92,764/-)
2. Based on available information, presently, there are no amounts payable to parties mentioned in the Micro, Small and Medium Enterprises Development Act, 2006.
3. Borrowing Cost capitalized during the year Rs. Nil (Previous Year Rs. Nil)

4. Earnings Per Share :-

	2016-2017	2015-2016
Weighted average number of Equity Shares held during the year (in Nos.)	50,00,000	50,00,000
Net Profit/Loss after Taxation and Dividend on Preference Shares (in Rs.)	4,85,96,364	1,55,20,738
Basic earning per Equity Share of Rs.10/-each (in Rs.)	9.72	3.10

5. Value of imports calculated on CIF basis

Sr. No.	Particulars	2016-2017	2015-2016
a)	Machineries & Spares	30,84,854	1,65,909
b)	Raw Material	24,03,173	17,56,501
c)	Moulding Machineries	-	4,28,294

6. Expenditure in Foreign Currency

Sr. No.	Particulars	2016-2017	2015-2016
a)	Travelling Expenses	-	37,302

7. Earnings in Foreign Currency.

Sr. No.	Particulars	2016-2017	2015-2016
a)	FOB Value of Exports	1,40,64,321	2,33,00,162

8. Prior Period Expenses

Sr. No.	Particulars	2016-2017	2015-2016
a)	Prior Period Expenses	51,77,866	81,292

9. Raw Material Consumed

Sr. No.	Particulars	2016-2017	2015-2016
a)	CRCA Scrap	21,20,28,012	12,63,57,824
b)	Pig Iron	9,54,36,897	5,64,65,863
c)	M. S. Scrap	80,91,866	2,50,77,924
d)	Pattern Consumption	1,88,35,599	1,27,33,311
e)	Ferro Alloys	10,13,55,595	7,40,16,888
	Total	43,57,47,969	29,46,51,810

10. Value of Raw Material Consumed & Percentage there of to the total Consumption:

Sr. No.	Particulars	2016-2017	2015-2016
a)	Imported:		
	Value	24,03,173	17,56,501
	Percentage to Total Consumption	0.55%	0.60%
b)	Indigenous		
	Value	43,33,44,796	29,28,95,309
	Percentage to Total Consumption	99.45%	99.40%
	Total	43,57,47,969	29,46,51,810

11. Value of Store & Spares Consumed & Percentage there of to the total Consumption :

Sr. No.	Particulars	2016-2017	2015-2016
a)	Imported:		
	Value	97,560	1,65,909
	Percentage to Total Consumption	0.06%	0.16%
b)	Indigenous		
	Value	15,49,52,552	10,39,72,436
	Percentage to Total Consumption	99.94%	99.84%
	Total	15,50,50,112	10,41,38,345

12. Closing Stock of Work - in -process -

Sr. No.	Product	2016-2017	2015-2016
a)	Windmill Casting	10,72,29,855	11,61,79,963
b)	Other Casting	4,30,96,296	5,50,76,483
	Total	15,03,26,151	17,12,56,446

13 Disclosure as per requirement of AS 15 :

The Company has implemented Revised Accounting Standard-15 on Employee Benefits and made the provisions accordingly . The disclosure as per revised AS-15 are produced below:

Defined Contribution plan

Contribution to Defined Contribution plan, recognised and charged off to Statement of Profit & Loss for the year as under :

	2016-2017	2015-2016
Employer's contribution to ESIC	2,78,473	-
Employer's contribution to Provident Fund	10,84,644	8,57,626
Employer's contribution to Pension Scheme	15,14,599	12,76,773

Gratuity

In accordance with the applicable laws, the Company provides for gratuity, a defined retirement plan (Gratuity plan) covering all staff, workers, and officers. The Gratuity Plan provides for, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the company. The Gratuity Scheme is not entirely funded, so appropriate liability as required under AS 15 (revised) is being provided in the balance sheet.

Period of accounting

GRATUITY
01/ 04/2016 to 31/03/2017
(all figures in Indian Rupees)

I. <u>Assumptions as at</u>	31-Mar-17	31-Mar-16
	<u>IALM (2006-08) Ult</u>	<u>IALM (2006-08) Ult</u>
Mortality		
Interest / Discount Rate	7.30%	7.60%
Rate of increase in compensation	7.00%	7.00%
Rate of return (expected) on plan assets	8.25%	8.50%
Withdrawal Rate	Age up to 30 Years : 8%	Age up to 30 Years : 8%
	Age up to 31-40 Years : 8%	Age up to 31-40 Years : 8%
	Age up to 41-50 Years : 8%	Age up to 41-50 Years : 8%
	Age above 50 Years : 8%	Age above 50 Years : 8%
Expected average remaining service .	10.26	10.35
II. <u>Changes in present value of obligations</u>		
PVO at beginning of period	26,90,509	12,26,838
Interest cost	2,04,479	95,325
Current Service Cost	8,24,255	6,80,439
Past Service Cost- (non vested benefits)	0	0
Past Service Cost -(vested benefits)	0	0
Benefits Paid	0	0
Actuarial (Gain)/Loss on obligation	3,76,688	6,87,907
PVO at end of period	40,95,931	26,90,509
III. <u>Changes in fair value of plan assets</u>		
Fair Value of Plan Assets at beginning of period	15,18,879	4,98,337
Expected Return on Plan Assets	2,16,058	84,859
Contributions	22,00,000	10,00,000
Mortality Charges and Taxes	(35,563)	0
Benefit Paid	0	0
Actuarial Gain/(Loss) on plan assets	(29,362)	(64,317)
Fair Value of Plan Assets at end of period	38,70,012	15,18,879
IV. <u>Fair Value of Plan Assets</u>		
Fair Value of Plan Assets at beginning of period	15,18,879	4,98,337
Actual Return on Plan Assets	1,86,696	20,542
Contributions	22,00,000	10,00,000
Benefit Paid	0	0
Fair Value of Plan Assets at end of period	38,70,012	15,18,879
Funded Status (including unrecognised past service cost)	(2,25,919)	(11,71,630)

	31-Mar-17	31-Mar-16
V. <u>Experience Adjustment for the Current Period</u>		
Present Value of obligation	4095,931	2,690,509
Plan Assets	38,70,012	1,518,879
Surplus / (Deficit)	(2,25,919)	(1,171,630)
Experience (Gain)/ Loss on plan liabilities	2,81,404	727,173
Experience (Gain)/Loss on plan assets	22,815	64,317
VI. <u>Actuarial Gain/(Loss) Recognized</u>		
Actuarial Gain/(Loss) for the period (Obligation)	3,76,688	6,87,907
Actuarial Gain/(Loss) for the period (Plan Assets)	29,362	64,317
Total Gain/(Loss) for the period	4,06,050	7,52,224
Actuarial Gain/(Loss) recognized for the period	4,06,050	7,52,224
Unrecognized Actuarial Gain/(Loss) at end of period	0	0
VII. <u>Past Service Cost Recognised</u>		
Past Service Cost- (non vested benefits)	0	0
Past Service Cost -(vested benefits)	0	0
Average remaining future service till vesting of the benefit	0	0
Recognised Past service Cost- non vested benefits	0	0
Recognised Past service Cost- vested benefits	0	0
Unrecognised Past Service Cost- non vested benefits	0	0
VIII. <u>Amounts to be recognized in the balance sheet and statement of profit & loss account</u>		
PVO at end of period	40,95,931	26,90,509
Fair Value of Plan Assets at end of period	38,70,012	15,18,879
Funded Status	(2,25,919)	(11,71,630)
Unrecognized Actuarial Gain/(Loss)	0	0
Unrecognised Past Service Cost- non vested benefits	0	0
Net Asset/(Liability) recognized in the balance sheet	(2,25,919)	(11,71,630)
IX. <u>Expense recognized in the statement of P & L A/C</u>		
Current Service Cost	8,24,255	6,80,439
Interest cost	2,04,479	95,325
Past Service Cost- (non vested benefits)	0	0
Past Service Cost -(vested benefits)	0	0
Unrecognised Past Service Cost- non vested benefits	0	0
Expected Return on Plan Assets	(2,16,058)	(84,859)
Net Actuarial (Gain)/Loss recognized for the period	4,06,050	7,52,224
Expense recognized in the statement of P & L A/C at the end of the period	12,18,726	14,43,129
X. <u>Movements in the Liability recognized in Balance Sheet</u>		
Opening Net Liability	11,71,630	7,28,501
Expenses as above	12,54,289	14,43,129
Contribution paid	(22,00,000)	(10,00,000)
Closing Net Liability	2,25,919	11,71,630

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
The above information is certified by the actuary.

14. Disclosure of Related Parties and Related Party Transactions**I. Name of Related Party under which Control exists Nature of Relationship**

- | | |
|------------------------------|-------------------|
| a. S.B. Reshellers Pvt.Ltd. | Holding Company |
| b. Tara Tiles Pvt. Ltd | Fellow Subsidiary |
| c. Shatki Alloys Steels Ltd. | Fellow Subsidiary |

II. Name of the Related Parties with whom transactions were carried out during the year and description of relationship.**i) Key Management Personnel (KMP) Designation**

- | | |
|------------------------------------|----------------------------------|
| a. Shri Sachin Rajendra Shirgaokar | Managing Director (MD) |
| b. Shri Sohan Sanjeev Shirgaokar | Joint Managing Director (Jt. MD) |
| c. Shri V. S. Reddy | Executive Director (Technical) |

ii) Relative of Key Management Personnel**Name of the transacting related party Nature of Relationship**

- | | |
|--------------------------------------|-------------------|
| a. Shri. Rajendra Vinayak Shirgaokar | Father of MD |
| b. Sou. Laxmi Sachin Shirgaokar | Wife of MD |
| c. Smt. Radhika Sanjeev Shirgaokar | Mother of Jt.MD |
| d. Shri. Chandan Sanjeev Shirgaokar | Brother of Jt. MD |
| e. Ms. Shreya Sachin Shirgaokar | Daughter of MD |

III. Enterprises over which KMP or Relatives of KMP are able to Exercise significant influence.**Name of the related party Nature of Relationship**

- | | |
|---|--|
| a. V. S. Shirgaokar Enterprises LLP | MD, wife of MD, Father of MD are Partners |
| b. S. S. Shirgaokar Enterprises LLP | Jt. MD Brother and mother of Jt. MD are Partners |
| c. D.M Shirgaokar Enterprises Pvt.Ltd. | MD, Jt. MD are Directors |
| d. Suresh Shirgaokar Enterprises Pvt. Ltd | Brother of Jt. MD and Father of MD are Directors |
| e. The Ugar Sugar Works Ltd. | Brother of Jt. MD is MD |

Disclosure of Related Parties and Related Party Transactions

Sr. No.	Nature of Transaction	Holding company		Fellow Associate		KMP		Relatives of KMP		Related Parties referred to in 3 above		Total	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
1	Remuneration Paid	-	-	-	-	1,92,48,451	59,02,563	-	-	-	-	1,92,48,451	59,02,563
2	Purchase of Other Items	4,29,00,954	1,15,23,914	-	-	-	-	-	-	1,21,175	80,600	4,30,22,129	1,16,04,514
3	Lease Charges Paid	66,79,516	59,72,751	-	-	-	-	-	-	-	-	66,79,516	59,72,751
4	Lease Rant Paid	4,60,000	-	-	-	-	-	-	-	-	-	4,60,000	-
5	Security Deposit towards Lease	4,00,000	-	-	-	-	-	-	-	-	-	4,00,000	-
6	Purchase of Fixed Assets	44,85,226	61,71,031	-	1,02,936	-	-	-	-	-	-	44,85,226	62,73,967
7	Acceptance of Deposit	2,80,00,000	1,40,40,000	-	-	40,00,000	30,00,000	1,15,00,000	90,00,000	-	1,28,50,000	4,35,00,000	3,88,90,000
8	Interest Payment	10,69,542	20,72,320	-	-	76,112	2,959	13,06,816	3,64,277	33,93,399	24,96,316	58,45,869	49,35,872
9	Sitting Fees Paid	-	-	-	-	30,000	-	20,000	-	-	-	50,000	-
10	Repayment of Deposit	1,68,90,000	1,93,50,000	-	-	70,00,000	-	35,00,000	-	-	-	2,73,90,000	1,93,50,000
11	Service Charges Received	9,705	10,36,140	-	-	-	-	-	-	-	-	9,705	10,36,140
12	Corporate/ Personal Guarantee in Company's favour	*51,35,00,000	*51,00,00,000	-	-	*51,35,00,000	*51,35,00,000	-	-	-	-	*51,35,00,000	*51,35,00,000
13	Outstanding Balance	-	-	-	-	-	-	-	-	-	-	-	-
	as on 31.03.2017	-	-	-	-	-	-	-	-	-	-	-	-
	Payable	3,98,83,297	2,21,77,985	-	-	88,97,730	55,08,486	1,70,00,000	92,42,336	2,83,80,000	2,91,40,464	9,41,61,027	6,60,69,271
	Receivable	-	-	-	-	-	-	-	-	-	-	-	-

* Jointly and severally

15. Segment Reporting

The Company has only one reportable segment viz: Castings. Hence reporting under Accounting Standard-17 is not applicable.

16. The Details of Specified Bank Note (SBN) held and transacted during the period from 08 -11 -2016 to 30 -12 -2016 are as Follows;

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	1,96,000	3,760	1,99,760
(+) Permitted Receipts	-	2,02,014	2,02,014
(-) Permitted Payments	1,20,000	1,90,738	3,10,738
(-) Amount Deposited in Banks	76,000	-	76,000
Closing Cash in hand as on 31.12.2016	-	15,036	15,036

17. Figures for previous year has been regrouped / recast/ rearranged wherever necessary.

SIGNATORIES TO PART A TO C
For **M/s. P. G. Bhagwat**
Chartered Accountants
Firm's Registration No: 101118W

For **SYNERGY GREEN INDUSTRIES PVT. LTD.**

Nikhil M Shevade
Partner
Membership No.217379

Sachin R. Shirgaokar
Managing Director
(DIN : 01512497)

Sohan S. Shirgaokar
Joint Managing Director
(DIN : 00217631)

Place : Kolhapur.
Date : 08th June 2017