



SIR SHADI LAL ENTERPRISES LTD.

SHAMLI - 247 776 (UP), TEL : (01398) 250064, 250082, FAX : 01398 - 250032, E-MAIL : udsm_shamli@sify.com

CIN: L51909DL1933PLC009509

Website: www.sirshadilal.com, Email: udsm_shamli@sirshadilal.com

Registered Post

To,
The Department of Corporate Affairs
The Bombay Stock Exchange Limited
25Th Floor P J Towers,
Daial Street, Mumbai -400001, India

Date: 27.09.2018

Subject : Submission of Annual report of the Company for the Financial year 2017-18
Sir Shadi Lal Enterprises Limited – **Scrip Code- 532879**

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2017-18 as approved and adopted by the Members at the 84th Annual general Meeting of the Company as per provisions of the Companies Act, 2013.

You are requested to take the above information on your record and acknowledge the same.

Thanking You,

Yours Faithfully

For Sir Shadi Lal Enterprises Limited

(Ajay Kumar Jain)
Company Secretary



SIR SHADI LAL ENTERPRISES LIMITED

Board of Directors : Shri Ramesh Chandra Sharma – Chairman (DIN No. 00023274)
Shri Rajat Lal – Managing Director (DIN No. 00112489)
Shri Vivek Viswanathan – Joint Managing Director
(DIN No. 00141053)
Shri Rahul Lal – Executive Director (DIN No. 06575738)
Shri Hemantpat Singhania – Non Executive Independent Director
(DIN No. 00141096)
Shri Onke Aggarwal – Non Executive Independent Director
(DIN No. 00141124)
Smt. Radhika Viswanathan Hoon – Non Executive Director
(DIN No. 06436444)
Shri Ajit Hoon – Non Executive Director (DIN No. 00540300)

BANKERS : State Bank of India
Punjab National Bank

AUDITORS : M/S M. Sharan Gupta & Co. (Appointed w.e.f. 14.03.18)
D-132, Batla Apartments, 43-I.P. Extension,
Patparganj, Delhi – 110 092

REGISTERED OFFICE : 4 – A, Hansalaya, 15, Barakhamba Road,
New Delhi – 110 001

MANUFACTURING UNITS : Upper Doab Sugar Mills,
Shamli – 247 776 (U.P.)

Shamli Distillery & Chemical Works,
Shamli – 247 776 (U.P.)



SIR SHADI LAL ENTERPRISES LIMITED

SIR SHADI LAL ENTERPRISES LIMITED

(Corporate Identity No. L51909DL1933PLC009509)

Regd. Office: 4 – A, Hansalaya, 15, Barakhamba Road, New Delhi– 110 001

Ph. 011– 23316409, Fax No. : 011-23722193 Email Id udm_shamli@sirshadilal.com, Website : www.sirshadilal.com

NOTICE FOR THE 84TH ANNUAL GENERAL MEETING

Notice is hereby given that the 84th Annual General Meeting of the Shareholders of Sir Shadi Lal Enterprises Limited will be held on Monday, the 24th September, 2018 at 11.00 a.m. at P.H.D. House, 4/2, Siri Institutional Area, August Kranti Marg, Opposite Asian Games Village, New Delhi - 110 016 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the finance year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Radhika Vishwanathan Hoon, (DIN: 06436444) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Sh. Vivek Viswanathan, (DIN: 00141053) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time; M/s M.SHARAN GUPTA & CO., Chartered Accountants, (Firm Registration No 06430N) office at D-132 Batla Appartments 43- I P Extension Patparganj Delhi 110092 be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (84th Annual General Meeting) till the conclusion of the 88th Annual General Meeting of the Company to be held in the year 2022, at such remuneration plus GST, out-of-pocket and traveling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), payment of remuneration as set out in the Statement annexed to the Notice convening this Meeting to Mr. Rishi Mohan Bansal, Cost Auditors who was appointed by the Board of Directors of the Company, on the recommendation of audit committee to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2019 be and is hereby ratified and approved.”

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

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby given to re-appoint Sh. Rahul Lal as Executive Director of the Company for a further period of Five years w.e.f. 01.07.2018 to 30.06.2023 on the terms & conditions and remuneration including commission and perquisites as set out hereunder.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the explanatory statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Scheduled appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder.”

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

“RESOLVED that pursuant to section 188 and other applicable provisions of the Companies Act, 2013 if any and regulation 23 of the SEBI (LODR) Regulations 2015, consent of the members of the Company be & is hereby accorded for related party transactions at arm length basis made by the Company for unsecured loan of Rs.5 Crores each from Managing Director and Joint Managing Director for completion of Sugar expansion Project in time. The amount of Interest on the Loan Amount shall be 9.50% per annum on quarterly rests on reducing quarterly basis.”

MEMBERS MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

By order of the Board

Ajay Kumar Jain
Company Secretary
FCS-5826

Place : New Delhi
Dated : 23rd July, 2018

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting ("Meeting") is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The Proxy form duly completed and signed, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In terms of Article 98 of the Articles of Association of the Company, read with section 152 of the Companies Act, 2013 Sh. Vivek Vishwanathan and Smt. Radhika Vishwanathan Hoon, Directors, retire by rotation at this meeting and being eligible, offer themselves for reappointment. The Board of Directors of the Company recommends their re-appointment.
5. As per Regulation 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2), the brief resume and functional expertise of Directors proposed for appointment/re-appointment are annexed to this notice along with the details of the Companies in which they are Directors and the Board Committees of which they are members.
6. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. The Register of Members and Share Transfer Books of the Company will remain closed from the 12th September 2018 to the 24th September, 2018 (both days inclusive).
8. Shareholders are requested to intimate to the Company/ Registrar and Transfer Agent, M/s Alankit Assignments Limited, change if any, in their registered addresses.
9. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
11. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company or to the Share Transfer Agents of the Company, M/s Alankit Assignments Limited, to enable it to consolidate their holdings in one folio.
12. Members are requested to bring their copies of the Report and Accounts to the meeting.
13. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easier identification and recording of attendance at the meeting.
14. Members who require any information about the accounts to be explained in the meeting are requested to inform the Company about their intended query at least seven days in advance of the meeting.
15. Pursuant to Section 205A of the Companies Act, 1956, all unpaid/unclaimed dividends declared for and up to the financial year ended 31st March 1995 have been transferred to the General Revenue Account of Central Government. Members, who have not yet encashed their dividend warrants for the said period, are requested to claim the amount from the Registrar of Companies, National Capital Territory of Delhi & Haryana, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.
16. Pursuant to Section 205A and 205C of the Companies Act, 1956, unpaid/ unclaimed dividends for the year 1995-96, 1996-97, 1997-98, 1998-99, interim and final dividend of 1999-2000, 2000-2001, 2001-2002, 2003-04, 2004-05 & 2005-06, 2009-10 have been transferred by the Company to "Investor Education & Protection Fund"(IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 26th September, 2017(date of last Annual General Meeting) on the website of the Company (www.sirshadilal.com).

The Central Government has notified the constitution of Investor Education and Protection Fund Authority with effect from 7th September 2016 and in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer And Refunds) Rules, 2016 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("IEPF Rules"), the Company has transfer not only the unclaimed dividends but also the equity shares in respect of which dividends are not claimed for the continuous period of seven years by any shareholder, to the IEPF Demat A/c as identified by the IEPF Authority. Any Shareholder who want to get refund the shares can claim the same by applying to the Investor Education and Protection Fund Authority on their website at www.iepf.gov.in/IEPFA/refund.html Members compile only one consolidated claim in a Financial Year as per the IEPF Rules.
17. Section 72 of the Companies Act, 2013, has extended Nomination facility to individuals holding shares in Companies. Shareholders, in particular, those holding shares in single name, are requested to avail of the above facility by furnishing to the Company Form SH-13. Shareholders may please write to the Company for the prescribed Nomination Form SH-13.
18. The Securities and Exchange Board of India (SEBI) has mandated that the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar and Transfer Agent, M/s Alankit Assignments Limited. As per SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20.04.2018 PAN and Bank details are mandatory to provide to RTA. Members are requested to provide the same to their Depository Participants with whom they are maintaining their demat accounts

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SIR SHADI LAL ENTERPRISES LIMITED

NOTICE CONTD.....

19. Members are requested to provide us the following information which is mandatory to maintain the Register of Members pursuant to provision of section 88 (1)(a) of the Companies Act, 2013 and rule 3(1) of the Companies (Management and Administration) Rules, 2014, Email ID, CIN/ Registration No., Unique Identification No., Father's/Mother's/Spouse's Name, Status, Occupation, PAN No., in case member is a minor, name of the guardian, Date of Birth of minor, details of membership, date of becoming member, date of declaration under section 89, if applicable.
 20. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 21. Entry to the Auditorium will be strictly against entry slip available at the counters at the venue against exchange of Attendance Slip. Photocopy of the Attendance Slip will not be entertained.
 22. For the security and safety of the Shareholders, no articles/baggage will be allowed at the venue of the meeting. The Members/Attendees are strictly requested not to bring any article/baggage etc. at the venue of the meeting.
 23. Annual Report is also available at the website of the Company at www.sirshadilal.com in the Investors Relations section.
 24. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.
- The instructions for e-voting are as under:**
- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file namely "SSLEL e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Sir Shadi Lal Enterprises Limited. Now you are ready for e-voting as Cast Vote page opens.
 - B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
 - i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
 - C. Other Instructions:
 - i. The e-voting period commences on 21st September, 2018 (9.00 a.m. IST) and ends on 23rd September, 2018 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 17th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 17 September, 2018 .
 - iii. Shri Sunil K. Jain, Prop. Sunil K. Jain & Associates, Practicing Company Secretaries (Membership No. FCS 4089; C.P.No.4079), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sunil.jain.sk@gmail.com, with a copy marked to evoting@nsdl.co.in.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.



- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sirshadilal.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 84th AGM of the Company on and communicated to the BSE Limited, where the shares of the Company are listed.

Extra Travelling Expenses and Incidental Expenses for attending Audit Committee/ Board Meeting(s)

Actual
Rs. 2,000
per day

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

The Board of Director in their meeting held on 26.05.18 on the recommendation of Nomination and Remuneration Committee had approved reappointment of Sh. Rahul Lal for a period of 5 years from 01.07.18 to 30.06.23 on the terms and conditions of appointment and remuneration including commission and perquisites as under:-

PART A:

- Salary Per Month : Rs. 63,000/-
- Commission : 1% of the net profits as reduced by the amount paid to him by way of salary and perquisites.
- House Rent Allowance : 60% of the salary
- Gas, Electricity & Water charges : 5% of the salary
- Medical Reimbursement : Expenses incurred for self & family, subject to a ceiling of one month salary per year or five months salary in a period of five years.
- Personal Accident Insurance : Premium not to exceed and Mediclaim Insurance Rs.10,000 per year

PART B:

- Company's contribution : Towards Provident Fund @12% of Salary and Superannuation Fund @15% of Salary.

- Gratuity : As per Rules of the Company.
- Encashment of leave : As per Rules of the Company.

PART C:

- Car : Provision of a chauffeur driven car for office use.
- Telephone : Free telephone facility at residence, personal long distance calls to be paid by him
- Entertainment Expenses : Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.

Payments under Part-C will not be considered as perquisites for the purpose of ceiling under Section 197 of the Companies Act, 2013.

ANNEXURE TO NOTICE

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

ITEM NO. 4

Mr. M. S. Gupta- Proprietor M/s M. Sharan Gupta & Co. was appointed as Statutory Auditors of the Company by Circular Board resolution dated 14.03.2018, due to sad demise of Mr. Jugal Kishore Chadha, Proprietor M/s Jugal Kishore & Associates, Statutory Auditors of the Company on 3rd March 2018. His period of office expires at the ensuing Annual General Meeting.

As per provisions of the Companies Act, 2013 M/s M. Sharan Gupta & Co. (Registration No.06430N) Chartered Accountants can be reappointed as Statutory Auditors of the Company for a further period of 4 Years. The Company has received consent letter from Mr. M.S. Gupta-Proprietor M/s M.Sharan Gupta & Co. for appointment as Statutory Auditors of the Company.

The Board of Directors hereby recommends for reappointment of the Statutory Auditors of the Company. The members are requested to approve the appointment of M/s M. Sharan Gupta & Co. Chartered Accountants as Statutory Auditor of the Company, subject to such remuneration as may be mutually agreed between the Board of Directors of the Company and Auditors for the year 2018-19 onward.

Present Remuneration of Statutory Auditors

- Audit Fee : Rs. 3,30,000/-
- Certification fee
- Review of Quarterly/ Half Yearly Results : Rs. 20,000/- per Certificate

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 as per the following details:

Remuneration of Cost Auditor

For the product "Sugar"

for Upper Doab Sugar Mills

- Cost Audit Fee Rs. 30,000
- (inclusive of all incidental per annum
- and traveling expenses)

For the product "Industrial Alcohol" for Shamli Distillery & Chemical Works

- Cost Audit Fee Rs. 20,000
- per annum

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OTHER TERMS APPLICABLE TO THE APPOINTMENT & MINIMUM REMUNERATION:

1. He will not be paid any "Sitting fee" for attending the meetings of the Board of Directors or Committee's thereof.
2. The Board/'Remuneration Committee' may revise the existing terms or allow any other facilities/perquisites, from time to time, within the overall ceiling.
3. In the event of absence or inadequacy of profits in any Financial Year, he will be paid the above remuneration excluding commission as minimum remuneration, subject to the overall ceilings laid down in Section-II of Part-II of Schedule V. (In that event, contribution to Provident Fund and Superannuation Fund to the extent these are exempted under the Income-Tax Act, 1961 and gratuity payable at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites).
4. The appointment may be terminated by either party by giving six calendar month's notice in writing or lesser notice as may be agreed to.

In the event of termination of the appointment by the Company, he will be entitled to receive compensation in accordance with the Provisions of section 191 & 202 of the Companies Act, 2013.

Sh. Rahul Lal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Sh. Rahul Lal under Section 190 of the Act. Brief resume of Sh. Rahul Lal, nature of his expertise in specific functional areas, names of companies in which he holds Directorships and memberships/chairmanships of Board Committees, shareholding and relationships amongst Directors inter-se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has not defaulted in debt servicing. Hence, the proposed re-appointment could be sanctioned by the shareholders, without need for the approval of Central Government, by way of special resolution. Statement containing prescribed information for this purpose is furnished hereunder.

Memorandum and Articles of Association, relevant resolutions passed by the Nomination and Remuneration Committee and the Board and the written memorandum setting out the terms of appointment of Executive Director vide Section 190 (1) (b) are available for inspection by members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day.

Shri Rahul Lal and Sh. Rajat Lal being related are interested in this resolution.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your Directors recommend reappointment of Shri Rahul Lal as Executive Director of the Company.

Statement containing required information as per Part II of Section II of Schedule V of the Companies Act, 2013

I. General Information:

(1)	Nature of industry	:	Manufacture of Sugar and all kind of Alcohol
(2)	Date of commencement of commercial production	:	26.6.1933
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	N.A.

(4) Financial performance based on given indicators

Particulars	2017-18	2016-17	2015-16
Total Income	39987.79	42232.18	28980.50
Profit/(Loss) before providing for exceptional item and Depreciation	(1987.01)	2013.69	(70.70)
Exceptional Item	0	0	0
Cash Profit / (Loss)	(1987.01)	2013.69	(70.70)
Provision for depreciation as per Companies Act	397.96	173.77	157.41
Profit/ (Loss) before tax	(2384.97)	1839.92	(228.11)
Current tax	0	0	0
Deferred Tax Assets	0	0	0
Other Comprehensive Income	(359.40)	(13.85)	12.72
Net Profit/ (Loss)	(2744.37)	1826.07	(215.39)
Net Worth	(6431.46)	(3687.09)	(5513.16)

(5)	Foreign investments or collaborations, if any.	:	N.A.
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II. Information about the appointee:

(1)	Background details	:	Shri Rahul Lal is the Son of Sh. Rajat Lal, Managing Director of the Company. Born on 18.07.1989, aged about 29 years. He has done his Graduation (B.Com.) from Delhi University in 2011. He has completed his MBA from New Haven University, USA. He has 16 months experience with M/s KPMG, Mumbai, Earnest & Young, Gurgaon, J.P. Morgan, Mumbai and as Management Trainee with our Company. He is the Director of the Company since 27.04.2013 and appointed as Executive Director w.e.f. 01.07.2013.
		:	

**(2) PAST REMUNERATION**

Name of the Director	Financial Year	Category	Salary (Rs.)	Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract/ Notice period/ Severance fees
Sh. Rahul Lal, Executive Director	2017-18	Executive	296226	282662	-	578888	Contractual
	2016-17		720000	693880	-	1413880	Contractual
	2015-16		720000	691804	-	1411804	Contractual

(3)	Recognition or awards	:	N.A.
(4)	Job profile and his suitability	:	The Board of Directors on the recommendations of the Remuneration Committee of Directors in their meeting held on 30.5.2013 had appointed Sh. Rahul Lal as Executive Director for a period of five years w.e.f 1.7.2013. Sh. Rahul Lal has done his graduation (B.Com.) from Delhi University in 2011. He has completed his MBA from New Haven University, USA. He has 16 months experience with M/s KPMG, Mumbai, Earnest Young, Gurgaon, J.P. Morgan, Mumbai
(5)	Remuneration proposed	:	As set out in the Statement under Section 102 (1) of the Companies Act, 2013.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	:	Considering the profile and experience of Sh. Rahul Lal and current trend of compensation package in Sugar Industry and other Corporate, the remuneration proposed is in line with comparable remuneration levels in the industry.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	:	Sh. Rahul Lal holds 287746 equity shares in the Company. Other than the remuneration stated above, he has no pecuniary relationship directly or indirectly with the Company. No managerial personnel in the Company is a relative of him.

III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits	:	Sugar industry is intrinsically cyclical with huge swings in production between years. Sugar price precariously fall both in the global and local markets during glut in supply. Since Sugar and Sugarcane are essential commodities and politically sensitive, they are subject to State intervention like arbitrary cane price fixation as against Fair and Remunerative Price of Central Government.
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		:	The Company has suffered losses in preceding financial years due to less early variety cane, lower Sugar recovery and higher cost of production as against unviable Sugar sales realization. But earned profit during F.Y. 2016-17.
(2)	Steps taken or proposed to be taken for improvement	:	To encourage farmers to do autumn planting on a large scale for facilitating multiple cropping which would in turn maximize their returns and would result in better recovery. Company is installing equipment for saving in steam, power consumption and better operational efficiencies.
(3)	Expected increase in productivity and profits in measurable terms.	:	The Company maintains commendable control over its operations that are however subject to climatic challenges, State intervention for fixing Sugar cane price on linkage to sale realization formula.

IV. Disclosures:

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement:

(i)	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors
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Sl. No.	Name of the Director	Category	Salary (Rs.)	Perquisites* (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract/ Notice period/ Severance fees
1.	Sh. Rajat Lal, Managing Director	Executive	1512000	1557214	-	3069214	Contractual**
2.	Sh. Vivek Viswanathan, Joint Managing Director	Executive	1362758	1273957	-	2636715	Contractual**
3.	Sh. Rahul Lal, Executive Director	Executive	296226	282662	-	578888	Contractual**
	Total		3170984	3113833		6284817	

(ii)	details of fixed component and performance linked incentives along with the performance criteria; N.A.
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CONTD.....

**ITEM NO. 7**

The Company is in process of expanding the capacity of Sugar Plant. The financial Details of Sugar Expansion Project are as under.

Particulars	Amt. Rs. (In Crores)
Cost of Project	18.50
Fund Available	8.50
Fund Required	10.00

The Board of Directors in its meeting held on 26.05.2018 had approved the proposal for taking unsecured loan from Managing Director and Joint Managing Director of the Company. Approval of the shareholders is required for above transaction by way of Special Resolution. The transaction is done at arm length price.

Sh. Rajat Lal, Sh. Rahul Lal, Sh. Vivek Vishwanathan and Smt. Radhika Vishwanathan Hoon, Directors are interested in the transaction.

ANNEXURE TO A.G.M. NOTICE

Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ('ICSI'), information in respect of the Directors seeking re-appointment at the AGM, is provided herein below:

Name of the Director	Mr. Rahul Lal	Mr. Vivek Viswanathan	Mrs. Radhika Viswanathan Hoon
DIN	06575738	00141053	06436444
Date of Birth	18.07.1989	07.11.1970	22.01.1967
Age	29 years	48 Years	51 years
Category of the Director	Executive Director	Joint Managing Director	Non Executive Director
Educational Qualifications	B.Com, MBA (USA)	B.A (Hons.) Post Graduate Programme in Management, MBA (USA). More than six year service experience with M/S VST Industries Ltd. & Coca-Cola India Ltd. and more than 17 years experience as Director of this Company.	S.Y.J.C. Diploma Holder in French. General Management as Chairperson of the Natya Ballet Centre, New Delhi.
Experience	10 years	25 years	25 years
Expertise in specific functional areas	Expertise in specific functional areas	Finance and Administration	Administration
Date of Appointment on the Board	27.04.2013	24.03.2001	30.10.2012
Number of shares held in the Company as on date	287746	1296004	39132
List of Directorships held in other companies (excluding foreign, private and Section 8 companies)	VRD Power Project Limited	VRD Power Project Limited Upper Doab Power Limited	NIL
Chairmanship / Membership of Committees Audit and Stakeholders' Relationship Committees across Public Companies	Nil	1	1
Relationship between Directors inter se	Son of Mr. Rajat Lal	Brother of Smt. Radhika Viswanathan Hoon	Sister of Sh. Vivek Viswanathan & Wife of Sh. Ajit Hoon
Number of meetings of the Board attended during the Financial year	2	6	5

By order of the Board

Ajay Kumar Jain
Company Secretary
FCS-5826

Place : New Delhi
Dated : 23rd July, 2018



DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors hereby submit the 84th Annual Report and the Financial Statements of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS

During the year under review, the Sugar segment of your Company passed through a difficult period. The summarized financial results of the Company are presented below:

(Rs. in Lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a)	Total Revenue	39987.79	42232.18
b)	Profit (Loss) before providing for Exceptional Item and Depreciation	(1987.01)	2013.69
c)	Less: Exceptional Item		
d)	Less: Provision for Depreciation	(397.96)	(173.77)
e)	Profit (Loss) before Tax	(2384.97)	1839.92
f)	Less :Provision for Tax	-	-
g)	Profit (Loss) from Continuing Operation	(2384.97)	1839.92
h)	Profit (Loss) from discontinuing Operation	-	-
i)	Profit (Loss) for the year	(2384.97)	1839.92
j)	Other Comprehensive Income	(359.40)	(13.85)
k)	Total Comprehensive Income for the period	(2744.37)	1826.07
l)	Basic earnings per share of Rs 10/-- each	(45.428)	35.046
m)	Diluted earnings per share of Rs.10/- each	(45.428)	35.046

DIVIDEND

In view of the Current year losses and carry forward losses, the Company does not have any divisible profits available for payment of dividend to equity shareholders. The Directors have therefore not recommended payment of any dividend for the year ended March 31, 2018.

FINANCE

Due to decrease in Sugar prices, the Sugar Unit suffered heavy Losses. However Distillery Unit was running at its full capacity and earned profit during the year. The Bankers took a positive view of the Company as a result of which Punjab National Bank has increased the working capital limit from Rs. 41 crores to Rs. 48.50 Crores and District Cooperative Bank Ghaziabad has increased the working capital limit from Rs. 30 Crores to Rs. 40 Crores for the year 2017-18. The Banks, however, continue to be cautious in increasing their exposure to the Sugar industry, keeping in view the risk of Government intervention in the form of raw material pricing.

INDIAN ACCOUNTING STANDARDS

Pursuant to notification dated February 16,2015 issued by the Ministry of Corporate affairs , the Company has adopted the Indian Accounting Standards ("Ind As") notified under the Companies (Indian Accounting Standards) Rules, 2015 as applicable to it with effect from April 01,2017 with the transition date April 01, 2016. Accordingly, the Financial Statements have been prepared in compliance with Ind AS and the comparative information of the

previous years has been provided as per the prescribed requirements.

NO CHANGE IN RATING

There is no change in Crisil long term rating of your Company (for total bank loan facilities upto Rs 200 Crores) and same is continue at "Crisil B Stable". This reflects improvement in the business risk profile which is expected to remain steady with moderate growth over the medium term. The rating however remains constrained on account of working capital intensive operation with significant accumulated losses and a high degree of regulatory risk in Sugar industry.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes or commitments made which affect the financial position of the Company between end of the financial year and date of the report.

OPERATIONAL PERFORMANCE

SUGAR UNIT (UPPER DOAB SUGAR MILLS) :

A) INDUSTRY PROFILE:

The Sugar industry in the state of Uttar Pradesh, which has earned huge profits in the year 2016-17 but due to higher production in Maharashtra and Karnatka the over all production of india increased and the consumption of india is approx. 250 Lakhs tonnes. Therefore on account of higher production and low demand prices of Sugar fallen sharply therefore the net profit decreased during the current year 2017-18. India's Sugar production in the current season is set to touch a record 32 million tonnes, surprising both the industry and the Government, with the two biggest producing states of the sweetener reporting bumper output.

Maharashtra has already produced about 10 million tonnes, with the northern Sugar bowl of Uttar Pradesh following closely at 9.3 million tonnes. India's earlier record output was in 2014-15 when mills here had produced 28.46 million tonnes of Sugar. This year's production is much higher than the annual domestic demand of 25 million tonnes. The problem of plenty has led to crash in prices of Sugar below the cost of production.

However, declining Sugar prices in combination with a rising Fair and Remunerative Price (FRP) or State Advised Price (SAP) for SY 2017-18 has increased the backlog of the Sugar companies' dues payable to the farmers in the ongoing season, particularly in states where cane costs are not directly linked to Revenue Sharing Formula (RSF). In latter case, farmers are paid the FRP as a first installment; if dues to farmers under the RSF are more than the FRP, then they will be entitled to a second payment. The FRP for the ongoing season is Rs. 255 which was Rs. 230 in previous years. Cane arrears soared to Rs. 22,654 crore as on June 1, which has come down to Rs. 19,816 crore till June 25th, 2018.

To help loss-making Sugar mills, the Centre has taken various initiatives during the last five months, including doubling of import duty on Sugar to 100 per cent, scrapping of export duty and announcement of Rs. 8,500 crores worth package.

The package included creation of buffer stock of 3 million tonnes of Sugar, providing soft loan of Rs. 4,500 crore with interest subsidy for expansion of Ethanol capacity, besides a production-linked subsidy worth Rs. 1,500 crore to clear Sugarcane arrears of the farmers.

CONTD.....



Further the Government hiked prices of Ethanol extracted from final or C-molasses by Rs 2.85 per litre to Rs. 43.70 per litre and also fixed for the first time the rate for Ethanol produced from B-molasses (called intermediary molasses) at Rs 47.49 per litre for the 2018-19 season beginning December.

This move will help boost production of Ethanol, used in blending with Petrol, and also enable mills to divert some of the Sugarcane juice during the surplus crop year.

B) COMPANY OPERATIONS :

The operating performance of the Sugar unit for crushing season 2017-18, as compared to the previous crushing season 2016-17, is as under:

Particulars	2017-18	2016-17
Gross working days	214	198
Cane Crushed (lakh / qtls.)	115.63	102.73
Average cane crush (qtls. / day)	54033	51884
Manufacturing losses (%)	1.99	1.96
Steam Consumption (% cane)	51.40	53.08
Average Sugar recovery (%)	10.87	10.46
Downtime (%)	2.38	6.14
Sugar production (lakh / qtls)	12.56	10.67

The Company achieved higher cane crush by about 13 lakhs qtls and higher recovery by 0.41% over the previous year. However the longer duration of the crushing season resulted in increase in manufacturing losses by 0.03% and the downtimes comes down by 3.76% as compared to last year. The recovery % cane was higher mainly due to higher pol in cane which resulted from improved varietal mix and implementation of other cane development activities.

C) CANE DEVELOPMENT

Due to vigorous efforts made by the management in the area of Sugarcane development, the area under cultivation of high Sugar varieties of cane increased from 76% in season 2016-17 to 92% in season 2017-18. In addition, the management focused on execution of both extensive and intensive cane development activities comprising of appropriate usage of insecticides, pesticides and optimum use of fertilizers . Consequently, the Pol % cane increased by 0.44 i.e. from 12.41% in crushing season 2016-17 to 12.85% in crushing season 2017-18.

The management is further making efforts to increase the area under high Sugar variety cane from 92% to 95% as well as complete replacement of rejected varieties in the next season 2018-19. The management is also making efforts to increase the supply of cane at factory gate from 77.88% in crushing season 2017-18 to about 80% in crushing season 2018-19.

Extraneous materials such as trashes, green tops, diseased cane, mud with cane supplies have been reduced by 0.40% as a result of the close monitoring done by the management.

Management plans to continue these efforts in the next crushing season 2018-19 and consequently the Pol % cane is expected to further increase to about 13.25% from 12.85% in crushing season 2017-18.

DISTILLERY UNIT (SHAMLI DISTILLERY AND CHEMICAL WORKS) :

A) INDUSTRY PROFILE :

Government policy continues to focus on increasing the % age of mixing Ethanol with Petrol. Consequently, the demand for Ethanol continues to increase, which has a positive effect on the financial performance of the distilleries like yours, which are focused on production of industrial alcohol

B) COMPANY OPERATIONS :

i) DISTILLERY EXPANSION PROJECT :

The Company undertook an expansion project of Distillery, whereby the production capacity of the Distillery was increased from 25 KL per day to 45 KL per day, was commissioned during last year and is now running on full capacity. This year expansion of 45 KLPD to 70 KLPD is proposed.

ii) OPERATING PERFORMANCE :

The operating performance for the financial year 2017-18 as compared to the previous financial year 2016-17 is as under:

Particulars	2017-18	2016-17
i) Gross working days – Old plant (days)	-	14
ii) Gross working days – New plant (days)	203	34
iii) Production – RS (lakh / ltrs)	32.20	11.751
iv) Production – Ethanol (lakh / ltrs)	80.98	12.871
v) Alcohol recovery / qtl. molasses (AL)	21.93	22.50
vi) Fermentation efficiency (%)	89.06	89.06
vii) Distillation efficiency (%)	98.55	98.44

Distillery production was high during 2017-18 since the plant was running at its full capacity.

Further analysis of operating performance for Sugar and Distillery segments are covered under “Management Discussion and Analysis Report” at Annexure 5 of this Report.

DIRECTORS

In accordance with the provisions of Companies Act, 2013 (the Act) and the Company’s Article of Association, Sh. Vivek Viswanathan, Joint Managing Director and Smt. Radhika Viswanathan Hoon Non Executive Director retire by rotation under section 152 of the Act, and, being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. Mr. Rahul Lal was appointed as Executive Director for a period of Five years w.e.f. July 1, 2013 to June 30, 2018 by the Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on July 12, 2014. As per section 196 of the Companies Act, 2013, Company may re-appoint as Executive Director for next term any time but not earlier than one year before expiry of the current term. Mr. Rahul Lal can therefore be reappointed now as Executive Director for a further period of 5 years starting from July 1, 2018. Necessary resolutions for appointment / re-appointment of aforesaid Directors have been included in the notice convening the ensuing Annual General Meeting.

The Board of Directors of the Company, in their meeting held on May 25, 2017, have appointed Mr Lakshmi Kant Dwarka Das Jhunjunwala as the Chairman of the Board of Director for a period of one year from May 25, 2017 to May 24, 2018 . Mr Lakshmi Kant Dwarka Das Jhunjunwala had resigned from the Directorship of the Company w.e.f. 06.05.2018. The Board of Directors in its meeting held on 26.05.2018 appointed Sh. R.C. Sharma as the Chairman of the Board for 1 year.



Mr. Sidharth Prasad was appointed as Independent Director of the Company by the members at its meeting held on September 26, 2017. He had resigned on 29.04.2018.

The required information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) providing the experiences, qualifications, name of the Company in which the above Directors hold Directorship and membership of the Committee of the Board are detailed in the notice convening the Annual General Meeting, against the relevant items of the agenda, which forms part of this annual report.

None of the Directors of the Company is disqualified from being appointed as Director as specified in terms of section 164(1) and (2) of the Companies Act, 2013.

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The guidelines for selection of Directors are set out below:

The Nomination and Remuneration Committee of the Board of Directors oversees the Company’s Nomination process for Directors. The Committee identifies and reviews individual qualified candidates to serve as a Director on the Board. The Committee may act on its own for identifying the potential candidates. The Committee reviews and discusses each candidate and conducts evaluation of candidates in accordance with the process that it deems fit and appropriate, discusses with the promoters, and sends its recommendation for Nomination to the Board of Directors based on the following guidelines :

ATTRIBUTES

1. For independent Directors, the Committee seeks candidates who are not a nominee or related to the promoters of the Company. Such candidates shall possess integrity, leadership, skill, managerial qualities, foresight abilities and competency required to direct and oversee the Company’s management in the best interest of stake holders i.e. shareholders, consumers, employees and the community it serves .
2. The candidate must be willing to regularly attend meetings of the Board and develop a strong understanding of the Company, its business and its need. He must contribute his / her time and knowledge for the Company and be prepared to exercise his / her duties with skill and care. Candidates should have understanding of governance concept and legal duties of a Director .
3. The candidate should preferably have sufficient experience on the Board of a listed Company.
4. For appointment of executive Directors, the Committee also seeks opinion of Promoters.

KEY MANAGERIAL PERSONNEL

The Details of Key Managerial Personnel under section 203 of the Companies Act, 2013 and changes therein during the year are as under :

1. Sh. Rajat Lal, Managing Director
2. Sh. Vivek Vishvanathan, Joint Managing Director
3. Sh. Rajender Khanna, Chief Financial Officer (resigned w.e.f. July 25, 2017)
4. Sh. Akhilesh Kumar Singh, Company Secretary (resigned w.e.f. July 19, 2017)

5. Sh. S.K.Jadia , Chief Financial Officer (joined w.e.f September 21, 2017).
6. Sh. Ajay Kumar Jain, Company Secretary (joined w.e.f September 11, 2017).

STATEMENT ON DECLARATIONS GIVEN BY THE INDEPENDENT DIRECTORS

All the Independent Directors have given declarations as per Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

INDEPENDENT DIRECTORS MEETING

A separate meeting of the independent Directors (Annual Independent Directors Meeting) was convened on February 5, 2018 which reviewed the performance of the Board as a whole and of the non independent Directors on the basis of the report of the Nomination and Remuneration Committee. The collective feedback of each independent Director was discussed with the Board, covering performance of the Board as a whole and performance of non independent Directors.

PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES

Pursuant to the provisions of section 178 of the Companies Act, 2013 and Regulations 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the performance evaluation of non independent Directors, the Board and Committee was undertaken by the Nomination and Remuneration Committee for the year under review. The performance evaluation report of the non independent Directors, as done by the Nomination and Remuneration Committee, has been reviewed by the independent Directors.

The performance evaluation of the chairman and independent Directors is done by the Board and the report of Nomination and Remuneration Committee for the non independent Directors, as reviewed by the independent Directors, is placed before the Board of Directors. The criteria for the performance evaluation are detailed in the report on Corporate Governance attached as Annexure 5 of this Report.

The evaluation framework for assessing the performance of Directors, the Board and Committees is done on the following parameters:

A). BOARD PERFORMANCE

1. Attendance and active participation
2. Knowledge of working of industry, experience in related issues
3. Leadership and initiative
4. Independent judgments on the Board discussions utilizing his knowledge and experience especially on issues related to strategy, operational performance and risk management
5. Commitment to role and fiduciary responsibility as a Board member
6. Understanding the nature of Director’s role, demonstrate awareness and concern about norms related to Corporate Governance, disclosure and legal compliance.
7. Contribute new ideas / advise to management on business issues

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**B). COMMITTEE PERFORMANCE**

1. The Committee is delivering on the defined objectives
2. The Committee has the right composition to deliver the objective

REMUNERATION POLICY

The Board, on the recommendations of the Nomination and Remuneration Committee, has framed a policy for selection and appointment of Directors, senior management and their remuneration. The remuneration policy is stated in the report on Corporate Governance attached at Annexure 5 of this Report.

MEETINGS

The calendar of meetings is prepared and circulated in advance to Directors.

During the financial year 2017-18, Six Board meetings were held on 25.05.2017, 08.08.2017, 11.09.2017, 26.09.2017, 8.12.2017 and 05.02.2018. The details of the same are given in the Corporate Governance report attached as Annexure 5 of this Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of sub-section 134(3)(c) of the Companies Act, 2013 with respect to Director's Responsibility Statement, the Directors confirm that :

- i) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards, read with requirements set out under the Act, have been followed and there are no material departures from the same.
- ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the Loss of the Company for the financial year ended on that date.
- iii) They have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) They have prepared the annual accounts of the Company on a "going concern" basis.
- v) They have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively.
- vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the Company with promoters, Directors, Key Managerial Personnel and other designated persons which may have potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee and also Board of Directors for approval. The Company in the Board Meeting held on 23rd May, 2018 had approved for taken unsecured loan from Director's of the Company for Sugar Unit Expansion. Permission of the shareholder's is required for above transaction. The form for

disclosure of particulars of contract / arrangements entered into by the Company with related parties referred to in sub section(1) of section 188 of the Companies Act 2013 in form AOC -2 is given below:

FORM NO. AOC-2**(PURSUANT TO CLAUSE (B) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014.**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto :

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

S.No.	Particulars	Details
a)	Names(s) of the related party & nature of relationship	N.A
b)	Nature of contracts / arrangements/ transaction	None
c)	Duration of the contracts/ arrangements/ transactions	N.A
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A
e)	Justification for entering into such contracts or arrangements or transactions	N.A
f)	Date of approval by the Board	N.A
g)	Amount paid as advances, if any	N.A
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A

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

S.No	Particulars	Details
a)	Name(s) of the related party & relationship	Mr. Vivek Viswanathan, Jt. M.D.
b)	Nature of contracts/ arrangements/transaction	Tenancy agreement
c)	Duration of the contracts/ arrangements/ transactions	3 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any.	Area -1333 sft, Rent / month - Rs.150 per sft, Notice- 3 months from either side
e)	Date of approval by the Board for renewal	Renewed upto May 28, 2019
f)	Advance paid, if any	Nil

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not made any loans or investments or given any guarantee during the year under review.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary, joint venture or associate.



CODE OF CONDUCT

Code of Conduct for the Directors as well as for the members of the senior management of the Company was adopted in the Board meeting held on April 4, 2005 which was subsequently amended from time to time. The code is intended to serve as a basis for ethical decision making in conduct of professional work. The code of conduct states that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views and be upright in his conduct and observe corporate discipline. The said code of conduct has been circulated to all the Directors and members of senior management and the compliance of the same has been affirmed by them in respect of the financial year 2018-19. A copy of the code of conduct has been put up on the Company's website www.sirshadilal.com. A declaration regarding compliance of code of conduct is given by the managing Director, under the head "code of conduct", that Board members and senior management team have complied with the same under Corporate Governance and forms part of this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any.

A Vigilance Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

The details are given in the report on Corporate Governance attached as Annexure 5 of this Report.

PREVENTION OF INSIDER TRADING

The Company has adopted Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the code.

All Directors and the designated employees have confirmed compliance with the code.

AUDITORS

Mr. M. S. Gupta - Proprietor M/s M. Sharan Gupta & Co. was appointed as Statutory Auditors of the Company by Circular Board resolution dated 14.03.2018, due to said demise of Mr. Jugal Kishore Chadha, Proprietor M/s Jugal Kishore & Associates, Statutory Auditors of the Company on 3rd March 2018. His period of office expires at the ensuing Annual General Meeting.

As per provisions of the Companies Act, 2013 M/s M. Sharan Gupta & Co. (Registration No.06430N) Chartered Accountants can be reappointed as Statutory Auditors of the Company for a further period of 4 Years.

Mr. M. S. Gupta- Proprietor M/s M. Sharan Gupta & Co. (firm registration no. 06430N), had given their consent to be appointed as Statutory Auditors of the Company. The Company has received the necessary consent letter from this firm for appointment as Statutory Auditors of the Company with effect from Financial Year 2018-19.

COMMENTS ON AUDITOR'S OBSERVATIONS

(i) Reply to paragraph no.1 of "Emphasis of Matter" in Auditor's Report relating to non maintenance of accounts on accrual basis:

As stated in the note no. 36 of the financial statement in respect of interest liability on delayed payment of sugar cane price. The company has not provided towards interest liability of late payment of cane price for the current year Rs. 607.19 lakh an also for Rs. 3091.15 Lakh relating to subsequent year 2015-16 to 2017-18, in the view of the Supreme Court order no. 35113/2017 dated 23.04.2018. The company is contemplating to file a review petition against above mentioned order of Supreme Court, therefore no provision has been made for the above mentioned liability.

(ii) Reply to paragraph no.2 of "Emphasis of Matter" in Auditor's Report relating to bonus liability:

As stated in note no. 37 of the financial statement in respect of bonus liability, due to amendment in Payment of Bonus (Amendment) Act 2015, in terms of which the ceiling of payment of bonus has been revised w.e.f. 1st April, 2014. Certain High Courts have stayed implementation of revision of bonus Act from retrospective effect. Indian Sugar Mills Association have also filed Writ against implementation of the order regard to retrospective effect from 1st April, 2014. The matter is subjudice.

COST AUDITOR

The shareholders of the Company had approved appointment of Mr. Rishi Mohan Bansal, Cost Auditor, for conducting the cost audit for Sugar and industrial alcohol business for the financial year 2017-18.

The cost audit reports for the last audited accounts for the financial year ended March 31, 2017 were filed by the Cost Auditor with respect to Sugar and industrial alcohol business on September 1, 2017, which is within the due date. There was no adverse or negative remark in the reports.

As per the Companies Act, 2013, Cost Auditors need to be appointed within 180 days from the commencement of every financial year. Accordingly, the Company has appointed Mr. Rishi Mohan Bansal as Cost Auditor for conducting the cost audit of Sugar and industrial alcohol for the financial year 2018-19. The appointment is subject to ratification in the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

The Board of Directors of the Company appointed M/s Rahul Saini & Co., Company Secretaries (Membership No. ACS 16716, C.P.No. 7009), as the Secretarial Auditors to conduct the secretarial audit of for the financial year ended March 31, 2018.

The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith as Annexure [1] to this Report. There is no qualification, reservation or adverse remark or disclaimer in the report.

FIXED DEPOSITS

The Company has not invited or accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 during the year under report. In terms of proviso to Rule 2 (1) (c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Board hereby report that the Company has borrowed unsecured loans from the Managing Director and Joint Managing Director for the purpose of business during the year under review. They have furnished necessary declarations to the Company that the said amounts have not been given out of funds acquired by them by borrowing from others.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in form MGT-9 is annexed with Annexure-2 of this Report.

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FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONS

As required under section 197(12), read with rule 5 of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014, the details of the ratio of the remuneration of each Director to the median employee's remuneration and such other details as prescribed therein are given in Annexure-3 of this Report.

PARTICULARS OF EMPLOYEES

The information required pursuant to section 197(12), read with rule 5 of the Companies (Appointment and remuneration of managerial personnel) rules, 2014, in respect of the employees of the Company are given in Annexure -3 of this Report.

DETAIL OF SHARES WITH DIFFERENTIAL VOTING RIGHT, SWEAT EQUITY SHARE AND ESOP SCHEME

The Company has not issued shares with differential voting right and sweat equity shares. There was no scheme of ESOP during the financial year.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

RISK MANAGEMENT

Pursuant to section 134(3) (n) of the Companies Act, 2013 and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a business Risk Management Committee. The details of the Committee, its terms of reference, risks associated and their mitigation are set out in the report on Corporate Governance attached at Annexure 5 of this Report.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an internal financial control system commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the internal audit department reports to the Audit Committee of the Board. The details of the Internal Control system and their adequacy are given in the report on Corporate Governance attached at Annexure 5 of this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company had constituted CSR Committee in the Board Meeting held on 08.08.2017 as the Company has earned profits more than 5 Crore in the preceding financial years. The Board of Directors of the Company has approved the CSR Policy in the Board of Directors meeting held on August 8, 2017. As per the provisions of Section 135 of the Companies Act 2013, there is no liability of the Company to spend in CSR Activity as the Company has not earned any income during the year and it has a net loss of Rs. 27.44 Crores and its Net Worth is completely eroded.

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

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be

disclosed under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts), Rules, 2014, are provided in Annexure 4 of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The performance of both the business segments of the Company i.e. Sugar and Alcohol, for the year ended March 31, 2018 and current year prospects, as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been detailed in the "Management Discussion and Analysis Report" in the report on Corporate Governance attached at Annexure 5 of this Report.

CORPORATE GOVERNANCE

The Company complies with all the mandatory requirements as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). The separate section on Corporate Governance, including a certificate from a Practicing Company Secretary confirming compliance of the conditions of Corporate Governance, as stipulated under regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), is given in Annexure-5 of this Report.

DISCLOSURE POLICY

In line with requirements under regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the Listing Regulations, which is available on our website at <https://www.sirshadilal.com/corporategovernance>.

LISTING ARRANGEMENT

The shares of the Company are listed with the BSE Limited. The annual listing fee for the year 2018-19 has been paid to the Exchange.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013

The Company confirms that there is no complaint / case filed against or pending with the Company during the financial year 2017-18.

INDUSTRIAL RELATIONS

The industrial relations remained generally cordial during the year at both the plants of the Company.

APPRECIATION

Your Director's wish to place on record their sincere thanks and appreciation for the devoted services rendered by the employees of the Company at all levels. We also place on record our appreciation to the Financial Institutions, State Bank of India, Punjab National Bank, Zila Sahkari Bank Ltd., Other Business Associates and Government Authorities for their valuable cooperation and support from time to time. We would also like to express our thanks to our Shareholders for their continued confidence in the Company.

For and on behalf of the Board of Directors of
Sir Shadi Lal Enterprises Ltd.,

	Rajat Lal	R.C. Sharma
Place: New Delhi	Managing Director	Chairman
Dated: 23rd July, 2018	(DIN-00112489)	(DIN-00023274)



ANNEXURE '1' TO DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members
Sir Shadi Lal Enterprises Limited,
4A, Hansalaya, 15, Barakhamba Road,
New Delhi -110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sir Shadi Lal Enterprises Limited (CIN:L51909DL1933PLC009509) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2018 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliances - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings; (Not Applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws specifically applicable to the Company: -
- (a) Sugar Cess Act, 1982,
 - (b) Food Safety and Standards Act, 2006,
 - (c) Essential Commodities Act, 1955, and
 - (d) Sugar Development Fund Act, 1982

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

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

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

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For RAHUL SAINI & CO.
Company Secretaries

RAHUL SAINI
Proprietor

Place: MEERUT
Date: 23rd July,2018

ACS 16716;C.P. No. 7009

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

‘ANNEXURE A’

To,
The Members
Sir Shadi Lal Enterprises Limited,
4A, Hansalaya, 15, Barakhamba Road,
New Delhi -110001

Our Secretarial Audit Report for the financial year ended 31st March, 2018 of even date is to be read along with this letter.

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

For RAHUL SAINI & CO.
Company Secretaries

RAHUL SAINI
Proprietor
ACS 16716;C.P. No. 7009

Place: MEERUT
Date: 23rd July, 2018



ANNEXURE '2' TO DIRECTORS' REPORT

Form No. MGT 9

Extract of Annual Return

As on Financial Year ended March 31, 2018

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

I. REGISTRATION & OTHER DETAILS :

1.	CIN	L51909DL1933PLC009509
2.	Registration Date	13.01.1933
3.	Name of the Company	SIR SHADI LAL ENTERPRISES LIMITED
4.	Category/Sub-category of the Company	PUBLIC LIMITED
5.	Address of the Registered office & contact details	4-A, Hansalaya, 15, Barakhamba Road, NEW DELHI 110 001 Tel.No. 011-23316409, 23310414 Website-www.sirshadilal.com E-mail: udsm_shamli@sirshadilal.com
6.	Whether listed Company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Alankit Assignments Ltd., 'Alankit House, 2-E/21, Jhanedewalan Extn. NEW DELHI 110 055 Tel.No. 011-42541956 & 42541234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (ALL THE BUSINESS ACTIVITIES CONTRIBUTING 10 % OR MORE OF THE TOTAL TURNOVER OF THE COMPANY SHALL BE STATED)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Sugar	10721	88.46
2	Alcohol	1101	8.62

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SL. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section
	No				

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

ANNEXURE TO DIRECTORS' REPORT CONTD.....

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(I) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2900220	-	2900220	55.242	2900220	-	2900220	55.24	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	2900220	-	2900220	55.242	2900220	-	2900220	55.242	-
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any Other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	2900220	-	2900220	55.242	2900220	-	2900220	55.242	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	340228	-	340228	6.480	340228	-	340228	6.480	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	340228	-	340228	6.480	340228	-	340228	6.480	-
2. Non-Institutions									
a) Bodies Corp.	296866	18676	315542	6.010	388456	18676	407132	7.756	1.746
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	765556	365211	1130767	21.539	859330	244317	1103647	21.022	-0.517
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	376126	161642	537768	10.244	371990	112078	484068	9.220	-1.024
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	23198	2277	25475	0.485	12428	2277	14705	0.280	-0.205
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1461746	547806	2009552	38.278	1632204	377348	2009552	38.278	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1801974	547806	2349780	44.758	1972432	377348	2349780	44.758	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4702194	547806	5250000	100.000	4872652	377348	5250000	100.000	-

**B) SHAREHOLDING OF PROMOTERS**

SN	Shareholder's Name	Shareholding at the beginning of the year (as on March 31, 2017)			Shareholding at the end of the year (as on March 31, 2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sh. Rajat Lal	943421	17.970	-	943421	17.970	-	-
2	Smt. Poonam Lal W/o Sh. Rajat Lal	287745	5.481	-	287745	5.481	-	-
3	Sh. Rahul Lal S/o Sh. Rajat Lal	287746	5.481	-	287746	5.481	-	-
4	Miss. Pooja Lal D/o Sh. Rajat Lal	5	-	-	5	-	-	-
5	Smt. Sudha Singhania	46167	0.879	-	46167	0.879	-	-
6	Sh. Vivek Viswanathan	1296004	24.686	-	1296004	24.686	-	-
7	Smt. Radhika Viswanathan Hoon Sister of Sh. Vivek Viswanathan	39132	0.746	-	39132	0.746	-	-
	Total	2900220	55.242	-	2900220	55.242	-	-

C) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY) -----NO CHANGE-----

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year :				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:**(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

S. 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	Life Insurance Corporation of India				
	At the beginning of the year 31.03.2017	340026	6.477	340026	6.477
	At the end of the year 31.03.2018	340026	6.477	340026	6.477
2	Investor Education & Protection Fund Authority				
	At the beginning of the year 31.03.2017	0	0	0	0
	Transfer as on 31.12.2017	130986	2.494	130986	2.494

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

ANNEXURE TO DIRECTORS' REPORT CONTD.....

3	Sh. Arun Nahar				
	At the beginning of the year 31.03.2017	48750	0.929	48750	0.929
	At the end of the year 31.03.2018	48750	0.929	48750	0.929
4	Fortress Advisors LLP				
	At the beginning of the year 31.03.2017	42190	0.803	42190	0.803
	At the end of the year 31.03.2018	42190	0.803	42190	0.803
5	Hemant Pratap Bhai Kotak				
	At the beginning of the year 31.03.2017	0	0	0	0
	Purchase February, 2018	25000	0.476	25000	0.476
	Purchase March, 2018	12000	0.229	37000	0.705
	At the end of the year 31.03.2018	37000	0.705	37000	0.705
6	Sh. Mahendra Girdhari Lal				
	At the beginning of the year 31.03.2017	34996	0.667	34996	0.667
	At the end of the year 31.03.2018	34996	0.667	34996	0.667
7	Raviraj Developers Ltd.				
	At the beginning of the year 31.03.2017	0	0	0	0
	Purchase upto December,2017	12012	0.229	12012	0.229
	Purchase January, 2018	21859	0.416	33871	0.645
8	Vinod Chandra Mansukh Lal Shah				
	At the beginning of the year 31.03.2017	24161	0.460	24161	0.460
	At the end of the year 31.03.2018	24161	0.460	24161	0.460
9	Shri Ratan Lal Gupta				
	At the beginning of the year 31.03.2017	0	0	0	0
	Purchase April, 2017	6832	0.130	6832	0.130
	Purchase October, 2017	16957	0.323	23789	0.453
	Sale on 22nd December, 2017	16957	0.323	6832	0.130
	Purchase on 29th December, 2017	16957	0.323	23789	0.453
	At the end of the year 31.03.2018	23789	0.453	23789	0.453
10	Sameer Kotocha				
	At the beginning of the year 31.03.2017	21095	0.402	21095	0.402
	At the end of the year 31.03.2018	21095	0.402	21095	0.402

E) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Director and each Key Managerial Personnel	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
	Name of the Directors				
1	Sh. Rajat Lal	943421	17.970	943421	17.970
2	Sh. Vivek Viswanathan	1296004	24.686	1296004	24.686
3	Sh. Rahul Lal	287746	5.481	287746	5.481
4	Sh. Onke Aggarwal	28080	0.535	20315	0.387
5	Smt. Radhika Viswanathan Hoon	39132	0.745	39132	0.745
	Total	2594383	49.417	2586618	49.269
	Shareholding of KMP Other than MD/Manager /WTD				
	Sh. S.K.Jadia	-	-	-	-
	Sh. Ajay Kumar Jain	-	-	-	-


V) INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT.

(RS. IN LAKHS)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16041.92	1355.17	85.02	17482.118
ii) Interest due but not paid	129.02	-	-	129.02
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	16170.94	1355.17	85.02	17611.13
Change in Indebtedness during the financial year				
* Addition	2907.61	-	10.00	2917.61
* Reduction	4519.73	102.85	-	4622.58
Net Change	-1612.12	-102.85	10.00	-1704.97
Indebtedness at the end of the financial year				
i) Principal Amount	14404.61	1252.32	95.02	15751.95
ii) Interest due but not paid	154.21	-	-	154.21
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	14558.85	1252.32	95.02	15906.16

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		Sh. Rajat Lal	Sh. Vivek Viswanathan	Sh. Rahul Lal	
	Name	Sh. Rajat Lal	Sh. Vivek Viswanathan	Sh. Rahul Lal	(Rs.)
	Designation	M.D.	Jt. M.D.	E.D.	
1	Gross salary	1512000	1362758	296226	3170984
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1148974	906012	202681	2257667
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	408240	367945	79981	856166
	(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 (A)	3069214	2636715	578888	6284817
	Ceiling as per the Act	60,00,000	60,00,000	60,00,000	

CONTD.....



B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Sh. Onke Aggarwal	Sh. R.C. Sharma	Sh. Hemantpat Singhania		
1	Independent Directors	300000	300000	220000		820000
	Fee for attending Board Committee meetings	-	-	-		-
	Commission	-	-	-		-
	Others, please specify	-	-			-
	Total (1)	300000	300000	220000		820000
2	Other Non-Executive Directors	Smt.Radhika Viswanathan Hoon	Sh.Ajit Hoon	Sh.L.K. Jhunjhunwala	Sh.Sidharth Prasad	
	Fee for attending Board Committee meetings	180000	100000	80000	120000	480000
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (2)	180000	100000	80000	120000	480000
	Total (B)=(1+2)	480000	400000	300000	120000	1300000
	Total Managerial Remuneration	-	-		-	-
	Overall Ceiling as per the Act	Overall ceiling for Non-Executive Directors is 1% of the net profit calculated as per section 198 of the Companies Act 2013. There was accumulated loss during the year calculated in terms of the said section.				

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

SN	Particulars of Remuneration	Key Managerial Personnel				Total Amount(Rs.)
		Sh. S.K. Jadia *	Sh.Rajendra Khanna **	Sh.Ajay Kumar Jain ***	Sh. Akhilesh Kr. Singh #	
	Designation	CFO	CFO	CS	CS	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1496788	1522581	692810	419017	4131196
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	35342	-	15293	23852	74487
	(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	1532130	1522581	708103	442869	4205683



* Shri S.K.Jadia Chief Financial Officer has been appointed as Chief Financial Officer w.e.f. 21.09.2017

** Shri Rajendra Khanna has resigned w.e.f.25.07.2017

***Shri Ajay Kumar Jain has been appointed as Company Secretary w.e.f. 11.09.2017

Shri Akhilesh Kumar Singh has resigned w.e.f. 19.07.2017

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief description	Details of penalty / punishment/ compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors of
Sir Shadi Lal Enterprises Ltd.,

Place: New Delhi
Dated: 23rd July, 2018

Rajat Lal
Managing Director
(DIN-00112489)

R.C. Sharma
Chairman
(DIN-00023274)

**ANNEXURE '3' TO THE DIRECTORS' REPORT**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial Year:

Sr. No	Name of Directors	Commission	Sitting Fee	Salary	Perquisite	Total	Ratio (Times)
A	Median Employee	315566*					
1	Sh. Rajat Lal	NIL		1512000	1557214	3069214	9.73
2	Sh. Vivek Viswanathan			1362758	1273957	2636715	8.36
3	Sh. Rahul Lal			296226	282662	578888	1.83
4	Sh. Onke Agarwal		300000				0.95
5	Sh. H P Singhania		220000				0.70
6	Sh R C Sharma		300000				0.95
7	Smt. Radhika		180000				0.57
8	Sh. Ajit Hoon		100000				0.32
9	Sh.L.K. Jhunjhunwala		80000				0.25
10	Sh.Sidharth Prasad		120000				0.38

Perquisites include HRA, Electricity & Fuel Charges, Medical reimbursement, Mediclaim and personal accident insurance premium, Company's Contribution to P.F.

*Median salary of employee is the average of the median salary of officers and workers

ii. Percentage increase in remuneration of Directors/ Key Managerial Personnel's

S. No	Name	% increase
1	Sh. Rajat Lal, MD	8.97
2	Sh. Vivek Viswanathan, Jt. MD	1.67
3	Sh. Rahul Lal, ED	-59.15
4	Sh. Onke Agarwal, Director	25
5	Sh. H P Singhania, Director	10
6	Sh. R C Sharma, Director	15.38
7	Smt. Radhika Viswanathan Hoon, Director	NIL
8	Sh. Ajit Hoon, Director	-16.66
9	Sh.Lakshmi Kant Jhunjhunwala	100
10	Sh,Sidharth Prasad	500
11	Sh. S.K.Jadia, CFO*	N.A.
12	Sh.Rajendra Khanna**	N.A.
13	Sh.Ajay Kumar Jain***	N.A.

* Shri S.K.Jadia Chief Financial Officer has been appointed as Chief Financial Officer w.e.f. 21.09.2017

** Shri Rajendra Khanna has resigned w.e.f.25.07.2017

***Shri Ajay Kumar jain has been appointed as Company Secretary w.e.f. 11.09.2017

iii) The Percentage increase in median remuneration of Employees in the financial year 8.63%

iv) Total No. of permanent employees as on 31.03.2018 – 923

v) Price increase over decrease in the market quotations of the shares of the Company in Comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year.



Particulars	28.03.2018	Public Offer (Buy Back) EGM 27 th May, 1999 in Rs	% Change
Market Price (BSE) in Rs.	40	40	NIL

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

NO such differentiation was followed in giving the increment during the last financial year. The average increment in salary was on the basis of individual performance.

vii) Affirmation that the remuneration is as per the Remuneration Policy of the Company

The Company's Remuneration Policy is based on the principle of internal equity, competence and experience of the employee and industry standards. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce and engaged workforce. The Company follows a compensation of Salary and perquisites on the basis of individual performance through annual appraisal process and business performance. The Company affirms remuneration is as per the Remuneration Policy of the Company.

Particulars of Employees pursuant to section 134(3)(q) and 197 (12) of the Companies Act, 2013 read with the rule 5(2) & 5(3) of companies (appointment and remuneration of managerial personnel) rules 2014, as amended up-to-date and forming part of Directors' Report for the year ended March 31, 2018.

S.No.	Name	Age/ Years	Designation	Qualification	Experience (Years)	Date of commencement of employment	Remuneration (Rs.)	Previous Employer
1.	Mr. S.K. Jadia	51	C.F.O.	M.Com, FCA	18	21.09.2017	15,32,130	-
2.	Mr. R.B. Khokhar	47	C.O.O.	M.Tech, AMIE	21	06.02.2015	24,11,065	Mawana Group
3.	Mr. S.K.S. Raghuwanshy	58	Sr. GM (HR)	BA, LLB	34	02.02.2015	12,61,730	Balrampur Group
4.	Mr. Manoj Goel	56	Addl. G.M.	B.Com, MBA	32	11.12.1990	11,24,972	Rama Vision Ltd.
5.	Mr. Akhilesh Gupta	50	GM (Computer)	M.Com, PGDCA	29	15.01.1996	10,57,116	Triveni Engg. and Industries Ltd.
6.	Mr. Ajay Kumar Jain	44	C.S.	M.Com, LLB, FCS, NET, PHD, P.E-II	19	11.09.2017	7,08,103	Tikula Sugar Mills Ltd.
7.	Mr. Pankaj Kr Agarwal	50	GM (Production)	ANSI (Sugar Tech.)	25	21.12.1991	9,84,154	SVP Ind. Ltd. Mansurpur
8.	Mr. R.K. Gupta	58	GM (Security & Hygiene)	B.Com	34	10.08.1984	8,37,015	Vishakapatnam Steel
9.	Mr. Praveen Kumar Srivastva	50	GM (Distillery)	BSC, DIFAT	27	01.07.2017	11,21,953	Jubilant Group
10.	Mr. Naresh Kumar	57	Add. GM (Cane)	B.A.	34	17.06.2009	8,38,254	Tikula Sugar Mills Ltd.

For and on behalf of the Board of Directors of
Sir Shadi Lal Enterprises Ltd.,

Place: New Delhi
Dated: 23rd July, 2018

Rajat Lal
Managing Director
(DIN-00112489)

R.C. Sharma
Chairman
(DIN-00023274)



ANNEXURE '4' TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 134 (3) (M) AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018.

A. CONSERVATION OF ENERGY

1) Energy conservation measures taken:

Energy conservation is an on-going activity in the Company and the efforts to conserve energy through improved operational methods and other means are continuing on a regular basis. Details of measures taken for energy conservation during the financial year 2017-18 at the units are provided as below.

UPPER DOAB SUGAR MILLS

Rs. nil expenditure incurred on energy Conservation during the year 2017-18.

SHAMLI DISTILLERY & CHEMICAL WORKS

Rs. Nil expenditure incurred on energy Conservation during the year 2017-18.

<p>2) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.</p>	<p>Upper Doab Sugar Mills 1. Installation of 5 Nos. planetary drives in Batch Crystalliser, Magma Mixer, Pungmill 2. Installation of 2 Nos. Hi-Flow Pumps for B. H. & C.L. molasses</p> <p>Shamli Distillery & Chemical Works Installation of 1.2 M.W. Turbines, or Plant capacity expansion from 45 KLPD to 70 KLPD wash to Rectified Spirit Plant and one additional 35 KLPD Rectified Spirit to Ethanol Plant with Molecular Sieve Dehydration Technology.</p>
<p>3) Impact of the measure at (1) & (2) above for reduction of energy consumption and consequent impact on the cost of production.</p>	<p>Upper Doab Sugar Mills After installation of high flow pumps, there will be saving of 0.30 lacs units of electricity.</p> <p>Shamli Distillery & Chemical Works With the installation of new 1.2 M.W. Back Pressure Turbine, we will save 2.0 M.T. per Hr. steam as compared with existing Turbine. Therefore we will save app. Rs. 48,000 per day.</p>
<p>B. Technology Absorption</p>	
<p>I) Technology absorption measures taken :</p>	
<p>Research & Development (R&D) 1. Specific Areas :</p>	<p>i) Upper Doab Sugar Mills</p> <ul style="list-style-type: none"> > Varietal balance – maintaining desired varietal balance > Improved varieties – replacement of rejected and low pol varieties > Future sustainability of Co 0238 cane varieties – healthy seed programme > Crop age – Shifting of summer planting (after wheat harvesting) into autumn or winter planting > Maximise the cane yield per unit area – Introduction of wide row planting > Crop health – to protect the cane crop from borers, white gruth & wild animals > Soil health – optimum use of phosphatic and potassic fertilizers > Extension & communication strategy <p>ii) Shamli Distillery & Chemical Works Capacity expanded from 45 Klpd to 70 Klpd wash to RS plant with implementation of pollution norms and RS to absolute alcohol with molecular sieve dehydration technology.</p>



2. Benefits derived as a results of the above R & D	<p>i) Upper Doab Sugar Mills</p> <ul style="list-style-type: none"> ➤ Increase in area under early varieties from 92% to 98% for the season 2018-19 ➤ Replacement of rejected & low pol varieties with other improved varieties resulting in reduction from .7% to Nil for the season 2018-19 ➤ Supply of insect pest, disease & trash free quality cane to the factory thereby maintaining quality of cane to optimum level ➤ In the season 2017-18, pol in cane increased by 0.44% compared to season 2016-17 & we are hoping that pol in cane would be 12.90% in coming season 2018-19 ➤ Reduction in supply of extraneous matter compared to previous season from 3.07% to 2.67% <p>ii) Shamli Distillery & Chemical Works</p> <ul style="list-style-type: none"> ➤ By increasing Plant Capacity from 45 KLPD to 70 KLPD , there will be an increase in Production by 55 % , However with the introduction of new Technology increase, in Power Consumption will be only by 30 % . ➤ With the installation of new 70 KLPD Plant our Steam Consumption for the Production of Ethanol will be 1.8 Kg. / Lit. as against 3.1 Kg. / Lit. in present 45 KLPD Wash Plant. Therefore there will be net saving of 1.3 Kg. / Lit. ➤ Due to increase in R.S. production capacity, there is an increase in Biogas generation, which will save the fuel. ➤ The increase in capacity of Distillery will reduced the cost of Production of Ethanol and more production will give better margin of Profit in Distillery.
3. Expenditure on R & D: (Cane Development)	
a) Capital	NIL
b) Recurring	Rs. 39.19 Lacs
c) Total	Rs. 39.19 Lacs
d) Total R & D expenditure as a percentage of total turnover	0.11 %
4. Pollution Control measures in Sugar and Distillery Units	<p>In compliance to the directions of UP Pollution Control Board, we have installed cone carbon filter & one sand filter for tertiary treatment of water after treatment in ETP for irrigation purpose online monitoring system for treating the effluent treatment and mini cooling tower for cooling excess condensation for recycling consumption.</p> <p>For Distillery- effluent treatment- system for achieving zero liquid discharge as per the Central Pollution Control Board/U.P. pollution control Board directions adopted multi pressure distillation with integrated multi effect evaporator to concentrate Spent wash and finally use of this Spent wash for producing Bio Compost to achieve zero liquid discharge as per the U.P. pollution control Board guide-lines.</p>
5. Future plan of action	<p>Upper Doab Sugar Mills</p> <ul style="list-style-type: none"> ➤ Expansion of plant capacity to 275 TCH OR 6600 TCD with improvement in average crush by 700 TCD ie. from 5300 TCD to 6000 TCD & reduction of steam consumption % by 3.50% on Cane ie. from 51.5% to 48% on Cane.

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

II. Technology absorption, adaptation and innovation:	
i) Efforts, in brief, made towards technology absorption, adaptation and innovation	Upper Doab Sugar Mills Installation of one film type sulphur burner with waste heat recovery unit for steam/power saving
ii) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	
iii) In case of imported technology (imported last five years reckoned from the beginning of the financial year), following information may be furnished: a) Technology imported b) Year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this has not taken place, reasons there for, and future plans of action	} No technology has been imported during the last five years
C. Foreign Exchange Earnings and Outgo	
a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and service and export plans.	The Company did not make any export during the year
b) Total Foreign Exchange used and earned:	
Used	NIL
Earned	NIL

For and on behalf of the Board of Directors of
Sir Shadi Lal Enterprises Ltd.,

Place: New Delhi
Dated: 23rd July, 2018

Rajat Lal
Managing Director
(DIN-00112489)

R.C. Sharma
Chairman
(DIN-00023274)



ANNEXURE-‘5’ TO THE DIRECTORS’ REPORT ON CORPORATE GOVERNANCE FORMING PART OF THE DIRECTOR’S REPORT

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. The detailed report on the Corporate Governance, as prescribed by SEBI and incorporated in Regulation 15 of SEBI (LODR) Regulations 2015, is set out below:

(1) COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company continues to believe that good Corporate Governance is the function of adherence to ethical business practices and introduction of value based systems and procedures in the organization. The Corporate Governance in this way shall usher in an era of enhancement of intrinsic strength of the organization as also of its stakeholders. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavor to uphold and nurture these core values in all aspects of its operations.

(2) BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY:

The policy of the Company is to maintain optimum combination of Executive and Non-Executive Directors. The present strength of the Board of Directors is 8, out of which 3 are independent Directors. The Chairman of the Board is an independent Director. The Board meets the requirement of not less than one third being independent Directors. All the Directors inform the Company Secretary every year about the Directorship / chairmanship of the Board and Board Committee membership which they hold in other companies. They also inform any change as and when it takes place. Company Secretary places these disclosures before the Board. The category, composition, attendance of each Director at the Board meetings / last Annual General Meeting and number of Directorship / chairmanship and membership of Board Committees in other companies is given hereunder:

S. No.	Name	Category of Director	Attendance at Board meetings*	Attendance at last AGM	No. of other Directorships		Membership/ Chairmanship in Board Committees of other companies	
					Public	Private	Chairman	Member
1.	Sh. R.C. Sharma # (Chairman)	Non-Executive Independent	6	Yes	4	–	–	–
2.	Sh.Rajat Lal, Managing Director	Promoter, Executive	6	Yes	1	–	–	–
3.	Sh.Vivek Viswanathan , Joint Managing Director	Promoter, Executive	6	Yes	2	1	–	–
4.	Sh. Rahul Lal, Executive Director	Promoter, Executive	2	No	1	1	–	–
5.	Sh. Hemantpat Singhania #	Non Executive, Independent	6	Yes	1	1	2	–
6.	Sh. Onke Aggarwal#,	Non Executive Independent	6	Yes	–	–	–	–
7.	Smt. Radhika Viswanathan Hoon	Non-Executive	5	Yes	–	–	–	–
8.	Sh. Ajit Hoon	Non-Executive	5	Yes	2	–	–	–

**During the financial year 2017-18 Six Board meetings were held on 25.05.2017, 08.08.2017 11.09.2017, 26.09.2017, 08.12.2017 and 05.02.2018

Sh. Onke Aggarwal, Sh. Hemant pat Singhania and Sh. R.C. Sharma were appointed as independent Directors of the Company in the Annual General Meeting of the Company held on 22.09.2014 for five consecutive years from 22.09.2014 to 21.09.2019

CONTD.....



Brief profile of all the Directors, nature of their expertise in specific functional area etc. are available on the Company's website www.sirshadilal.com

The composition and structure of the Board is reviewed regularly by the Board, keeping in mind its overall size, the balance between non-executive, independent and executive Directors, age, experience and other attributes of the Directors, and changes in the Board.

Sh. R.C. Sharma was appointed as chairman in the Board meeting held on 26.05.2018 due to resignation of Sh. L.K.Jhunjhunwala

BOARD PROCEDURE :

All divisions / departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussions / approval / decisions in the Board and Committee meetings. All such matters are communicated to the Company secretary in advance by the departments / divisions. The Company secretary, in consultation with the chairman, managing Director and/ or joint managing Director, segregates the ones that can be discussed and decided internally and ones that need to be put up before the Board.

The Board meets at least once in a quarter to review the quarterly performance, operational performance and the financial results of the Company. The Board and the Committee meetings are scheduled well in advance and a calendar for these meetings in a year is circulated at the beginning of the year. The notice and agenda of each meeting along with supporting papers giving comprehensive information on the agenda items is given in writing to each Director in advance. The agenda papers submitted to the Board clearly indicate what decision is required. In special and exceptional circumstances, additional or supplementary item(s) beyond the agenda are presented with the permission of chairman.

THE KEY FUNCTIONS AND RESPONSIBILITIES OF THE BOARD ARE AS UNDER :

FUNCTIONS :

1. Reviewing and guiding on corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance targets, monitoring implementation, overseeing major capital expenditures, acquisitions and divestments and reviewing financing plans and progress thereon.
2. Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.
3. Selecting, compensating, monitoring and, when necessary, replacing Key Managerial Personnel and overseeing succession planning.
4. Aligning Key Managerial Personnel and remuneration of Board of Directors with the longer term interests of the listed entity and its shareholders. -
5. Ensuring a transparent Nomination process to the Board of Directors with the diversity of thought, experience, knowledge, perspective and gender in the Board of Directors.
6. Monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

7. Ensuring the integrity of the listed entity's control systems, accounting and financial reporting systems, including the independent audit and compliance with the law and relevant standards.
8. Overseeing the process of disclosure and communications.
9. Monitoring and reviewing Board of Director's evaluation framework.

RESPONSIBILITIES:

1. Members of the Board of Directors and Key Managerial Personnel disclose to the Board of Directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.
2. The Board of Directors and senior management conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information, in order to foster a culture of good decision making.
3. The Board of Directors provide strategic guidance to the listed entity, ensure effective monitoring of the management and is accountable to the listed entity and the shareholders.
4. The Board of Directors set a corporate culture and the values by which executives throughout the Company shall behave.
5. Members of the Board of Directors act on fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
6. The Board of Directors encourage continuing - training of Directors to ensure that the members of Board of Directors are kept up to date.
7. Where decisions of the Board of Directors may affect different shareholder groups differently, the Board of Directors shall treat all shareholders fairly.
8. The Board of Directors maintain high ethical standards and shall take into account the interests of stakeholders.
9. The Board of Directors exercise objective independent judgement on corporate affairs.
10. The Board of Directors consider assigning sufficient number of non-executive members of the Board of Directors, capable of exercising independent judgement, to tasks where there is a potential for conflict of interest.
11. The Board of Directors ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognized or exposes the Company to excessive risk.

The Board's Nomination and Remuneration Committee oversees the Company's Nomination process for Directors and in that connection it identifies and reviews individuals qualified to serve as a Director on the Board.

The information as specified in Schedule- II, Corporate Governance Part A of Regulation 17 (7) of SEBI (LODR) Regulation 2015 is regularly made available to the Board, to enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board meeting on the overall performance of the Company. In addition to matters



statutorily requiring Board's approval, all major decisions involving policy formulation, Capital expenditure budgets, new investments, Compliance with statutory / regulatory requirements etc., are considered by the Board. The Board has established procedures to periodically review reports on compliance of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

The Chairman and/or Managing Director or Joint managing Director explains the proposal put up before the Board, the background and the expectations of the proposal in the short as well as the long term to contribute to the growth of the Company. If needed, a presentation is made by the concerned executive and clarifications given. The Board then deliberates all these issues and comes to a decision. The chairman encourages participation and considers the views of all the Directors.

Company Secretary records the minutes of the proceedings of each meeting of the Board of Directors and Committees. The minutes recorded are self explanatory and decisions arrived at the meeting are properly recorded. Draft minutes are circulated to all the members of the Board/ Committee for their comments. The minutes are entered in the Minute Book within 30 days from conclusion of the meeting and are confirmed at the subsequent meeting.

Board decisions are promptly and clearly communicated to the operating management for implementation. An action taken report is submitted to the Board/Committee at the subsequent meetings till the decisions are fully implemented.

The Company Secretary, while preparing the agenda, notes on agenda, minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 / 2013 read with the Rules issued there under, any amendment thereof and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING :

In respect of Directors seeking appointment or re-appointment, the notice for the Annual General Meeting contains all the relevant

information, like brief resume of the Directors, nature of their expertise in specific functional areas and name of the companies in which they hold Directorship and / or membership of any Committee of the Board.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT TEAM :

Code of conduct for the Directors as well as for the members of the senior management of the Company was adopted in the Board meeting held on 4th April, 2005 and amended subsequently from time to time. The code is intended to serve as a basis for ethical decision making in conduct of professional work. The code of conduct states that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views and be upright in his conduct and observe Corporate discipline. The said Code of conduct has been circulated to all the Directors and members of senior management and the compliance of the same has been affirmed by them in respect of the financial year 2017-18 and a declaration to that effect signed by the Managing Director is detailed below and forms part of this report. A copy of code of conduct has also been put on the Company's website - www.sirshadilal.com

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 17(5) of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges, all Board members and senior management personnel have affirmed compliance with Sir Shadi Lal Enterprises Limited, Code of Business Conduct and Ethics for the year ended March 31, 2018.

For and on behalf of the Board

	Rajat Lal	R.C. Sharma
Place: New Delhi	Managing Director	Chairman
Dated: 23rd July, 2018	(DIN-00112489)	(DIN-00023274)



COMMITTEES OF THE BOARD

The Company has constituted following Board level Committees:

(3) AUDIT COMMITTEE :

(A) COMPOSITION :

The Board has constituted Audit Committee consisting of following Directors:

S.No.	Name	Category	Designation	Attendance *
1.	Sh. R.C. Sharma	Non-Executive Independent Director	Chairman	5
2.	Sh. Onke Aggarwal	Non-Executive Independent Director	Member	5
3.	Smt. Radhika Viswanathan Hoon	Non- Executive Director	Member	4

All the members of the Audit Committee are financially literate and more than one member possess accounting and related financial management expertise. The concerned officials responsible for the finance function and the head of internal audit are invitees to the Audit Committee.

The chairman of the Audit Committee attended the Annual General Meeting held on 26.09.2017 to answer shareholders' queries.

The composition of the Audit Committee meets the requirements of section 177 of the Companies Act, 2013.

*During the year five meetings of Audit Committee were held on 25.05.2017, 08.08.2017, 11.09.2017, 08.12.2017 and 05.02.2018.

(B) TERMS OF REFERENCE:

The Audit Committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary. The terms of reference of the Audit Committee include exercising powers and discharge of functions as stipulated in Regulation 18 of SEBI (LODR) Regulations 2015 read with Section 177 of the Companies Act, 2013.

The primary purpose of the Audit Committee is to monitor and provide effective supervision of the Company's financial reporting processes in order to ensure timely, accurate and proper disclosure and the transparency, integrity and quality of financial reporting. The Audit Committee, besides other activities, reviews the quarterly / annual financial results, Cost Auditors reports, Capital expenditures, Internal auditor reports which thereafter are sent to the Board with recommendations .

The Audit Committee also reviews management discussion and analysis of financial conditions and results of operations, statement of significant related party transactions, Directors' responsibility statement included in the Board's report in terms of clause (3c) of section 134 of the Companies Act 2013, appointments of Statutory auditor, Cost Auditor, Chief financial officer and Chief internal auditor.

The role of Audit Committee is summarized hereunder :

1. Oversight of financial report process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to Statutory auditors for any other services rendered by them.
4. Reviewing with the management, the Annual Financial Statement and auditors' reports thereon before submission to the Board for approval with particular reference to :
 - a) Matters being included in the Directors' responsibility statement in the Boards' report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the Financial Statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to Financial Statements.
 - f) Disclosure of any related party transactions .
 - g) Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process.



8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of Internal Financial Controls and risk management systems.
12. Reviewing with the management, the performance of statutory and internal auditors, adequacy of the Internal Control systems.
13. Reviewing the adequacy of internal audit function.
14. Discussion with internal auditors of any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Look into the reasons for substantial defaults.
18. Review the functioning of the whistle blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also recommends the appointment of Cost Auditor pursuant to the notification no. 774 dated March 27, 2014 of Government of India, Ministry of Corporate Affairs, New Delhi. The Audit Committee also ensures that the Cost Auditor is free from any disqualification u/s 148 read with sub section (3) or sub section (4) of section 141 of the Companies Act, 2013. The Audit Committee also obtains a certificate from the Cost Auditor certifying its independence and arms length relationship with the Company.

(4) NOMINATION & REMUNERATION COMMITTEE:

A) COMPOSITION :

The Nomination & Remuneration Committee consisting of the following non-executive independent Directors was constituted / reconstituted by the Board with agreed terms of reference to determine, on their behalf and on behalf of the shareholders, the Company's policy on specific remuneration package for executive Directors. The chairman of the Nomination Committee is an independent Director other than chairman of the Company.

S.No.	Name	Category	Designation	Attendance *
1.	Sh. Hemantpat Singhania#	Non- Executive - Independent Director	Chairman	3
2.	Sh. R.C. Sharma	Non-Executive- Independent Director	Member	3
3.	Sh. Onke Aggarwal	Non-Executive - Independent Director	Member	3

*During the year three meetings of Nomination & Remuneration Committee were held on 08.08.2017, 11.09.2017 and 05.02.2018.

#The Board of Directors in their meeting held on 23rd July, 2018 appointed Sh. Hemantpat Singhania as Chairman in place of Sh. R.C. Sharma.

B) TERMS OF REFERENCE:

The terms of reference of the Nomination and Remuneration Committee is in accordance with section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 which, inter alia, includes, to formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees, formulate criteria for evaluation of independent Directors and the Board, Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

C) REMUNERATION POLICY:

The Committee shall lay down the policy of remuneration to Directors, Key Managerial Personnel and senior management which involves a balance between fixed and incentive pay, reflecting short term and long term performance objectives appropriate to the working of the Company.

NON-EXECUTIVE DIRECTORS

On the recommendation of the Nomination and Remuneration Committee, the remuneration to the Non-Executive Directors is decided and approved by the Board of Directors. The Non-Executive Directors are paid remuneration by way of sitting fees and commission not exceeding the limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

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The Non-Executive Directors are entitled to commission @ 1% of the net profit as approved by the shareholders and sitting fees @ Rs.20,000/- w.e.f. 01.08.2014 for each meeting of the Board or any Committee thereof attended by them. All the Non-Executive Directors are entitled for equal commission. Those who have worked for part of the year would be entitled for commission proportionately no commission was paid to the Non-Executive Directors during the year because of brought forward losses.

EXECUTIVE DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Nomination and Remuneration Committee frames and implements on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive Directors. The Nomination and Remuneration Committee also considers, approves and recommends to the Board of Directors the designation and increase in salaries for the executive Directors and kmpts, keeping in view the remuneration package offered by the other corporate houses of the industry. The policy, inter-alia, provides for the following:

- Salary and commission not to exceed limits prescribed under the Companies Act, 2013.
- Revision from time to time depending upon the performance of the Company, individual Director’s performance and prevailing industry norms.
- No sitting fees.

The remuneration paid to the executive Directors and kmpts of the Company is approved by the Board of Directors on the recommendations of the Remuneration Committee.

Presently, as the Company does not have any scheme of stock option , the incentive by way of commission on profits is considered for the Directors / executive Directors in the remuneration package.

D) DETAILS OF REMUNERATION TO ALL THE DIRECTORS FOR THE YEAR ENDED MARCH 31, 2018

(I) NON-EXECUTIVE DIRECTORS

During the financial year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors.

S. No.	Name	Category of Directors	Commission	Sitting fee (Rs.)	Total (Rs.)	Service Contract/ Notice period/ Severance fees	No. of shares held
1.	Sh. L.K. Jhunjhunwala	Non-Executive Independent	-	80000	80000	Retirement by rotation	-
2.	Sh. Onke Aggarwal,	Non-Executive Independent	-	300000	300000	Non-rotational	20315
3.	Sh. Hemantpat Singhania	Non-Executive Independent	-	220000	220000	Non-rotational	-
4.	Sh. R.C. Sharma	Non-Executive Independent	-	300000	300000	Non-rotational	-
5.	Smt.Radhika Viswanathan Hoon	Non-Executive	-	180000	180000	Retirement by rotation	39132
6.	Sh. Ajit Hoon	Non-Executive	-	100000	100000	Retirement by rotation	-
7.	Sh.Sidharth Prasad	Non-Executive Independent	-	120000	120000	Retirement by rotation	-
	Total			1300000	1300000		

(II) MANAGING AND WHOLE-TIME DIRECTORS

S. No.	Name	Category	Salary (Rs.)	Perquisites* (Rs.)	Commission (Rs)	Total (Rs.)	Service Contract/ Notice period/ Severance fees	Period for Appointment
1.	Sh.Rajat Lal, Managing Director#	Executive	1512000	1557214		3069214	Contractual**	5 Years
2.	Sh. Vivek Viswanathan, Joint Managing Director	Executive	1362758	1273957		2636715	Contractual**	5 Years
3.	Sh. Rahul Lal, Executive Director	Executive	296226	282662		578888	Contractual**	5 Years
	Total		3170984	3113833		6284817		

* Perquisites include House rent allowance, Electricity & fuel charges, Medical reimbursement, Medi-claim and Personal Accident Insurance premium, Company’s contribution towards provident fund and superannuation fund.

** Notice period is Six calendar months, on either side.

**(i) KEY MANAGERIAL PERSONNEL OTHER THAN DIRECTORS**

S.No.	Name	Category	Salary (Rs.)	Perquisites* (Rs.)	Commission (Rs)	Total (Rs.)	Service Contract
1.	Sh.S.K.Jadia #	CFO	1496788	35342	-	1532130	Contractual
2.	Sh.Rajendra khanna **	CFO	1522581	-	-	1522581	Contractual
3.	Sh. Akhilesh Kumar Singh ***	CS	419017	23852	-	442869	Contractual
4.	Sh. Ajay Kumar Jain ****	CS	692810	15293	-	708193	Contractual
	Total		4131196	74487	-	4205683	

Perquisites include Company's contribution to Provident Fund

Sh.S.K.Jadia * was appointed w.e.f. 21.09.2017

** Shri Rajendra Khanna w.e.f July 25,2017

*** Shri Akhilesh Kumar Singh has resigned w.e.f July 19,2017

**** Shri Ajay Kumar Jain was appointed w.e.f 11.09.2017

5. INDEPENDENT DIRECTORS' MEETING :

A meeting of the Independent Directors was held on 05.02.2018 to review the performance of non independent Directors / members of the management without the attendance of non independent Directors and the Board as a whole, on parameters of active participation, effectiveness and to assess the promptness of flow of information between the management and the Board.

Sh. Onke Agarwal, chairman of the independent Director's meeting, placed the proceedings of the meeting before the Board of Directors.

6. EVALUATION AND PERFORMANCE OF INDEPENDENT DIRECTORS:

The performance evaluation of the Independent Directors was done by the Board, except the Directors being evaluated. The criteria adopted for performance evaluation were as follows:

ROLE & ACCOUNTABILITY

- Understanding the nature and role of independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offering constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

OBJECTIVITY

- Attendance and active participation.
- Knowledge of the working of industry, experience and related issues.
- Understanding of risks associated with the business.
- Understanding the nature and Directors' role.
- Commitment to role & fiduciary responsibilities as a Board member.
- Leadership & initiative
- Application of knowledge for rendering advice to management for resolution of business issues and competition challenges
- Independent judgment.
- Non-partisan appraisal of issues.
- Compliance, due diligence and financial control.
- Safeguarding the interest of the Company and its minority shareholders.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

As per section 135 of the Companies Act 2013 every Company having net worth of Rs. five hundred crore or more or turnover of Rs. one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors out of which at least one Director shall be an independent Director. The Company has constituted CSR Committee on 08.08.2017 in the previous year as the Company has earned profit more than 5 Crore in the financial year 2016-17.

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**(A) COMPOSITION :**

The Board has constituted CSR Committee consisting of following Directors:

S.No.	Name	Category	Designation	Attendance*
1.	Sh. Hemantpat Singhania	Independent Director	Chairman	-
2.	Sh. Rajat Lal	Managing Director	Member	1
3.	Sh. Vivek Viswanathan	Joint Managing Director	Member	1
4.	Sh. L.K. Jhunjhunwala	Independent Director	Chairman	-

* Sh. L.K. Jhunjhunwala has resigned w.e.f. 06.05.2018 and Sh. Hemantpat Singhania was appointed as Chairman of CSR Committee in the Board meeting held on 26.05.2018

The composition of the CSR Committee meets the requirements of section 135 of the Companies Act, 2013. One meeting of CSR Committee was held on 08.12.2017

(B) TERMS OF REFERENCE:

1. Formulating and recommending to the Board of Directors CSR Policy and indicating activities to be undertaken
2. Recommending the amount of expenditure for CSR activities
3. Monitoring CSR activities from time to time

CORPORATE SOCIAL RESPONSIBILITY POLICY :

The CSR Committee has framed CSR Policy and the Board of Directors of the Company has approved the policy in the Board of Directors meeting held on 08.08.2017. The details of CSR policy are as follows;

Sir Shadi Lal Enterprises Limited firmly believes and lives the values of Corporate and Social Responsibility and pledges to sustain its effort towards being responsible and accountable for its business at all times. The Policy displays the Company and its employee's commitment to the community we work with and the environment from which we extract resources. We will ensure that our CSR initiatives integrate social and environmental considerations into our businesses apply to all our operations, is incorporated into our governance, management, business strategy, and daily decisions and actions.

Our vision is to actively contribute to the social and economic development of the communities in which it operates. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

BASIC PRINCIPLES

- A) Striving towards improving accessibility to education amongst underprivileged communities.
- B) Promoting Education
- C) Work for providing solutions to better and sustained livelihood, infrastructure development, healthcare, sanitation and hygiene and limiting/eradicating prevalent social issues like hunger, poverty and malnutrition in our community.
- D) Taking necessary steps for Ensuring environmental sustainability
- E) Agriculture development and better farmer focus.

- F) Efforts for reducing social and economic inequality including gender inequality.
- G) Promoting Sports through various events.
- H) Regular monitoring and implementation of this policy, outcomes of the initiatives and publicly report on the progress in a transparent and effective manner.
- I) Continually review of the CSR policy, business practices and governance to encourage evolution.

IMPLEMENTATION PROCESS

The projects identified for focus by the Company will emanate from the core value of 'support and participation in addressing societal and environmental concerns'. The projects will solidified with the participation of the business units, employees and the community they work with and the prioritization and focus areas emerged as sustained livelihood, improved quality of life, rural development, education and empowerment of marginalized section of the community, especially women and children.

OPERATING MECHANISM

The Company shall carry out the CSR activities:

1. Taking up the activities as detailed in its focus area directly; or
2. Through a Registered Trust or a Registered Society or an outfit established by the Company or otherwise; or
3. Through a trust, society or Company which is not established by the Company, having an established track record of atleast three years in undertaking similar programs or projects;

Provided that the Company shall specify the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

COMPANY'S FOCUS AREAS/ACTIVITIES:

Therefore the causes in alignment with our businesses and values are:

1. Promoting Education
2. Promoting Sports through various events.
3. Good Agricultural Practices
4. Model Village/Habitation Development- Co Community Development
5. Skill Development and Women Empowerment



6. Health care: supporting various medical initiatives aiming at reducing mortality rate of children, regular health check-ups for poor's including children in schools of neighbouring regions, promoting preventive health care etc.
7. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt for socio economic development and relief and welfare of the weaker section of the society and women.

8. SHAREHOLDERS' GRIEVANCE COMMITTEE / STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Board of Directors has constituted the following Committees to look after the issues related to shareholders :

- a. Shareholders /Investors Grievance Committee / Stakeholders Relationship Committee.
- b. Share Transfer Committee.

The Shareholders / Investors Grievance Committee looks after maintaining cordial - relations with shareholders and other investors and oversees the mechanism for redressing of Shareholders and investors complaints like non-receipt of Annual Report, non-receipt of declared dividend warrants and non transfer of shares. Share transfers / transmissions are approved by the Share Transfer Committee and are placed at the Board Meeting from time to time.

A. COMPOSITION OF SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE / STAKEHOLDERS RELATIONSHIP COMMITTEE:

S. No.	Name	Category	Designation	Attendance*
1	Sh. Hemantpat Singhania,	Non - Executive Independent Director	Chairman	1
2	Sh. Vivek Viswanathan	Joint Managing Director	Member	1
3	Sh. Rahul Lal	Executive Director	Member	-

*During the year one meeting of Shareholder/Investor Grievances Committee was held on 05.02.2018. There was no Investor complaint pending as on 31.03.2018.

Sh. Ajay Kumar Jain, Company Secretary, had been appointed as Secretary / Compliance officer of the Shareholders / Investors Grievance Committee.

B. COMPOSITION OF SHARE TRANSFER COMMITTEE

S. No.	Name	Category	Designation	Attendance*
01	Sh. Rajat Lal	Managing Director	Chairman	9
02	Sh. Vivek Viswanathan	Joint Managing Director	Member	9
03	Sh. Rahul Lal	Executive	Member	-

*During the year, Nine meetings of Share Transfer Committee were held on 28.08.2017, 11.09.2017, 05.10.2017,15.11.2017,23.12.2017, 01.02.2018, 12.02.2018, 10.03.2018, 21.03.2018.Sh. Ajay Kumar Jain, Company Secretary, had been appointed as Secretary / compliance officer of the Share Transfer Committee.

The Company has registered and delivered to the shareholders all the valid applications received for Transfer / transmission / remat / split/ consolidation of shares during the year within the stipulated time and there were no shares pending for transfer as on 31.03.2018.

(9) (A) RISK MANAGEMENT COMMITTEE :

The Board of Directors has Constituted Risk Management Committee comprising of following Directors / Member :

S. No.	Name	Category	Designation	Attendance*
01	Sh. Rajat Lal	Managing Director	Member	1
02	Sh. Vivek Viswanathan	Joint Managing Director	Member	1
03	Sh. Rahul Lal	Executive Director	Member	-
04	Sh. S.K.Jadia	Chief Financial Officer	Member	1

* During the year, one meeting of Risk Management Committee was held on 20.03.2018.

Mr. Ajay Kumar Jain has been appointed as Secretary of the Risk Management Committee.

(B) VIGILANCE COMMITTEE:

The Board of Directors has constituted a Vigilance Committee comprising of following Directors/members :

S. No.	Name	Category	Designation	Attendance*
01	Sh. Rajat Lal	Managing Director	Member	1
02	Sh. Vivek Viswanathan	Joint Managing Director	Member	1
03	Sh. Rahul Lal	Executive Director	Member	-
04	Sh. S.K.Jadia	CFO	Vigilance Officer	1

During the year one meeting of vigilance Committee was held on 20.03.2018

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**(10) GENERAL BODY MEETINGS :**

Location and time where last three Annual General Meetings were held is given below :

S. No.	Particulars	Date	Location	Time
1.	81st A.G.M for the year 2014-15	28.09.2015	P.H.D House, Opp. Asian Games Village, New Delhi – 110 016	11.00 a.m.
2.	82nd A.G.M for the year 2015-16	26.09.2016	P.H.D House, Opp. Asian Games Village, New Delhi – 110 016	11.00 a.m.
3.	83rd A.G.M for the year 2016-17	26.09.2017	P.H.D House, Opp. Asian Games Village, New Delhi – 110 016	11.00 a.m.

In the last Annual General Meeting, the following Special resolutions were passed through Postal Ballot.

1. “RESOLVED THAT pursuant to the provisions of Section 180(1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereto for the time being in force), the Memorandum and Articles of Association of the Company and subject to the other applicable statutory provisions, rules, regulations, guidelines, and subject to the consents, approvals, sanctions and permissions as may be required from the concerned Statutory Authorities and subject to such terms and conditions as may be imposed by them; consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company(hereinafter referred to as ”the Board” which expression shall also include a Committee thereof constituted by the Board in this regard), to sale/ transfer the 2800 sq. mtr. of land of the Company situated at the factory premises of the Company at Shamli, at such price not lower than the Circle rate or book value of the concerned land whichever is higher on the transfer date and on such other terms and conditions as may be decided by the Board of Directors, effective from such date, as the Board may deem fit in the best interest of the Company.”

2. “RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters, deeds and things, as may be necessary without further referring to the Members of the Company including finalizing the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing necessary documents including agreements, deeds of assignments, and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this Resolution.”

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Rajat Lal, Managing Director w.e.f. 01.04.2017 for the remaining tenure of his appointment as set out in the explanatory Statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder.”

3. “RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Vivek Viswanathan, Joint Managing Director, w.e.f. 08.08.2017 for the remaining tenure of his appointment as set out in the explanatory Statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the Explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder.”

4. “RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Rahul Lal, Executive Director w.e.f. 08.08.2017 for the remaining tenure of his appointment, as set out in the explanatory Statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re- enactment thereof and/or in rules or regulations promulgated thereunder.”

5. “RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for re-appointment of Mr. Vivek Viswanathan as Joint Managing Director for a further period of Five years w.e.f. 01.01.2018 to 31.12.2022 on the terms & conditions and remuneration including commission and perquisites as set out in the explanatory Statement.”



“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such acts and things as specified in the Explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/ or in rules or regulations promulgated thereunder.”

In the last Annual General Meeting, following resolutions were :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, Statement of Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rahul Lal, (DIN: 06575738) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ajit Hoon, (DIN: 00540300) who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s Jugal Kishore & Associates, Chartered Accountants (Firm Reg. no. 01045N), as Statutory Auditors of the Company.
5. To Appoint Sh. Rishi Mohan Bansal, Cost Accountants (Firm Reg. no.000022) as Cost Auditors of the Company for the Financial Year ended 31.03.18.

(11) OTHER DISCLOSURES:

A) RELATED PARTY TRANSACTIONS

There are no transactions of the Company of material nature with promoters, Directors, management, subsidiaries or relatives etc. which would have potential conflict with the interests of the Company at large. Attention of members is drawn to the Related Party transaction with the related party transaction in the main Directors Report and note no. 45 in the financial statement.

B) DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

In the preparation of the Financial Statements, the Company has followed with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. Accounting entries passed on the exercise of the judgment by the management are correct and reasonable.

C) RISK MANAGEMENT

To comply with the requirement of Companies Act 2013 and Regulation 21 of SEBI (LODR) Regulations, 2015, the Board of Directors have approved the Risk Management policy and constituted a Risk Management Committee to monitor the implementation thereof. Salient features of the risk management policy are as under :-

- (i) Risk management is an intrinsic part of the strategic management of the Company.
- (ii) Risk management process comprises of - identification of risks, analyzing the same, deciding on the transfer or retention thereof and initiation of actions to mitigate the risks.
- (iii) Risks faced by the Company are classified into external and internal risks.

- (iv) The external risks cover the political environment risks, Government policies related risks, technological and product obsolescence risks.
- (v) The internal risks cover the operating risks, financial risks, human risks , system risk, and credit risk.

RISKS IDENTIFICATION:

The Board of Directors has identified following risks to the Company:

1. EXTERNAL RISKS OR UNCONTROLLABLE RISKS

- a) Raw Material risk
- b) Sugar Price risk
- c) Regulatory risk
- d) Cyclical risk

A) RAW MATERIAL RISK

Sugarcane is the principal raw material used for the production of Sugar. Business depends on the availability of Sugarcane and any shortage thereof adversely affects operations. A variety of factors beyond the Company's control may contribute to a shortage of Sugarcane in any given harvest period. Some of the main factors that could contribute to a shortage of Sugarcane are set forth below :

- i) Cane cultivation area and availability of irrigation facility.
- ii) Availability of higher yielding crop.
- iii) Diversion from Cane production to other cash crops.
- iv) Diversion of Sugarcane to other industries like Khandsari or Gur and to neighboring factories etc.
- v) Adverse weather conditions, crop disease.
- vi) Cane procurement price declared by the state Government and / or central Government.
- vii) Cane price payment delays to the growers.

RISK MITIGATION

The risk can be mitigated by steps such as Government encouragement for promotion of various irrigation schemes (lift irrigation, drip irrigation, improved canal system etc.), cane development schemes, improved infrastructure for road and communication, provision of better quality and higher yielding seeds as well as fertilizers and pesticides, prompt clearance of cane dues of farmers and steps to improve their goodwill by adoption of social development measures. As regard cane procurement price by the State govt. and / or central govt., this is a systems risk which cannot be alleviated unless the Sugar cane price has linkage with the Sugar price on the basis of established and recognized formula and the govt. announces subsidy and relief to the Sugar industry to facilitate timely cane price payment to the growers so that there is no fear among the growers either for cultivation /agitation or for-diversion of the cane from area.

B) SUGAR PRICE RISK

The price of Sugar has a significant impact on Company's profits. Like other agricultural commodities, Sugar is subject to price fluctuations resulting from availability and price of raw material, weather, natural disasters, domestic and foreign trade policies, shift in supply and demand and other factors beyond the Company's control. Additionally 15% to 30% of the total Global Sugar production is traded on commodity exchanges which are speculative in nature and can adversely affect the Global Sugar prices and in turn the price of Sugar in domestic market.

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RISK MITIGATION

The Company is unable to mitigate this risk because it does not have control on the market forces and the regulatory prices. However Sugar price can be improved to some extent by producing bolder grain of Sugar. Further, there appears to be a realization by the Government that a reasonable level of Sugar price is necessary for survival of both the farmers and the Sugar industry.

C) REGULATORY RISKS

I. ENVIRONMENTAL RISK

The Industry & Company is subject to environmental regulations which are becoming more and more stringent and the Company may be exposed to liability as a result of handling of hazardous materials. Recently, the Central Pollution Control Board (CPCB) has directed the State Pollution Control Board to ensure zero liquid discharge in Sugar plants and distilleries. It involves installation of advance process technology with multi pressure distillation and integrated evaporator and incineration system in Distillery unit. In the Sugar plants, the CPCB has directed to reduce waste water generation to 40 liters per ton of Cane crush and installation of Cooling tower. CPCB has also revised waste water generation to 200 liters for Sugar unit per ton. The regulations of pollution control have become extremely stringent along with time bound implementation plan and non compliance includes non renewal of the annual factory license especially in Distillery unit. It involves potential cost for installation of pollution control system in Distillery and Sugar Plants.

RISK MITIGATION

The only way to mitigate this risk is to follow the instructions of pollution control Board. However, the cost of installation of pollution control system is very high. Making huge investment in such systems raises the cost of production resulting in substantially reduced margin on sales. Moreover borrowings from banks for investing in these equipments is very difficult due to accumulated losses and negative net worth still being faced by the Company due to financial crisis faced by the Sugar industry in recent years. The Company is however continuing to take all measures to comply with the pollution control guidelines of the CPCB in both Sugar plant and Distillery. In Distillery unit, the Company, while expanding its capacity from 25 klpd to 45 klpd in the year 2016-17, had installed the required equipments to meet the norms of pollution.

II. GOVERNMENT POLICY RELATED RISKS

The Sugar industry is highly regulated and hence the Company operates in a highly regulated environment. Central and State Government policies and regulations are such as:

- i) State Advised Price (SAP) and Fair Remuneration Price (FRP) for Sugarcane.
- ii) Control on sale of molasses
- iii) High weightage of Sugar in wholesale price index vis-à-vis with other commodities

These affect the agricultural sector and related industries and affect our operations and our profitability. Ethanol business is highly dependent on Government policy. Sugarcane price is controlled both by the State and Central Governments.

RISK MITIGATION

This is a systematic risk which cannot be alleviated unless the

Sugar cane price has linkage with the Sugar price on the basis of established and recognized formula. The Government should declare minimum support price of Sugar as it declares for other crops like wheat paddy etc.

D) CYCLICAL RISK

Being an agro based industry, the production and realization is very much dependent on the monsoon and other environmental factors which are cyclic in nature. At the same time switchover of the farmers from Sugarcane to some other cash crops for better realization badly affect the industry.

RISK MITIGATION

Although the Company has no control over the monsoon and other environmental factors, the results can be better if proper irrigation arrangements are made for the farmers which can be facilitated through state govt. agencies.

2. CONTROLLABLE RISKS:

THESE RISKS INCLUDE:

1. Productivity risks
2. Drawal rate risks
3. Management bandwidth risks

Apart from the external reasons, there are risks associated with operational limitations i.e. old plant & machinery and no cogeneration facility, low capacity of Distillery, low recovery in comparison to the central and eastern region Sugar mills and higher conversion cost due to higher wage bill and higher maintenance cost.

RISK MITIGATION

1. Selection of appropriate machinery and maintenance of the same is critical for continuous operations during the crushing season. The Company has consistently operated at an optimum capacity of around 90% to 95% in most of the years.
2. For mitigating the poor drawal risk, Company is focusing on stable crushing rate and improving cane price payments. However it is getting constrained in its all out efforts due to accumulated losses and negative net worth.
3. With its respected track record in the industry and professional work practices, the Company is able to hire and retain appropriate talent.
4. The Company has undertaken vigorous cane development activities by encouraging high yield variety cane (CO 0238, CO 98014 CO 0118 and discouraging the rejected variety of cane (cose 92423, co 1148). The early variety of cane has improved from 16069 to 20463 in this season. This has resulted in the improvement in the Sugar pol % from 12.65 to 12.81. The overall recovery in the Sugar has improved from 10.46% to 10.87%. It is expected that we will achieve recovery to 11.00% next season. The increase in the recovery by 0.13% will help to reduce the cost of production.
5. The Company is working as various options for taking up small projects in Sugar unit, for improvement of Sugar quality, saving in steam & bagasse consumption, Sugar cane development and improvement in processes efficiency, which can be taken up in phases over a period for 2 to 3 years. The Company has already expanded the capacity of its Distillery unit from 25 KL per day to 45 KL per day.



3. FINANCE RISK:

The industry is highly dependent on timely availability of working capital as well as long term finance at competitive rate of interest for day to day operation , timely cane payment, cane development as well as modernization, technology development , expansion of Sugar, cogeneration and Distillery and installation of pollution control systems.

Further there is also physical risk associated with the assets of the Company due to loss by fire, riot, strikes, malicious damages, thunderstorm, flood, theft, burglary, earthquake etc.

RISK MITIGATION

The lenders have generally been reluctant to take additional financial exposure in the Company mainly due to its low rating and due to negative net worth. The Company has been working on improving its operational and financial performance and as a result, its rating has been stable both internally by banks and externally by rating agency Crisil in previous year. Although the rating has not yet reached investment grade as per internal guidelines of the banks, the Company has been able to raise additional limits for working capital and expects to raise additional limits for next season.

The Company has taken appropriate insurance policies for all its assets and against all standard risks except earthquakes.

4. HUMAN RESOURCES RISK

The Company's plants are located in semi rural area. This creates a challenge firstly in recruiting high level professional skills and secondly in retaining them.

RISK MITIGATION

Company has developed appropriate human resources policies to attract skills and to retain them. Continuous learning represents the cornerstone of the Company's human resource policy. The Company has adopted a progressive human resource policy to meet the aspirations of employees. It organizes training programmes and motivates its employees to attain greater efficiency and competence leading to effective retention. Value-centric management helps enhance loyalty. The Company provides various compensation packages and performance-based incentives. The Company is committed to provide equal employment opportunities and working conditions for attracting and retaining best available talent ensuring cosmopolitan workforce and does not make any discrimination on any basis.

5. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's Internal financial control system is aimed at proper utilization and safeguarding of the Company's resources and promoting operational efficiency. The internal audit function, which is an important tool of Internal Control process, is managed internally by an in house internal audit department. The internal audit process reviews the in-system checks, covering significant operational areas regularly. The Company's Audit Committee is responsible for reviewing the Audit Report submitted by the internal auditor department. Suggestions for improvements are considered and the Audit Committee follows up on the implementation of corrective actions. The Audit Committee also invites the statutory and internal auditors for regular meetings to ascertain their views on the adequacy of Internal Control systems. The Audit Committee keeps the Board of Directors informed of its observations from time to time.

THE PRIME RESPONSIBILITIES OF THE INTERNAL AUDIT DEPARTMENT ARE :

1. Coordination with various departments for planning and executing audit work, discussion of draft audit reports with the auditee, obtain their comments on each observation , placing the Audit report to the Audit Committee and following up on the implementation of decisions taken by the Committee.
2. Presenting a detailed audit programme for next year to the Audit Committee for approval at the beginning of the year.
3. Conducting regular audits as per the scope and timeline approved by the Audit Committee.
4. Carrying on special investigations as per the request of management and submission of the report to the management and the Audit Committee.

D) WHISTLE BLOWER POLICY / VIGIL MECHANISM

A Vigilance Committee has been constituted by the Board of Directors as per statutory provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, every listed Company or such class or classes of companies, as may be prescribed, to establish a vigil mechanism and formulate a Whistle Blower policy for Directors and employees to report genuine concerns in such manner as may be prescribed, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy which is applicable from 1st October, 2014.

The vigil mechanism under sub-section (9) of Section 177 of the Companies Act, 2013, shall provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases, provided that the details of establishment of such mechanism shall be disclosed by the Company on the website, if any, and in the Board's report.

E) THERE HAVE BEEN NO INSTANCES OF NON-COMPLIANCE, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGE OR SEBI OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS DURING THE LAST THREE YEARS.

SEBI (LODR) COMPLIANCE:

The Company has fully complied with all the mandatory requirement of SEBI(LODR) Regulations 2015 of the Stock Exchange. The Company has submitted the quarterly compliance status report to the BSE Limited within the prescribed time limit.

F) Adoption of non-mandatory requirements of Regulation 15 of SEBI (LODR) Regulations, 2015 is being reviewed by the Board from time to time. The Company has adopted non-mandatory requirement of Regulation 15 of SEBI (LODR) Regulations, 2015 viz. (i) Remuneration Committee of the Board which has been constituted to recommend / review the remuneration package for the Executive Directors (ii) Nomination Committee to consider proposals for searching, evaluating and recommending appropriate and Independent Directors and Non-Executive Directors to the Board, based on an objective and transparent set of guidelines.

CONTD.....



G) SUBSIDIARIES

The Company does not have any subsidiary

(12) MEANS OF COMMUNICATION:

Newspaper publications : The Company's quarterly financial results are normally published in the "Financial Express in English and "Jansatta" in Hindi, news papers. The abstract of quarterly/half yearly/annual financial results of the Company are regularly submitted to the Bombay Stock Exchange Limited, where the shares of the Company are listed.

Website : The Company's financial results are also displayed on the Company's website – www.sirshadilal.com . As per the requirements Regulation 29(1)(a) of the SEBI (LODR) Regulation, 2015, all the data related to quarterly financial results, shareholding pattern etc. is posted on corpfiling website i.e. www.corpfiling.co.in and also on the Company's website. The website also provides the basic information about the Company e.g. details of its business, financial information, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances.

The information provided on the website is being updated regularly. In pursuance of circular bearing no.17/2012 dated 21.04.2012 and 18/2012 dated 29.04.2012 issued by the Ministry, various notices/ documents (including notice calling Annual General Meeting, audited Financial Statements, Directors' Report, Auditors' Report, etc) are being sent to the shareholders through electronic mode to the registered e-mail addresses of the shareholders.

(13) MANAGEMENT DISCUSSION & ANALYSIS

AN OVERVIEW

Company's operations are broadly divided into two business segments i.e. "Sugar" and "Alcohol.". The by-product molasses is used in the distilleries for manufacture of alcohol & Ethanol. The segment-wise performance has already been reported vide note no. 44 of notes attached to the annual accounts under report.

Segment-wise detailed management discussion and analysis is stated below:

SEGMENT SUGAR (UNIT – UPPER DOAB SUGAR MILLS)

In the crushing season 2017-18, Sugar unit started crushing on 24.10.2017 and closed on 25.05.2018. The factory crushed 115.63 lac / quintals of cane at an average recovery of 10.87% producing 12.58 lac / quintals of Sugar in 214 days of working.

The last crushing season 2016-17 was started on 05.11.2016 and closed on 21.05.2017. The Sugar unit crushed 102.73lac / quintals of cane at an average recovery of 10.46% producing 10.74 lac / quintals of Sugar in 198 days of working.

The average cost of cane for the financial year 2017-18 is Rs.329.89 per quintal as against Rs. 316.91 per quintal for the financial year 2016-17. The average Sugar realization during the financial year 2017-18 is Rs. 3515.57 per quintal as against Rs. 3522.50 per quintal during the financial year 2016-17.

Segment Alcohol (Unit Shamli Distillery & Chemical Works)

During the financial year 2017-18, the Distillery produced 83.02 lac / AL of Rectified Spirit (RS) (last year 13.86 lac / AL). The Distillery worked at its full capacity during 2017-18.

During the year 2017-18, fermentation efficiency was 89.06% (last

year 89.06), distillation efficiency was 98.55% (last year 98.44 %).

During the year 2017-18, the recovery from molasses was 21.93%AL/ quintal (last year 22.50%). During the year 2017-18 average molasses cost was Rs.179.08 per quintal (last year Rs.365.65 per quintal).

During the year 2017-18 Distillery unit earned profit of Rs. 869.96 lacs. (last year loss Rs 238.31 lacs).

SUGAR PRODUCTION AND CONSUMPTION :

The all India Sugar production upto 30th June, 2018 was 321.35 lac / mt (last season corresponding period 201 lac / mt) which is higher by 59.88%.

Maharashtra has produced 107.15 lac / mt of Sugar upto 30th June, 2018 (last season corresponding period 42 lac / mt). which is higher by 153.57%.

U.P. has produced 120.50 lac / mt of Sugar upto 30th June, 2018 (last season corresponding period 88 lac / mt). due to good weather condition in the state and substantial improvement in the cane varieties and their acreage in the state.

Karnataka has produced 36.54 lac / mt of Sugar upto 30th June, 2018 (last year corresponding period 20 lac / mt).

Gujarat, Tamilnadu, Andhra Pradesh and other states have produced 57.76 lac / mt of Sugar upto 30th June, 2018 (last year corresponding period 51 lac /mt).

Due to good rainfall and higher water availability in some districts of Maharashtra and north Karnataka, Sugar production has been higher as compared to last year.

The consumption in season 2017-18 is expected at 255 lac / mt and export is around 10 lac / mt. Therefore, the expected stock at the close of 2017-18 in September, 2018 is expected to be around 108 lac / mt.

In the next season i.e 2018-19, due to better rainfall in Maharashtra and Karnataka, the acreage for Sugar cane available for harvesting is expected to be higher. In U.P. the acreage of early variety of cane i.e. CO 0238 is expected to go up. Therefore the higher expected Sugar production from Maharashtra and Karnataka combined with higher expected production in U.P is expected to result in increase in Sugar production in season 2018-19 to about 30 mn tons (current season production expected at about 32.195 mn tons).

OPPORTUNITIES AND THREATS

SUGAR PRICE :

Due to excess production of Sugar- in crushing season 2017-18, the Sugar prices have continued downward trend from October, 2017 onwards. The average ex –works realization of Company's Sugar for the season 2017-18 till June 2018 was Rs. 3013.39 (last season Rs3605.46) per quintal. The price of Sugar is currently ruling around Rs.3250/ per quintal. Due to huge production in the Current Season the Sugar price come down upto the level of Rs. 2550/- per qtl. and due to mismatch in demand and supply, the Sugar prices are on very low level. To help loss making Sugar mills the Central has taken various initiatives during the last 3 month and announced package of Rs. 8500 crore to Sugar Industry and also reintroduced the monthly quota system of Sugar sale from June, 2018 to September, 2018. Further the Government has imposed 100% import duty on import of Sugar. Keeping in view the explained scenario, it is hoped that the price will be maintained around Rs.3350-3500/- per quintal till commencement of next crushing season in October 2018.



CANE PRICE:

The U.P. Government announced State Advisory Price (SAP) at Rs 315/- quintal cane of General variety for the Sugar season 2017-18, Rs.325/- per qtl. for early maturing variety and Rs.310/- per qtl. for rejected variety as against the Fair and Remunerative Price (FRP) of Rs. 255/- per qtl. announced by the Central Government. The Government has decided plans to 8 % increase in the Fair & Remunerative Price (FRP) of Sugar cane over the previous year. The new FRP is to Rs. 275/- per qtl. This increase is likely to result in the State Government increasing the SAP for next crushing season.

CANE PRICE ARREARS:

The total cane price arrears in the state of U.P are estimated at about Rs. 12367 crores as on 17th July 2018. At the start of the season 2017- 18, the cane price arrears for the season 2016-17 in respect of the Company was Rs.25.71 crores. Out of the production of Sugar season 2017-18, the Company has paid the entire cane price for the season 2016-17.

During the season 2017-18, the Company had to pay total cane price of Rs.372.82 crores. by July 15, 2018 i.e. out of which payment of Rs.192.98 crores has been made till 15.07.2018, which amounts to 51.76% payment of the due amount. Balance Rs.179.84 crores. is to be paid by sale of balance Sugar stock and by raising funds from other sources including term loan from banks, sale of land and release of fixed deposits kept as collateral security for loans provided by banks against term loans availed in past. There are 78 Private Sugar factories who have paid less than 70% of their cane price dues for the crushing season 2017-18 as on 15.07.2018.

OUTLOOK AND CHALLENGES BEFORE THE SUGAR INDUSTRY :

The Indian Sugar industry, second largest in the world, is creating a not-so-sweet trap for itself. Early this year, millers were keen to export tonnes of Sugar to correct the high surplus situation and improve the depressed domestic prices.

Indian millers produced a record 32.25 million tonnes of Sugar in the 2017-18 (October-September) season against an estimated domestic demand of 25 million tonnes. The season began with a surplus of about four million tonnes from the previous season. Another seven million tonnes of the surplus was added to the system. The fortunes of the industry took a beating and price crashed from Rs.3,740 per quintal at mill gate (Maharashtra) in early October 2017 to Rs 3,140 in March this year.

The panicked industry wanted to ship a part of this surplus and the Government came up with an export quota of two million tonnes in March this year. This Sugar was meant to be exported by September 2018, before the start of next production year. But there was a wide gap between international and local price and mills would have incurred heavy losses in exports. The industry sought a fiscal support that would make exports feasible.

In May, the Government approved an incentive of Rs 5.5 on every quintal of Sugarcane crushed by mills to indirectly encourage exports. That bridged the gap and some contracts started taking place for exports. The mills were then realising Rs 2,500 per quintal from domestic sales and after adjusting the Sugarcane incentive and export costs, export was feasible, though not a profitable avenue.

But a month later, the union Government initiated more steps to support the industry by announcing steps like creating of a three

million tonnes buffer stock and also fixing a minimum Sugar price of Rs 2,900 per quintal. No transaction was allowed to be done below this threshold. The measures lead to an increase in domestic price to Rs 3,200 levels. The improved realisation in the domestic market prompted the industry to go slow on exports, ignoring the perils of the high surplus stocks.

“The Sugarcane incentive helped mills to make good the Rs 700 per quintal gap between international and domestic price and undertake exports. But the situation changed and international price softened while domestic prices shot up, bringing back the gap. The current incentive needs to be doubled to Rs 11 per quintal to push Sugar out, Assuming the 2018-19 output to remain unchanged at 32 million tonnes and domestic offtake at 25 million tonnes, a surplus of seven million tonnes could be added to the current surplus of eleven million tonnes. Potentially, the industry could start the 2019-20 season next October with this kind of stock, an all-time high. Since the bulk of the Sugar gets sold in domestic market, this surplus will push down the domestic realisation. Therefore, it makes business sense to export part of the surplus even though it may be at a loss. The average realisation would still be better.

THE SWEET TRAIL

Sugar year (Oct-Sep)	Opening Stock	Production	Total availability	Off-take (including exports)	Closing Stock
2013-14	9.1	24.6	33.8	26.6	7.2
2014-15	7.2	28.5	35.7	26.8	8.9
2015-16	8.89	25.25	34.1	26.4	7.7
2016-17	7.7	20.2	28.4	24.3	4.1
2017-18	4.1	32	36.3	25.5	10.8

(Figures in million on tonnes), 2017-18 off-take and closing stock provisional

Source : Food ministry, Industry estimates.

Nothing can change unless the stocks physically go out of the country. No improvement can happen since there is excess inventory. But cooperative mills are answerable to multiple stakeholders and it is not easy for them to decide on a loss making proposition.

The industry is now seeking more sops. Consultant said requests have been made to increase the export quota to eight million tonnes and with a window of 21 months beginning March 2018 (when the first quota was announced). But he also wants the Sugarcane incentive to be doubled to Rs 11 per quintal so that exports turn feasible again. “The industry can make raw Sugar which has more demand globally compared to current stock of low quality white Sugar.

The price of Sugar jumped by 3.5 per cent in the spot Agricultural Produce Market Committee (APMC), Vashi, in anticipation of reduced supply from mills following lower quantity released by the Centre for July 2018.

After 2.1 million tonnes for June, the Government on Friday allowed mills to sell 1.6 million tonnes of Sugar in July against traders’ expectations of over 2 million tonnes, which is equivalent to the monthly average release of nearly 2.13 million tonnes.

CONTD.....



The proposed lower supply has pushed the price of the benchmark S 30 Sugar up by Rs 100 a quintal. The variety was trading at Rs 3,020-3,070 a quintal in the market. Such a sharp jump in the daily Sugar price has not been seen during the past few months. The reduction on the quantity of Sugar released has lowered mills' cash liquidity and has aggravated the problem of cane arrears payable to farmers. The current selling price, however, works out to Rs 500 lower than the average cost of production of Rs 3,500 a quintal.

According to industry sources, the Government has considered Maharashtra Sugar mills, which were unable to sell their allotted quantity in June due to subdued prices, while taking the decision on Sugar release. Several mills in Maharashtra, the country's second largest Sugar producer, after Uttar Pradesh, were forced to sell their inventory at less than the Government's fixed minimum selling price (MSP) of Rs 2,900 a quintal. Industry estimates the unsold quantity of Sugar lying with the mills in Maharashtra at 200,000 tonnes.

Indian Sugar mills are currently facing a supply glut due to bumper production of 30.5 million tonnes for the current season of 2017-18. The production figure is estimated to be even higher, at 31-32 million tonnes, in 2018-19.

The Government has allowed three million tonnes of buffer stock and two million tonnes of Sugar exports for the current season to improve liquidity with mills. Industry estimates Sugarcane arrears of Rs 225-230 billion which mills have to pay to farmers.

ALCOHOL & ETHANOL BLENDING

To help loss-making Sugar mills, the Centre has taken various initiatives during the last two months, including doubling of import duty on Sugar to 100 per cent, scrapping of Export Duty and announcement of the Rs 85 billion worth package.

The package included creation of buffer stock of 3 million tonnes of Sugar, providing soft loan of Rs 45 billion with interest subsidy for expansion of Ethanol capacity, besides a production-linked subsidy worth Rs 15 billion to clear Sugarcane arrears of the farmers.

Earlier this week, the Government hiked prices of Ethanol extracted from final or C-molasses by Rs 2.85 per litre to Rs 43.70 per litre and also fixed for the first time the rate for Ethanol produced from B-molasses (called intermediary molasses) at Rs 47.49 per litre for the 2018-19 season beginning December.

This move will help boost production of Ethanol, used in blending with Petrol, and also enable mills to divert some of the Sugarcane juice during the surplus crop year.

Sugar production of India, the world's second-largest producer but the biggest consumer, is estimated to touch a record 32 million tonnes in the 2017-18 marketing year (October-September), against 20.3 million tonnes output in the previous year.

This year's production is much higher than the annual domestic demand of 25 million tonnes. The problem of plenty has led to crash in prices of Sugar below the cost of production.

After over three years of making 5% of Ethanol blending with Petrol mandatory, India is set to achieve this target for the first time during the current Sugarcane Crushing season, that is, by the end of September 2018.

To achieve this target, the blenders, or oil marketing companies (OMCs), require 1335 million litres of Ethanol every Sugarcane Crushing season (October-September). Since grains-based Ethanol is not allowed to be produced in India, OMCs remained

fully dependent for its procurement from Sugar mills for which the green fuel is a by-product.

"The PM's personal commitment to renewables and the Petroleum ministry's focus on solving price and implementation hurdles have made a huge difference on the ground. Ethanol in fact, became a key part of the solution for the crisis in the Sugarcane sector.

The development is likely to transform the fortunes of Sugar mills that have been under pressure for the past several years due to falling Sugar prices. Until last year, lower price offer and slow pick-up to the contracted quantity of Ethanol by OMCs deterred viability of its supply from Sugar mills.

"OMCs have finalised contracts to procure Ethanol to the tune of 1340 million litres for the current year which works out to exactly five percent blending requirement. For Ethanol now there is an assured buyer at confirmed price. So, lots of Sugar mills prefer to supply Ethanol to OMCs rather than to industrial or potable alcohol users."

In November 2012, the Cabinet Committee on Economic Affairs (CCEA) approved five percent mandatory blending of Ethanol with Petrol which was notified by the Centre under the Motor Spirits Act on January 2, 2013. According to the Act, OMCs have to record five percent Ethanol content in Petrol by June 30, 2013. However, considering weak supply orders on un-remunerative price offer, OMCs managed to achieve to a maximum 3.5 per cent so far.

While Sugar mills blamed lower price for inadequate supply offer of Ethanol, OMCs accused falling Crude Oil Price for the low price quotes as blending of Ethanol could be a loss making proposition. As against a maximum price fixed for Ethanol supply at Rs 43 till the contracts finalised till December 2014, the Government in January 2015 raised its prices to Rs 48.5 – 49.5 a litre depending upon the proximity of the delivery station from the Distillery units.

Interestingly, OMCs had floated tenders for the requirement of 2660 million litres equivalent to 10 per cent of blending target. But, the target of 10 per cent Ethanol blending with Petrol looks unachievable in near future.

The demand of rectified spirit (a pre-form of Ethanol) has shifted from domestic Sugar mills to overseas markets including the United States and Brazil as its landed cost on Indian ports works out to nearly 25 per cent cheaper. As against the price quote of Rs 40-42 a litre from domestic Sugar mills, the imported alcohol for industrial consumption costs Rs 30 a litre now.

"As a consequence, around 700 million litres of demand for industrial application has moved to overseas markets. Indian chemical industry has imported an estimated 200-210 million litres so far this crushing season".

Meanwhile, OMCs have floated tenders for Ethanol procurement of 2660 million litres, equivalent to 10 per cent of blending target which seems achievable gradually in five years. But, Sugar mills are required to invest immensely in expansion in the distillation and storage facilities.

SUGAR MILL & DISTILLERY EXPANSION

Your Company had decided to expand the capacity of Sugar Unit (from 6250 to 7000 TCD) and Distillery Unit (From 45 KLPD to 70 KLPD) both during the current off-season. Both the expansion work will be completed well before start of the season and we hope that in the coming season the Company will get extra profit on account of the above expansion.

**14) GENERAL SHAREHOLDERS INFORMATION:**

- a) Annual General Meeting:**
Date, Time and Venue of Next Annual General Meeting : 24th September, 2018 at 11.00 A.M.
P.H.D. House, 4/2, Siri Institutional Area, August Kranti Marg, Opposite Asian Games Village, New Delhi - 110 016
- b) Financial Calendar (2018-19) (Implementation of IND AS during the Year)**
Financial reporting for the quarter ending 30th June, 2018 : Upto 14th August, 2018
Financial reporting for the quarter ending 30th September, 2018 : Upto 14th Nov., 2018
Financial reporting for the quarter ending 31st December, 2018 : Upto 14th February, 2019
Financial reporting for the quarter ending 31st March, 2019 : 30th May, 2019
- c) Date of Books closure** : 12th September, 2018 to 24th September, 2018 (Both days inclusive)
- d) Dividend payment date** : No Dividend is declared by the Company due to heavy losses.
- e) Listing on Stock Exchange** : Bombay Stock Exchange Ltd.
25th Floor, P.J. Tower, Dalal Street, Mumbai – 400 001
: The Company had paid the listing fee to BSE Ltd. for the financial year 2018-19
- f) Stock Code** : 532879 of Bombay Stock Exchange Ltd.
- g) Corporate Identity Number (CIN)** : Our Corporate Identity No. is L51909DL1933PLC009509, allotted by the Ministry of Company Affairs, Government of India and our Company Registration No. is 9509

h) Market Price Data :

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded
April, 2017	143.00	95.50	286325
May, 2017	142.90	106.10	139944
June, 2017	133.10	95.50	135024
July, 2017	124.00	99.00	92535
August, 2017	133.00	100.55	145302
September, 2017	172.00	108.00	409522
October, 2017	159.00	131.00	307435
November, 2017	142.70	117.00	68227
December, 2017	133.50	67.10	290372
January, 2018	72.90	58.10	178774
February, 2018	65.00	50.50	45712
March, 2018	55.95	36.60	111210

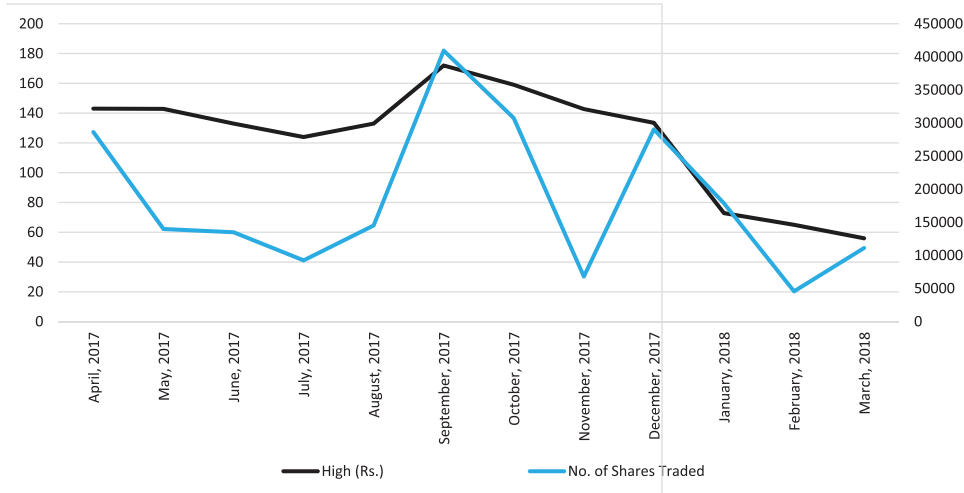
CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

CORPORATE GOVERNANCE CONTD.....

i) **BSE Sensex, Crisil Index etc** : Performance of share price of the Company in comparison to BSE Sensex during the period 01-04-2017 to 31-03-2018 is given below:



j) **Registrar & Transfer Agent** : M/s Alankit Assignment Ltd., Alankit House, 2E/21, Jhandewalan Extension, New Delhi- 110 055 have been acting as the Registrar and Share Transfer Agent for shares of the Company.

k) **Share Transfer System** : The transfer of shares in physical form is processed by the Secretarial Department of the Company on the basis of data forwarded by the Share Transfer Agent, M/s Alankit Assignment Ltd. within the prescribed time. The Share Transfer Committee/Board of Directors approves transfer of shares in physical form, transmission of shares, transposition of name, consolidation/ split of share Certificates, remat of shares and issue of duplicate share certificates in lieu of the lost/misplaced share certificates. The Share Transfer Committee of the Board of Directors meet as and when required to consider and approve the share transfer/transmission applications. In case of shares in Electronic form the transfers are processed through Share Transfer Agent by NSDL/CDSL through respective Depository participants and the details on a regular basis are placed before the Share Transfer Committee of the Board of Directors/ Board of Directors.

l) **Distribution of Shareholding and Shareholding pattern as on 31.03.2018**

(I) DISTRIBUTION OF SHAREHOLDING:

Category	No. of Shareholders	%age	Physical	NSDL Demat	CDSL Demat	Total No. of Shares	%age
1 – 500	7570	93.378	4983	1629	958	204333	3.89
501 to 1000	211	2.603	62	94	55	155966	2.97
1001 to 2000	128	1.579	27	63	38	187350	3.57
2001 to 3000	51	0.629	10	26	15	128922	2.46
3001 to 4000	28	0.345	4	15	9	98342	1.87
4001 to 5000	28	0.345	3	14	11	127811	2.43
5001 to 10000	47	0.58	9	28	10	325261	6.20
10001 and above	44	0.543	9	25	10	4022015	76.61
Total	8107	100.00	5107	1894	1106	5250000	100.00

**(II) SHAREHOLDING PATTERN:**

	Physical Form		Demat Form		Total	
	No. of Shares	(%age)	No. of Shares	(%age)	No. of Shares	(%age)
A. Promoters' Holding						
1. Indian Promoters	–	–	2900220	55.242	2900220	55.242
2. Foreign Promoters	–	–	–	–	–	–
Total (A)	–	–	2900220	55.242	2900220	55.242
B. Non-Promoters Holding						
(i) Institutional Investors						
1. Mutual Funds and UTI	–	–	–	–	–	–
2. Banks, Financial Institutions, Insurance Companies, (Central / State Government Institutions, Non-Government Institutions)	–	–	340228	6.481	340228	6.481
3. FIs	–	–	–	–	–	–
Sub-total (B-i)	–	–	340228	6.477	340228	6.481
(ii) Non-Institutional						
1. Private Corporate Bodies	18676	0.356	388456	7.399	407132	7.756
2. Indian Public	356395	6.79	1231320	23.453	1587715	30.242
3. NRIs	2277	0.043	12428	0.236	14705	0.280
Sub total (B-ii)	377348	7.189	1632204	31.088	2009552	38.278
Total (B)	377348	7.189	1972432	37.569	2349780	44.758
Grand Total (A+B)	377348	7.189	4872652	92.811	5250000	100.000

(m) DEMATERIALIZATION

The Shares of the Company can be held in dematerialized mode with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN No. of the Company is INE 117 H 01019. As on 31.3.2018, 92.81% of the Equity Shares of the Company were in dematerialized form and the balance 7.19% shares in physical form.

STATUS OF DEMATERIALIZATION AS ON MARCH 31, 2018

Particulars	No. of Shares	% of Total Capital	No. of Accounts
National Securities Depository Limited	3558772	67.79	1894
Central Depository Services (India) Limited	1313880	25.02	1106
TOTAL DEMATERIALIZED	4872652	92.81	3000
PHYSICAL	377348	7.19	5107
GRAND TOTAL	5250000	100.000	8107

n) Outstanding GDRs/ADRs/ warrants or any convertible Instruments Conversion Dates and likely impact on equity

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

o) EQUITY SHARES IN THE SUSPENSE ACCOUNT

In terms of Clause 5A(I) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account which were issued to the shareholders of the Company:

	Number of shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2017	141	27524
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from the suspense account during the year	0	0
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2018	141	27524

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

No share was transferred from the suspense account to the shareholders' accounts, during the year.

The voting rights on the shares outstanding in the suspense account as on March 31, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

- p) Plant Location**
- | | | |
|-----|--|--|
| i) | UPPER DOAB SUGAR MILLS,
SHAMLI – 247 776 (U.P.) | Ph.No. : 01398-250064
Fax No. : 01398-250032 |
| ii) | SHAMLI DISTILLERY & CHEMICAL WORKS,
SHAMLI – 247 776 (U.P.) | Ph. No. : 01398-250100
Fax No. : 01398-250097 |

- q) Address for Correspondence**
- | | |
|--|--|
| Registered Office
4-A, Hansalaya
15, Barakhamba Road,
New Delhi-110 001
Telephones:
011-23316409
011-23310414
Fax:
011-23722193 | Share Transfer Agent
M/s.Alankit Assignments Ltd.,
Alankit House' 2-E/21,
Jhandewalan Extn., New Delhi-110 055.
Telephones:
011-23541234
011-42541234
Fax:
011-42540064 |
|--|--|

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

- r) Secretarial Auditor** : As a measure of good Corporate Governance practice, the Board of Directors of the Company appointed M/s Rahul Saini & Co., Company Secretaries, to conduct the Secretarial Audit for the financial year ended March 31, 2018.
- s) Secretarial Audit for reconciliation of capital** : As stipulated by SEBI, a practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the shares of the Company are listed.
The said Audit Reports confirm that the total issue / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- (15) Compliance Officer** : Mr. Ajay Kumar Jain is the Compliance Officer for complying with the requirement of SEBI (LODR) Regulations 2015 with the BSE Limited
- (16) Compliance Certificate of the Auditors** : The Secretarial Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 and the same is annexed to the Directors' Report on Corporate Governance.
The certificate from the Statutory Auditors will be sent to the listed Stock Exchanges along with Annual Report of the Company.
- (17) CEO/CFO Certification** : Pursuant to SEBI (LODR) Regulations, 2015, the CEO/ CFO have submitted the desired certificate to the Board of Directors & the same has been taken on record by the Board of Directors in their meeting held on 23.07.2018

For and on behalf of the Board of Directors of
Sir Shadi Lal Enterprises Ltd.,

Place: New Delhi
Dated: 23rd July, 2018

Rajat Lal
Managing Director
(DIN-00112489)

R.C. Sharma
Chairman
(DIN-00023274)



CEO/CFO CERTIFICATION

The Board of Directors
Sir Shadi Lal Enterprises Limited
New Delhi 110 001

Reg.: Financial Statements for the year ended 31st March, 2018-Certification by Managing Director/CEO and Chief Financial Officer

We, Rajat Lal, Managing Director/CEO and S.K.JADIA, CFO of Sir Shadi Lal Enterprises Limited, do hereby certify that to the best of our knowledge and belief :

- A) We have reviewed the Balance Sheet as at 31st March, 2018, Statement of Profit & Loss for the year ended on that date along with its Notes, Notes to Accounts and the Cash Flow Statement for the year and that to the best of our knowledge and information, confirm that:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining Internal Control systems for financial reporting and that we have evaluated the effectiveness of the Internal Control systems of the Company pertaining to the financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the auditors and the Audit Committee of the Company, the following :
- i) Significant changes in Internal Control over Financial Reporting during the year
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements
 - iii) Instances of significant fraud, of which we have become aware, and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control system over financial reporting.

Place: New Delhi
Date: 23rd July, 2018

S.K. JADIA
Chief Financial Officer

Rajat Lal
Managing Director/CEO



SIR SHADI LAL ENTERPRISES LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Sir Shadi Lal Enterprises Limited

4-A, Hansalaya, 15, Barakhamba Road, New Delhi 110 001

We have examined the compliance of the conditions of Corporate Governance by Sir Shadi Lal Enterprises Limited ("the Company") for the year ended 31st March 2018 regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement/Listing Regulations, as applicable.

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

**For Rahul Saini & Co.
Company Secretaries**

**Place: Meerut
Date: 23rd July, 2018**

**RAHUL SAINI
Proprietor
FCS 16716 C.P. No. 7009**

DECLARATION BY CHIEF EXECUTIVE OFFICER (MD)

[Regulation 34(3) read with schedule V (Part D) of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015]

I, Rajat Lal, Managing Director and CEO of Sir Shadi Lal Enterprises Limited hereby declare that all the members of Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company.

**Place: New Delhi
Date: 23rd July, 2018**

**Rajat Lal
Managing Director and CEO**



INDEPENDENT AUDITORS' REPORT

To,
The Members of
Sir Shadi Lal Enterprises Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of SIR SHADI LAL ENTERPRISES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone 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 Standalone Financial Statements.

EMPHASIS OF MATTER

- The Company has not maintained accounts on "Accrual Basis" to the extent:
 - of Rs.3698.34 Lacs in respect of interest on late payment of cane price, which have not been provided as Stated by the Company in Note No. 36 of the aforesaid Standalone Financial Statements.
 - of liability (which is not determined by the Company) towards bonus relating to Financial Year 2014-15 in accordance with revised Bonus Notification dated 1st January, 2016, as Stated by the Company in Note No. 37 of the aforesaid Financial Statement.
- Attention is invited to note no. 50 of the Financial Statements, wherein it is explained that the Company has significant accumulated losses which have resulted in erosion of the net worth of the Company as at 31st march 2018. The reasons for improvement explained by the Company in the said note no. 50 that it will continue as a going concern and it will likely to pay its liabilities from expected generation of cash flow are in our opinion uncertain. We are unable to comment upon the said uncertainties.
- As Stated in Note No. 38 to the Standalone Financial Statements, the management has decided, not to make any further provision this year for Deferred Tax Assets. The management in view of current year loss and accumulated losses and in absence of virtual certainty about future profitability, has decided not to account for the effect of Deferred Taxation for this year, and continuing to carry forward the Deferred Tax Asset Rs. 6881.11 lakhs already accounted for in earlier years.

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, we give in the "Annexure A" a Statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, based on our audit we report that:

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

- 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) on the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements, (Refer Note No. 35 of the Standalone Financial Statements);
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

ANNEXURES TO AUDITORS' REPORT CONTD.....

**For M. SHARAN GUPTA & CO.
Chartered Accountants
(Firm's Registration No. 06430N)**

M.S. Gupta

Proprietor

(Membership No. 084721)

Place : New Delhi
Dated : 26th May, 2018



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure "A" To The Independent Auditor's Report of even date of the Standalone Ind AS Financial Statements of Sir Shadi Lal Enterprises Limited for the year ended on 31st March, 2018.

(Referred to in paragraph 1 of the Independent Auditors' Report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of Sir Shadi Lal Enterprises Limited on the Standalone Ind AS Financial Statements as of and for the year ended March 31, 2018.)

- i. In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b. The Company's programme of physical verification of all its fixed assets once in three years, is in our opinion, reasonable having regard to the size of the Company and the nature of its fixed assets. We are informed that in accordance with the programme no physical verification of fixed assets was carried out during the year under report.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are stated to be held in the name of the Company. The original Title Deeds were not produced to us for our verification and we were told that same are deposited as security with State Bank of India.
- ii. a) During the year, the inventories have been physically verified by the management except Shamli Distillery and material sent for job work and lying with third party. In our opinion, the frequency of verification is reasonable.
 - b) The discrepancies noticed on physical verification between the physical stocks and the book records were not material, however, the discrepancies noticed have been properly accounted for in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees, and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year, therefore, the provisions of clause (v) of paragraph 3 of the Order, is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under Section 148 (1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and Cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a) According to the information & explanations given to us and on the basis of our examination of the records of the Company, there is no undisputed amounts payable in respect of provident fund, employees' State insurance, Income-Tax, Value Added Tax, Wealth-Tax, Goods and Service-Tax, Customs duty, Excise duty, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date of becoming payable.
 - b) According to the records of the Company and the information and explanations given to us, there are no amounts in respect of Income-Tax, Value Added Tax, Sales Tax, Wealth-Tax, Goods and Service-Tax, Customs duty, Excise Duty and Cess, which have not been deposited with the appropriate authorities on account of any dispute, other than mentioned in 'Annexure-1' to this report.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks or Government during the year. The Company has no outstanding dues in respect of financial institutions or debenture holders.
- ix. The Company did not raise any money by way of Initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for Managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any Preferential allotment or Private placement of shares or fully or Partly Convertible Debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For M. SHARAN GUPTA & CO.
Chartered Accountants
(Firm's Registration No. 06430N)

M.S. Gupta

Proprietor

(Membership No. 084721)

CONTD.....

Place : New Delhi

Dated : 26th May, 2018



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls Over Financial Reporting 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 SIR SHADI LAL ENTERPRISES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain Audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's 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. (1) A Company's internal financial control over financial reporting includes those policies and procedures that 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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2018, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. SHARAN GUPTA & CO.
Chartered Accountants
(Firm's Registration No. 06430N)**

M.S. Gupta

Proprietor

(Membership No. 084721)

Place : New Delhi

Dated : 26th May, 2018



(Annexure-1 as referred to in Para vii (b) of Annexure 'A' to the Auditors' Report of even date to the members of Sir Shadi Lal Enterprises Limited on the accounts for the year ended 31st March, 2018).

Following are the particulars of disputed dues (provided/considered Contingent liability, as appropriate) as on 31.03.2018 on account of Income-Tax, Sales-Tax, and Excise matters that have not been deposited on account of dispute:-

Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the Amounts relates	Forum where dispute is pending
Sales Tax Act	Entry Tax	3.38	2012-2013	Addl. Commissioner Appeal, Muzaffarnagar
Central Excise Act	Duty/Penalty/Service Tax	4.01	2007-2008	CESTAT
Central Excise Act	Duty/Penalty	0.68	2005-2006	Commissioner Appeal, Muzaffarnagar
		4.03	2008-09 to 2015-16 (From Feb. 2008 to July 2015)	
		0.49	2015-2016	
U.P. Excise Act	Duty	43.13	2014-15 to 2015-16 (From March 2015 to March 2016)	Commissioner Appeal, Muzaffarnagar
	Penalty	46.62		
U.P. Excise Act	Penalty for Low Recovery duty/Penalty	1.85	1991-1992	Excise Commissioner, Allahabad
		55.42	1988-1989	Weight & Measurement Department Saharanpur, High Court, Allahabad

We have been informed that apart from above; there are no dues in respect of Wealth-tax, Goods and Service-tax, and Custom Duty which have not been deposited on account of any dispute.

For **M. SHARAN GUPTA & CO.**
Chartered Accountants
(Firm's Registration No. 06430N)

M.S. GUPTA
Proprietor
(Membership No. 084721)

Place : New Delhi
Dated : 26th May, 2018



SIR SHADI LAL ENTERPRISES LIMITED

**BALANCE SHEET
AS AT 31ST MARCH, 2018**

Particulars	Note No.	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
ASSETS				
(1) Non-current assets				
[a] Property, Plant and Equipment	3	3,270.21	3,537.33	1,411.99
[b] Capital work-in-progress	3.2	49.96	29.39	17.19
[c] Other intangible assets	3.3	9.14	14.61	-
[d] Financial assets				
[i] Investments	4	-	-	-
[ii] Trade receivables	5	41.77	46.62	10.34
[iii] Loans	6	0.50	0.50	0.50
[iv] Other financial assets	7	368.70	380.30	440.64
[e] Deferred tax assets (net)	8	6881.11	6881.11	6881.11
[f] Other Non-current assets	9	443.66	1.65	132.30
Sub Total (Non-current assets)		11,065.05	10,891.51	8,894.07
(2) Current assets				
[a] Inventories	10	19,683.05	15,470.01	18,327.99
[b] Financial assets				
[i] Trade receivables	11	494.31	166.12	313.31
[ii] Cash and cash equivalents	12	158.11	94.64	376.02
[iii] Bank Balance other than cash and cash equivalents	13	1,857.13	1,988.30	1,825.00
[iv] Other financial assets	14	97.25	178.17	147.44
[c] Other current assets	15	306.65	932.95	896.07
Sub Total (Current assets)		22,596.50	18,830.19	21,885.83
Total Assets		33,661.55	29,721.70	30,779.90
EQUITY AND LIABILITIES				
EQUITY				
[a] Equity Share capital	16	525.00	525.00	525.00
[b] Other Equity	17	(6,956.46)	(4,212.09)	(6,038.16)
Sub Total (Equity)		(6,431.46)	(3,687.09)	(5,513.16)
LIABILITIES				
(1) Non-current liabilities				
[a] Financial Liabilities				
[i] Borrowings	18	3,085.92	4,900.05	1,340.43
[b] Provisions	19	967.31	534.43	486.90
[c] Other non current liabilities	20	95.02	85.02	80.02
Sub Total (Non-current liabilities)		4,148.25	5,519.50	1,907.35
(2) Current liabilities				
[a] Financial Liabilities				
[i] Borrowings	21	10,190.72	11,107.40	12,123.75
[ii] Trade payables	22	21,090.11	12,227.05	19,443.68
[iii] Other financial liabilities	23	2,638.70	1,591.15	588.20
[iv] Other Current Liabilities	24	1,931.33	1,963.58	1,087.64
[b] Provisions	25	93.90	1,000.11	1,142.44
Sub Total (Current liabilities)		35,944.76	27,889.29	34,385.71
Total Equity and Liabilities		33,661.55	29,721.70	30,779.90
Notes on Financial Statements	1 to 51			

As per our report of even date for M.SHARAN GUPTA & CO. Chartered Accountants Firm Registration No. 06430N

M.S. GUPTA
Proprietor
Membership No. 084721
Place : New Delhi
Date : 26th May, 2018

S.K. JADIA
Chief Financial Officer
(M. No. FCA093337)

A.K. JAIN
Company Secretary
(M. No. FCSS826)

VIVEK VISWANATHAN
Joint Managing Director
(DIN : 00141053)

RAJAT LAL
Managing Director
(DIN : 00112489)

Directors :

Onke Aggarwal (DIN : 00141124)
Hemantpat Singhania (DIN : 00141096)
R.C. Sharma (DIN : 00023274)
Radhika Viswanathan
Hoon (DIN : 06436444)
Ajit Hoon (DIN : 00540300)



STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
Continuing Operations			
I. Revenue from operations	26	39,845.87	41,978.92
II. Other Income	27	141.92	253.26
III. Total Income (I+II)		39,987.79	42,232.18
IV. Expenses			
Cost of material consumed	28	38,211.59	27,858.08
Changes in Inventories Finished goods, Work-in-Progress and Stock-in-Trade	29	(5,190.57)	2,578.65
Excise Duty on Sale of Goods	30	689.73	2,336.81
Employee Benefits Expense	31	3,052.93	3,158.22
Finance costs	32	1,874.97	1,569.65
Depreciation and amortization expenses	33	397.96	173.77
Other expenses	34	3,336.15	2,717.08
Total Expenses (IV)		42,372.76	40,392.26
V. Profit / (Loss) before exceptional items and tax		(2,384.97)	1,839.92
VI. Exceptional items			
VII. Profit / (Loss) before tax from continuing operations		(2,384.97)	1,839.92
VIII. Tax expense:			
Current tax			
Deferred tax			
Total tax expenses (VIII)			
IX. Profit / (Loss) from continuing operations (VII-VIII)		(2,384.97)	1,839.92
X. Profit / (Loss) from discontinued operation			
XI. Tax expenses of discontinued operations			
XII. Profit / (Loss) from discontinued operation (after tax) (X-XI)			
XIII. Profit / (Loss) for the year		(2,384.97)	1,839.92
XIV. Other Comprehensive Income (Refer Note No. 31.4)			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of Post employment benefit obligations		(359.40)	(13.85)
(ii) income tax relating to items that will not be reclassified to profit or loss			
XV. Total Comprehensive Income for the period (XIII+XIV)		(2,744.37)	1,826.07
XVI. Earnings per equity share			
- Basic		(45.428)	35.046
- Diluted		(45.428)	35.046
Figures in bracket () denote minus figures.			
Notes on Financial Statements		1 to 51	

As per our report of even date
for M.SHARAN GUPTA & CO.
Chartered Accountants
Firm Registration No. 06430N

S.K. JADIA
Chief Financial Officer
(M. No. FCA093337)

A.K. JAIN
Company Secretary
(M. No. FCS5826)

Directors :
Onke Aggarwal (DIN : 00141124)
Hemantpat Singhania (DIN : 00141096)
R.C. Sharma (DIN : 00023274)
Radhika Viswanathan
Hoon (DIN : 06436444)
Ajit Hoon (DIN : 00540300)

M.S. GUPTA
Proprietor
Membership No. 084721
Place : New Delhi
Date : 26th May, 2018

VIVEK VISWANATHAN
Joint Managing Director
(DIN : 00141053)

RAJAT LAL
Managing Director
(DIN : 00112489)



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

Statement of Change in Equity

A. Equity Share Capital

<u>Particulars</u>	<u>Amount (Rs. In Lakhs)</u>
Equity Share Capital as at April 1, 2016	525.00
Total	525.00
Change during the year	-
Equity share Capital as at March 31, 2017	525.00
Equity Share Capital as at April 1, 2017	525.00
Total	525.00
Change during the year	-
Equity share Capital as at March 31, 2018	525.00

B Other Equity

Amount (Rs. In Lakhs)

Particulars	Reserves and Surplus			Item of other comprehensive income Actuarial gain/(Loss) on employee benefits plans through OCI	Total
	Retained Earnings	Capital Redemption	General Reserve		
As at April 01, 2016	(6,073.86)	35.70	-	-	(6,038.16)
Profit for the Year	1839.92	-	-	-	1839.92
Other Comprehensive income for the year				(13.85)	(13.85)
As at 31, March 2017	(4,233.94)	35.70	-	(13.85)	(4,212.09)
Profit for the Year	(2,384.97)	-	-	-	(2,384.97)
Other Comprehensive income for the year				(359.40)	(359.40)
As at 31, March 2018	(2,384.97)	-	-	(359.40)	(6,956.46)



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Note 1: Corporate Information

Sir Shadi Lal Enterprises Limited (“the Company”) is a Company limited by shares, incorporated and domiciled in India. The Company’s equity shares are listed at one recognised stock exchanges in India (BSE). The registered office of the Company is located at New Delhi. The Company is engaged in diversified businesses mainly categorised into two segments – Sugar business and Distillery business. Sugar businesses primarily comprise manufacture of Sugar. Distillery business primarily comprises manufacture of Sprit and Alcohol.

Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and presentation

(a) Compliance with Ind As

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

These Financial Statements are the first Financial Statements of the Company under Ind AS. The date of transition to Ind AS is 1 April 2016. Refer note-2.17 for the details of first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows.

(b) Historical cost convention

The Financial Statements have been prepared on a historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis, except such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note-44 for segment information presented.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, rebates, other similar allowances and goods and services tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company’s activities as described below.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

2.3 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.5 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.6 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work-in-Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work-in-Progress is stated at the amount incurred up to the date of Balance Sheet.

"Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment / inspection / overhauling



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Transition to Ind As

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

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available for their intended use. Depreciation on Fixed Assets is provided on the written down value method in accordance with Schedule II of the Company Act 2013 and adopted useful life as stated in Schedule II along with residual value of 5% of the cost of assets except, fixed assets individually costing upto Rs. 5000 is being fully depreciated in the year of purchase.

Intangible Assets are recognized as specified in the applicable Accounting Standard and are amortized in 36 Months

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.7 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	estimated useful life
Computer software	36 months

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

Transition to Ind As

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

2.8 Inventory Valuation

- Raw materials and stores & spares are valued at average cost.
- Work-in-Progress is valued at estimated cost.
- Finished stocks are valued at "Lower of Cost and net Realisable Value" as prescribed by Accounting Standard-2 issued by the Institute of Chartered Accountants of India except that the by product of Molasses and Bagasse has been valued at net realisable value because their cost price is not ascertainable.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provision is measured at the present value of cash flows estimated to settle the present obligation.

2.10 Employee Benefits

a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences and performance incentives and are recognized as expenditure at the undiscounted value in the period in which the employee renders the related service.

b) Post-employment benefits :

Contributions to defined contribution schemes such as Provident Fund, Pension Fund etc. are recognized as expenses in the period in which the employee renders the related service in respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

- c) Govt. administered fund, Company has no further obligations beyond its monthly contributions.
- d) The Company is also contributing to superannuation fund for certain Key Managerial Personnel, at pre determined rates to the Superannuation Fund Trust, which is recognized as expenses in the period in which employee renders the related service, and there are no other obligations with regard to superannuation fund of Key Managerial Personnel
- e) Defined benefit plans - gratuity: Gratuity liability is covered under the gratuity-cum-insurance policy of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the projected unit credit method. Actuarial gains and losses in respect of post- employment and other long-term benefits are charged to the Other Comprehensive Income. The amount funded by the trust administered by the Company under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

2.11 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

2.12 Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period,
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- e) Carrying current portion of non-current financial assets.

A liability is current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period,
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- e) It includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.13 OPERATING CYCLE :

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current, non-current classification of assets and liabilities.

2.14 IMPAIRMENT OF ASSETS:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

2.15 INVESTMENTS

Unquoted Investments are Stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.16 EARNING PER SHARE

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity share holders by the weighted average number of equity share outstanding during the year.

2.17 CASH AND CASH EQUIVALENT

Cash and cash equivalents includes cash in hand and deposits maturing within twelve months from the date of acquisition and which one subject to an insignificant risk of change in value.

2.18 FIRST TIME ADOPTION OF Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS:-

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended March 31, 2018**

The accounting policies set out in note 1 have been applied in preparing the Financial Statements for the year ended 31 March 2018, the comparative information presented in these Financial Statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet as at 01 April 2016 (the transition date). In preparing its opening Ind AS balance sheet, the Company has made adjustment to the amounts reported previously in Financial Statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provision of the Act (previous GAAP or Indian GAAP). Further, in view of the classification of current and non-current items adopted in accordance with the criteria specified in Ind AS 1 Presentation of Financial Statements the corresponding figures of the previous years have been appropriately reclassified wherever necessary. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions Availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(i) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after the transition date. Business combinations occurring prior to the transition date have not been restated.

(ii) Deemed cost

Ind AS 101 offers a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP, and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

(iii) Leases

The Company do not have any arrangement containing leases as defined under Appendix C of Ind AS 17, hence this exemption is not applicable.

(iv) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP (after adjustments to reflect any difference in accounting policies) apart from certain new estimates that were not required under previous GAAP

(v) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(vi) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets (debt instruments) in terms of whether they meet the amortised cost criteria or the fair value criteria based on the facts and circumstances that existed as of the transition date and the Company has followed the same.

(vii) Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 3. PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

Nature of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As per last balance sheet 31.03.2017	Addition during the year	Sales & Adjustments during the year	Total Cost as on 31.03.2018	Depreciation written off upto 31.03.2017	Provided during the year	Deduction/ Adjustment during the year	Depreciation written off upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
FIXED ASSETS										
Land (Free hold)	1.39	-	-	1.39	-	-	-	-	1.39	1.39
Buildings	864.30	5.27	-	869.57	480.19	41.21	-	521.40	348.17	384.10
Plant & Equipments	8,981.11	93.44	26.78	9,047.77	5,889.38	328.20	24.65	6,192.93	2,854.84	3,091.73
Electric Installation	85.12	1.57	1.62	85.07	58.79	5.53	1.51	62.81	22.26	26.34
Office Equipments	20.46	5.72	2.74	23.44	17.63	2.15	2.59	17.19	6.25	2.83
Laboratory Equipments	9.06	0.02	-	9.08	5.37	0.98	-	6.35	2.73	3.69
Computer	104.44	11.55	22.44	93.55	90.98	9.48	21.32	79.14	14.41	13.46
Railway sidings & Trolley lines	0.19	-	-	0.19	0.19	-	-	0.19	-	-
Furniture & Fixtures	29.17	1.38	2.55	28.00	27.55	1.18	2.49	26.24	1.76	1.62
Vehicles	65.73	10.43	8.84	67.32	53.56	3.76	8.40	48.92	18.40	12.17
Structure on rented Land	110.29	-	0.30	109.99	110.29	-	0.30	109.99	-	-
Total :	10,271.26	129.38	65.27	10,335.37	6,733.93	392.49	61.26	7,065.16	3,270.21	3,537.33
Previous Year	8,218.66	2,350.46	297.86	10,271.26	6,806.66	171.96	244.69	6,733.93		

Note: 3.1 Title deeds of land are lodged as security with State Bank Of India, New Delhi except 10.46 Acres Land.

Note 3.2. CAPITAL WORK-IN-PROGRESS

Plant & Machinery	29.39	37.76	17.19	49.96	-	-	-	-	49.96	29.39
Total :	29.39	37.76	17.19	49.96	-	-	-	-	49.96	29.39
Previous Year	17.19	12.20	-	29.39	-	-	-	-	29.39	

Note 3.3 OTHER INTANGIBLE ASSETS

Computer Software	16.42	-	-	16.42	1.81	5.47	-	7.28	9.14	14.61
Total :	16.42	-	-	16.42	1.81	5.47	-	7.28	9.14	14.61
Previous Year	16.42	-	-	16.42	1.81	-	-	1.81		



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 3. PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

Nature of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As per last balance sheet 01.04.2016	Addition during the year	Sales & Adjustments during the year	Total Cost as on 31.03.2017	Depreciation written off upto 31.03.2016	Provided during the year	Deduction/ Adjustment during the year	Depreciation written off upto 31.03.2017	As at 31.03.2017	As at 01.04.2016
FIXED ASSETS										
Land (Free hold)	1.39	-	-	1.39	-	-	-	-	1.39	1.39
Buildings	780.03	201.19	116.93	864.29	539.47	27.31	86.59	480.19	384.10	240.57
Plant & Equipments	7,044.76	2,113.58	177.23	8,981.11	5,917.75	126.28	154.65	5,889.38	3,091.73	1,127.00
Electric Installation	63.87	21.49	0.23	85.13	55.67	3.27	0.15	58.79	26.34	8.20
Office Equipments	20.26	0.20	-	20.46	15.75	1.88	-	17.63	2.83	4.51
Laboratory Equipments	9.06	-	-	9.06	4.08	1.29	-	5.37	3.69	4.98
Computer	94.63	12.67	2.86	104.44	87.81	5.89	2.72	90.98	13.46	6.82
Railway sidings & Trolley lines	0.19	-	-	0.19	0.19	-	-	0.19	-	-
Furniture & Fixtures	28.45	1.33	0.61	29.17	26.94	1.19	0.58	27.55	1.62	1.50
Vehicles	65.73	-	-	65.73	48.71	4.85	-	53.56	12.17	17.02
Structure on rented Land	110.29	-	-	110.29	110.29	-	-	110.29	-	-
Total :	8,218.66	2,350.46	297.86	10,271.26	6,806.66	171.96	244.69	6,733.93	3,537.33	1,411.99
Note: .3.1 Title deeds of land are lodged as security with State Bank of India, New Delhi except 10.46 Acres Land.										
Note 3.2. CAPITAL WORK-IN-PROGRESS										
Plant & Machinery	17.19	12.20	-	29.39	-	-	-	-	29.39	17.19
Total :	17.19	12.20	-	29.39	-	-	-	-	29.39	17.19
Note3.3 OTHER INTANGIBLE ASSETS										
Computer Software	-	16.42	-	16.42	1.81	-	-	1.81	14.61	-
Total :	-	16.42	-	16.42	1.81	-	-	1.81	14.61	-





**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2018**

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 4: Non-current financial assets - Investments			
Investment			
Equity instruments (at cost)			
a) Shamli Co-operative Cane Development Union Limited (One Share)	-	-	-
b) Saharanpur Co-operative Cane Development Union Limited (One share)	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>
Note 4.1: All the above investment are unquoted			
Note 5: Non-current financial assets – Trade-receivables			
Unsecured considered goods			
Sundry Debtors	41.77	46.62	10.34
Less:- Provision for Bad & Doubtful Debts	(-)	(-)	(-)
Total	<u>41.77</u>	<u>46.62</u>	<u>10.34</u>
Note 6: Non-current financial assets - Loans			
Loans			
Co-operative Society bearing no interest	0.50	0.50	0.50
Total	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
Note 7: Non-current financial assets - Other financial assets			
Unsecured, considered good			
- Security Deposit			
- Others (Security Lodged)	32.44	32.29	37.29
- Bank fixed deposits lodged as security / Margin money having maturity of more than twelve months	336.26	348.01	403.35
Unsecured, considered doubtful			
- Advances recoverable in cash or in kind	1.87	1.87	1.87
Less : Allowance for bad and doubtful debts	(1.87)	(1.87)	(1.87)
Total	<u>368.70</u>	<u>380.30</u>	<u>440.64</u>

Note 7.1: Confirmation of Security Lodged with different Government Department are awaited.

Note 7.2: Fixed deposit of Rs. 100.00 Lakhs against loan and against Bank guarantee 220.19 Lakhs



NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 8: Non-current financial assets - Deferred tax assets (Net)			
Deferred tax assets (Net)			
At the year end comprising timing difference on account of :			
Depreciation	236.51	236.51	236.51
Less: Expenditure/Provisions allowable on account of :			
Employees Benefits	57.40	57.40	57.40
Taxes, duties, cess etc	131.73	131.73	131.73
Provision for Bad & doubtful debts.			
Assessed loss under Income Tax Act' 1961.	6,928.49	6,928.49	6,928.49
Total	6,881.11	6,881.11	6,881.11
Note 9: Other Non-current assets			
Other non-current assets			
Capital Advance	443.66	1.65	132.30
Total	443.66	1.65	132.30
Note 10 : Current Assets – Inventories			
Raw Material			
Raw materials (at average cost)	82.42	171.58	194.43
Work - in - progress			
Sugar & Distillery products (at estimated cost)	628.93	515.74	420.37
Finished goods			
Sugar & Distillery products (at lower of cost or net realizable value)	18,613.35	14,423.22	17,316.33
Stores and spares			
Stores & spares (at average cost)	356.74	358.10	395.55
Others			
Loose tools and others (at average cost)	1.61	1.37	1.31
Total	19,683.05	15,470.01	18,327.99
Note 11 : Current financial assets - Trade receivables			
- Unsecured, considered good			
Trade receivable	494.31	166.12	313.31
- Unsecured, considered doubtful			
	7.56	5.09	5.09
Less : Allowance for bad and doubtful debts			
	(7.56)	(5.09)	(5.09)
Total	494.31	166.12	313.31
Note 12 : Current financial assets- Cash & cash equivalents			
- Balances with banks			
	152.70	88.50	367.25
- In current accounts			
	5.41	6.14	8.77
Total	158.11	94.64	376.02

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SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 13 : Current financial assets - Other bank balance			
- Balance with banks:			
- In fixed deposit lodged as security / margin money saving maturing of less than twelve month (refer note no. 13.1)	1,835.94	1,968.66	1,788.77
- Earmarked - molasses storage facility fund	14.96	11.81	28.32
- Earmarked - fixed deposit liquid fund	-	0.16	0.17
- Earmarked - dharmada account	2.17	3.61	3.68
- Earmarked - unpaid dividend accounts	4.06	4.06	4.06
Total	1,857.13	1,988.30	1,825.00
Note 13.1 : Fixed Deposits lodged as Security includes Rs. 870.62 Lakhs pledged with bank as security against Loan and Rs. 209.74 Lakhs pledged with bank against Guarantee given by bank on behalf of the Company.			
Note 13.2 : Confirmation of Fixed Deposit Lodged as Securities with different Government departments are awaited			
Note 14 : Current financial assets -Others			
Others			
Interest accrued	78.17	167.04	147.44
Interest on excise loan receivable	19.08	11.13	-
Total	97.25	178.17	147.44
Note 15 : Other current assets			
Advances other than capital advances			
Advances to suppliers / Contractors	156.23	165.84	108.20
Advance to Employees	2.73	-	0.40
Pre-paid expenses	27.07	-	16.50
Balance with Government department			
- Income Tax	35.82	45.64	54.91
- Sales tax paid	9.88	9.88	14.07
- Excise duty / Purchase tax deposited	128.93	445.83	190.82
Less : Allowance for bad and doubtful debts	54.01	74.92	-
Others :			
Good		115.38	114.83
Doubtful	265.21	150.38	150.38
Less : Allowance for bad and doubtful debts	265.21	-	-
Total	306.65	932.95	896.07



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 16 : Equity			
Note 16.1 : Authorized share capital			
Authorized			
200.00 Lakhs(Previous year 200.00 Lakhs)			
Equity shares of Rs. 10/- each	2,000.00	2,000.00	2,000.00
Total	2,000.00	2,000.00	2,000.00
Note 16.2 : Issued share capital			
Issued, Subscribed & fully paid up			
52.50 Lakhs (Previous year 52.50 Lakhs) Equity shares			
of Rs. 10/- each	525.00	525.00	525.00
Total	525.00	525.00	525.00
Note 16.3 : Reconciliation of the number of shares			
	Nos. (in Lakhs)	Nos. (in Lakhs)	Nos. (in Lakhs)
Number of shares outstanding at the beginning and end of the year	52.50	52.50	52.50

16.4 Shares in the Company held by each shareholder holding more than 5%Shares :

NAME	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares (in Lakhs)	%	No. of Shares (in Lakhs)	%	No. of Shares (in Lakhs)	%
Promoters Holding						
i. Sh. Rajat Lal	9.43	17.970	9.43	17.970	9.43	17.970
ii. Sh. Vivek Viswanathan	12.96	24.690	12.96	24.690	12.91	24.587
iii. Smt. Poonam Lal	2.88	5.481	2.88	5.481	2.88	5.481
iv. Sh. Rahul Lal	2.88	5.481	2.88	5.481	2.88	5.481
Other Share Holders						
i. LIC of India	3.40	6.477	3.40	6.477	3.40	6.477

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 17 : Other equity			
(a) Capital redemption reserve			
Debit balance at the beginning of the year	35.70	35.70	35.70
Add: Additions during the year			
Less: Utilized during the year			
Balance outstanding at the end of the year	35.70	35.70	35.70
(b) Retained earnings			
Balance outstanding at the beginning of the year	(4,247.79)	(6,073.86)	
Add : Net Profit / (loss) for the Year	(2,384.97)	1,839.92	
Add/Less: Total comprehensive income for the year	(359.40)	(13.85)	
Balance outstanding at the end of the year	(6,992.16)	(4,247.79)	(6,073.86)
Total Other equity	(6,956.46)	(4,212.09)	(6,038.16)

Note 18 : Non current financial liabilities – Borrowings

Long Term borrowings (at amortized cost)

Secured

Term Loan

From banks

(a) State Bank of India (refer note no. 18.1)	2,941.65	4,134.30	-
(b) Punjab National Bank (SEFASU Loan) (refer note no. 18.2)	89.85	578.13	1,053.00
(c) District Co-operative Bank (SEFASU Loan) (refer note no. 18.3)	54.42	187.62	287.43
Total	3,085.92	4,900.05	1,340.43

Note 18.1 : Loan from State Bank of India is Secured against by way of Ist Pari-passu charges on the entire fixed assets (excluding 10.49 acres of land released) of the Company including equitable mortgage of land & building of the Company situated at Shamli and also IInd charges over entire current assets including Raw material, stock-in-progress, finished goods, consumable stores and receivables of the Company excluding stock pledged with SBI,PNB and DCB and also personal guarantee given by Managing Director and Joint Managing Director.

Note 18.2 : SEFASU Loan from PNB,Shamli Secured against FDR of Rs. 820.62 Lakhs and Hypothecation of Current Assets of finished and semi-finished stock of Sugar, Molasses, Raw materials & Stores and also first parri passu charge on the fixed assets of the Company Unit at Shamli.

Note 18.3 : SEFASU Loan from DCB,Ghaziabad Secured against FDR of Rs. 150.00 Lakhs and also residual charge on fixed assets.

Figures in () denote (-) figure.

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2018

Note 18.4 : Repayment Schedule

	Working Capital Term Loan from SBI, New Delhi	SEFASU Loan from PNB, Shamli	SEFASU Loan from DCB, Ghaziabad
Repayable in :			
F.Y. 2019-20	1,500.00	81.00	54.96
F.Y. 2020-21	1,425.00	-	-
	2,925.00	81.00	54.96

Note 18.5: Interest rate @ 13.60% on SBI, IFB New Delhi.

Note 18.6: Interest rate @ 12% on SEFASU loan from PNB, Shamli & DCB, Ghaziabad, Interest not borne by the Company.

PARTICULARS	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs
Note 19 : Non current provisions			
Provision for employee benefits			
-Gratuity	834.72	447.03	415.12
-Leave encasement	122.33	77.14	61.52
-Pension provision			
Provision for expenses	10.26	10.26	10.26
Total	967.31	534.43	486.90
Note 20 : Other Non current liabilities			
Security Deposits (refer note no. 20.1)	95.02	85.02	80.02
Total	95.02	85.02	80.02

Note 20.1 : Security deposits as at 31 March 2018 included of Rs. 95.00 Lakhs (previous year Rs. 85.00 Lakhs) deposits from Sugar selling agent which are interest bearing subject of fulfillment of terms and conditions. These deposits are repayable on cessation of contractual arrangement. Interest payable is normally settled annually.

Note 21 : Current financial liabilities – Borrowings**Secured****From banks**

State Bank of India (WCDL) (refer note no. 21.1)	-	3,005.60	6,035.46
Punjab National Bank (refer note no. 21.2)	4,904.21	4,072.78	2,002.20
District Co-operative Bank (refer note no. 21.3)	4,034.19	2,673.85	3,029.22

Unsecured

Loan from related parties	1,252.32	1,355.17	1,056.87
Total	10,190.72	11,107.40	12,123.75

Note 21.1 : Previous year the Working Capital Demand Loan of Rs. 3005.60 Lakhs from State Bank of India, Delhi is secured by way of pledging of Sugar stock of the book value Rs.3646.16 Lakhs under commodity backed warehouse Scheme of SBI and also by way of collateral security on IInd pari-passu charge on the fixed assets (excluding 10.49 acres of Land released) of the Company including equitable mortgage of Land & Building of the Company situated at Shamli and also personal guarantee given by Managing Director and Joint Managing Director.

Note 21.2 : The working capital loan of Rs. 4904.21 Lakhs from Punjab National Bank, Shamli is secured by way of pledging of Sugar stock of book value of Rs.5499.67 Lakhs and hypothecation of the current assets including stock in process, raw material, stores and spares and book debts and also by way of collateral security on Ist pari-passu charge on the fixed assets including extension of equitable mortgage of land and building of the Company at Shamli and also personal guaranteed by Managing Director and Joint Managing Director.

Note 21.3 : The working capital loan of Rs. 4034.19 Lakhs from District Co-Operative Bank, Ghaziabad is secured by way of pledging of Sugar stock of the book value of Rs. 5750.97 Lakhs and also by way of collateral security on IInd pari-passu charges on fixed assets including equitable mortgage of land and building of the Company situated at Shamli.

Note 21.4 : Interest rate @ 9.50% to 10% on unsecured loan from related party.

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SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Note 22 : Current financial liabilities - Trade payable			
Due to parties registered under MSMED Act	3.78	11.62	12.20
Due to other parties	21,086.33	12,215.43	19,431.48
Total	21,090.11	12,227.05	19,443.68

Note 22.1 : Parties covered under “The Micro, Small and Medium Enterprises Development Act, 2006” (MSMED Act, 2006) have been identified on the basis of intimation received by the Company from its suppliers.

Note 22.2 : Based upon the information available, the balance due to the Micro and Small Enterprises as defined under the MSMED Act, 2006 is Rs. 3.78 Lakhs. Further no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006.

Note 23 : Current financial liabilities - Other financial liabilities

Secured

From banks

State Bank of India (WCTL) (refer note no. 21.1)	1,200.00	900.00	-
Punjab National Bank Shamli (SEFASU Loan) (refer note no. 21.2)	486.00	486.00	405.00
District Co-operative Bank Ghaziabad (SEFASU Loan) (refer note no. 21.3)	132.66	132.66	110.55
Punjab National Bank Shamli (Short Term Demand Loan) (refer note no. 23.2)	715.84	-	-
Sub Total	2,534.50	1,518.66	515.55
Others			
Unclaimed Dividends	-	4.06	4.06
Earnest Money and Security Deposits	104.20	68.43	68.59
Total	2,638.70	1,591.15	588.20

Note 23.1 : There are no amounts as at the end of the year which are due and outstanding to be credited to the investors education and Protection Fund.

Note 23.2 : Short Term Demand Loan from PNB, Shamli Secured against FDR of Rs. 750.00 Lakhs.

Note 24 : Other Current Liabilities

Advance Received from customer bearing Interest	200.00	-	-
Other payables	1,731.33	1,963.58	1,087.64
Total	1,931.33	1,963.58	1,087.64

Note 24.1 : Advance from customer as at 31.03.2018 is interest bearing subject to fulfillment of business obligation.

Note 24.2 : Other payable includes advance from customer, statutory dues and other liabilities.

Note 25 : Current provisions

Provision for employee benefits

- Leave encasement	29.23	30.68	16.30
Others			
- Expenses	64.67	82.18	19.79
- Excise Duty on Closing stock of Finished Goods	-	887.25	1,106.35
Total	93.90	1,000.11	1,142.44



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particulars	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs	
Note 26 : Revenue from Operations			
Sale of Products (includes excise duty) (refer note 26.2)	39,788.92	41,826.36	
Other Operating Revenues	56.95	152.56	
Revenue from Operations	<u>39,845.87</u>	<u>41,978.92</u>	
Note 26.1 : Sale of Products			
Sale of Sugar	35,198.76	38,888.74	
Sale of Molasses	673.53	1,669.51	
Sale of Bagasse	416.24	597.16	
Sale of Press Mud	60.53	110.93	
Sale of Distillery products	3,432.99	537.10	
Sale of Bio – Compost	6.87	22.92	
	<u>39,788.92</u>	<u>41,826.36</u>	
Note 26.2 : Sale of Products includes Excise Duty (from 01.04.2017 to 30.06.2017)			
Note 26.3 : Other Operating Revenues			
Sale of Scrap	56.95	152.56	
	<u>56.95</u>	<u>152.56</u>	
Note 26.4 : Turnover includes inter-unit sales of Rs. 420.01 Lakhs (Previous Year Rs. 346.81 Lakhs)			
Note 27 : Other Income			
Interest income	135.61	196.65	
Profit on sale of Fixed Assets/Stores	2.04	0.34	
Other Non – Operating Income	4.27	56.27	
	<u>141.92</u>	<u>253.26</u>	
Note 27.1 : Tax deducted at source on Interest income Rs. 12.74 Lakhs (Previous year Rs. 18.83 Lakhs)			
Note 28 : Cost of Materials Consumed			
Raw Materials at Commencement	171.58	194.43	
Add : Purchases during the year	38,122.43	27,835.23	
	38,294.01	28,029.66	
Less : At Close	82.42	171.58	
Raw Materials consumed	<u>38,211.59</u>	<u>27,858.08</u>	
Purchases include Rs. 380.07 Lakhs Inter - unit transfers (Previous Year Rs. 251.95 Lakhs)			
Note 28.1 : Particulars of Materials Consumed			
	Quantity in Lakhs Qtls.	Quantity in Lakhs Qtls.	
a) Sugarcane (100% indigenous)	114.33	87.13	27,611.90
b) Molasses (100% indigenous)	0.70	0.63	231.90
c) Press Mud (100 % indigenous)	0.32	0.32	14.28
	<u>38,211.59</u>		<u>27,858.08</u>

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO ACCOUNTS CONTD.....

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particulars	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
Note 29 : Decrease / (Increase) in Inventories of Finished Goods And Work-In-Progress		
Stocks at commencement :		
Work-in-Progress	515.74	420.37
Finished Goods	14,423.22	17,316.33
	14,938.96	17,736.70
Stocks at Close :		
Work-in-Progress	628.93	515.74
Finished Goods	18,613.35	14,423.22
	19,242.28	14,938.96
Add / (Less) : Impact of excise duty on finished goods	(887.25)	(219.09)
Net Decrease / (Increase)	(5,190.57)	2,578.65
Details of Work in Progress		
Sugar	622.98	506.31
Alcohol	5.95	9.43
	628.93	515.74
Details of Finished Goods		
Sugar	18,123.12	12,951.52
Molasses	36.13	958.42
Bagasse	178.08	128.30
Press Mud	25.29	-
Alcohol	200.41	361.91
Bio-Compost	50.32	23.07
	18,613.35	14,423.22
Note 30 : Excise duty on Sale of products		
Sugar		
Excise duty on Sugar	186.21	742.73
Cess on Sugar	325.22	1,297.17
Molasses		
Excise duty on molasses	80.58	262.80
Administrative charges on molasses	15.34	33.05
Distillery Products		
Excise duty on Distillery products	82.38	1.06
	689.73	2,336.81
Note 30.1 : Excise duty on sale of products for the year ended march 31, 2018 of three months (from 01.04.2017 to 30.06.2017)		
Note 31 : Employee Benefits Expense		
Salaries & Wages	2,438.18	2,747.11
Bonus	77.93	78.89
Leave Wages paid/provided	173.04	134.48
Contribution to Provident Fund and Family Pension Fund	239.99	273.77
Contribution to Approved Superannuation Fund for Managerial Personnel	4.76	5.22



NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

Particulars	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
Provision/Contribution to Approved Gratuity Fund	100.33	87.73
Staff Welfare	18.70	29.01
	3,052.93	3,356.21
Less : Pre-operative Expenses Capitalized	-	197.99
	3,052.93	3,158.22

Note 31.1 : Salary & Wages includes Rs. 54.29 Lakhs paid to Managerial Personnel (Previous year Rs. 58.88 Lakhs).

Note 31.2 : Provident Fund includes Rs. 3.80 Lakhs for Managerial Personnel (Previous year Rs. 4.18 Lakhs)

Note 31.3 : Contribution to Provident fund, Superannuation fund and Family Pension Fund charged off during the year are as under.

Employer contribution to Provident fund	90.96	106.63
Employer contribution to Family pension fund	125.19	137.14
Employer contribution to Superannuation fund	4.76	5.22

The Company also provides for post employment defined benefit in the form of gratuity and leave liability. The Employee's Gratuity Scheme is managed by Life Insurance Corporation of India defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit Method at each Balance sheet date, which works to more by Rs. 834.72 Lakhs as compared to Gratuity Scheme managed by the Life Insurance Corporation of India. The difference has been fully provided in the books of Company.

Note 31.4: The details provided by Actuary in respect of Gratuity and Leave liability are as under :

A KEY ASSUMPTIONS

	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate
Mortality Table		
Attrition Rate	05.00 % p.a.	05.00 % p.a.
Imputed Rate of Interest (D)	07.55 % p.a.	07.20 % p.a.
Imputed Rate of Interest (IC)	07.20 % p.a.	07.70 % p.a.
Salary Rise	08.00 % p.a.	05.00 % p.a.
Return on Plan Assets	07.20 % p.a.	07.20 % p.a.
Remaining Working Life	12.39 Years	12.98 Years

B GRATUITY LIABILITY

1 CHANGES IN PRESENT VALUE OF OBLIGATIONS

Present value of obligation at the beginning of the year	1,255.79	1,209.94
Interest Cost	86.44	88.72
Current Service Cost	69.99	53.32
Benefit Paid	(110.44)	(115.42)
Actuarial Gain/Loss on obligation	360.30	19.23
Present value of obligation as on 31st March	1,662.08	1,255.79

2 CHANGES IN THE PRESENT VALUE OF PLAN ASSETS

Fair value of Plan Assets at the beginning of the IVP	808.76	806.61
Expected Return on Plan Assets	56.82	55.95
Contribution	71.32	68.04
Benefit Paid	(110.44)	(127.21)
Actuarial Gain/Loss on Plan Assets	0.90	5.38
Fair value of plan Asset at 31st March	827.36	808.77

3 REMEASUREMENTS-OTHER COMPREHENSIVE INCOME (OCI)

Return on Plan Assets (excluding amounts included in Net Interest Expenses)	0.90	5.38
Actuarial (gain)/Loss arising from Experience Adjustment	137.83	(14.11)
Difference in Present Value of Obligations	222.47	33.34
Component of Defined of Benefit Costs recognised in OCI	359.40	13.85

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO ACCOUNTS CONTD.....

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particulars	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
4 EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT & LOSS		
Current Service Cost	69.99	53.32
Net Interest Cost	29.62	32.78
Expenses Recognised in the statement of Profit & Loss	99.61	86.09
5 CATEGORY WISE PLAN ASSETS		
Fund at the end of I.V.P. At LIC of India	827.37	808.76
NOTE :- To match the figures with Actuarial liability as on 31.3.2018 amount of Rs. 0.72 Lakhs has been charged to statement of Profit & Loss (Previous year charged to statement of Profit & loss Rs. 1.64 Lakhs).		
6. AMOUNT TO BE RECOGNISED IN THE BALANCE SHEET		
Present value of obligation at the end of the I.V.P.	1,662.09	1,255.79
Fair value of Plan Assets at the end of the I.V.P.	827.37	808.76
Funded Status	(834.72)	(447.03)
Net Liability arising from Defined Benefit obligation	834.72	447.03
C LEAVE LIABILITY		
1 Present value of obligation at the beginning of the year	107.82	77.82
Interest Cost	3.11	1.97
Current Service Cost	103.56	66.11
Benefit Paid	(129.28)	(104.49)
Actuarial Gain/Loss	66.35	66.40
Present value of obligation long term as on 31st March,	122.33	77.14
Present value of obligation short term as on 31st March,	29.23	30.68
Net Liability recognized in Balance Sheet as on 31st March	151.56	107.82
2 EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT & LOSS		
Current Service Cost	103.56	66.11
Interest Cost	3.11	1.97
Actuarial (Gain)/Loss recognised in the I.V.P.	66.35	66.40
Expenses Reconised in the statement of Profit & Loss	173.02	134.48

Termination Benefits – Voluntary Retirement Scheme

NOTE :- To match the figures with Actuarial liability as on 31.3.2018 amount of Rs. 0.02 Lakh has been charged to statement of Profit & Loss.

Note No. 31.5

Sensitivity	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Under based scenario	1662.09	1255.79
Salary escalation (up by 1%)	1759.35	1406.80
Salary escalation (down by 1%)	1572.68	1138.70
Withdrawal rates (up by 1%)	1660.28	1260.24
Withdrawal rates (down by 1%)	1663.88	1251.48
Discount rates (up by 1%)	1573.11	1119.82
Discount rates (down by 1%)	1760.74	1407.76

This is a defined benefit plan and statutory liability of the Company. The Company has to pay the Gratuity to the employees as per the provisions of The Payment of Gratuity Act, 1972 irrespective of the availability of the funds with the Gratuity Fund.

The Gratuity Liability is computed on actuarial valuation basis done at year end using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Past service cost is recognised immediately to the extent that the benefits are already vested.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Company manages Gratuity obligation through Trust. Company arranges the fund based on the actuarial valuation and requirement of the Trust.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2017-18.

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particular	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
Interest risk		
A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.		
Longevity risk		
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.		
Salary risk		
The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.		
Note 32: FINANCE COST		
Interest Expenses	1,845.20	1,528.50
Other Borrowing cost	29.77	41.15
	<u>1,874.97</u>	<u>1,569.65</u>
Note 32.1 : Interest Includes Rs. 123.73 Lakhs paid to Managerial Personnel (Previous Year Rs. 104.03 Lakhs)		
Note 33 : Depreciation and Amortization Expenses		
Depreciation on Tangible Assets	392.49	171.95
Depreciation on Intangible Assets	5.47	1.82
	<u>397.96</u>	<u>173.77</u>
Note 34. : Other expenses		
(A) Manufacturing / Operating Expenses		
Store consumed	436.93	269.11
Power and Fuel	423.93	380.58
Packing & Forwarding	520.10	364.13
Cane & Road Development	36.85	74.58
Repairs :		
Plant and machinery	727.82	644.80
Buildings	50.96	117.36
Others	32.64	34.05
	<u>811.42</u>	<u>796.21</u>
(B) Administration Expenses	<u>2,229.23</u>	<u>1,884.61</u>
Rent	39.60	33.35
Rates & Taxes	48.47	54.66
Insurance	23.35	19.49
Travelling & Vehicles	69.06	67.09
Legal & Professional	73.96	80.09
Postage, Telegram and Telephones	9.58	13.04
Stationery & Printing	19.54	21.36
Bank Charges	6.04	3.78
Subscription and Advertisement	12.52	9.33
General Charges	69.80	65.76
Directors Fee	13.00	10.60
Directors Travelling	3.63	2.81
Charity & Donations	0.42	0.34
Bad Debts & Claims written off	321.80	218.64
Fines & Penalties	3.20	0.88
Audit Fee	3.30	3.30
Loss on Sale & Disposal of :		
Fixed Assets	19.40	52.95
Other Assets	1.55	33.73
Excise Duty/ Export Fees	102.63	1.02
	<u>840.85</u>	<u>692.22</u>

CONTD.....



NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

Particulars	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
(C) Transportation and Selling Expenses		
Transportation & Selling	142.80	39.74
Commission on Sales	98.67	104.26
Rebate on sales	-	0.05
Commitment charges paid under contractual agreement	24.60	45.76
	266.07	189.81
Total (A+B+C)	3,336.15	2,766.64
Less : Pre-operative Expenses Capitalized	-	49.56
Total Other Expenses	3,336.15	2,717.08
34.1 Particulars of Spare Parts and components :		
	<u>% of total consumption</u>	<u>% of total consumption</u>
i) Indigenous	100	100
ii) Imported	NIL	NIL
34.2 Auditors' Remuneration :		
(I) Statutory Auditors		
a) For Statutory Audit	3.30	3.30
b) For Quarterly Audit Review Fees	0.80	0.80
	4.10	4.10
(II) Cost Auditor		
a) For cost Audit	0.50	0.50
	0.50	0.50
b) Out of pocket Expenses (Travelling Expenses)	0.32	0.15
	0.32	0.15
(III) Tax Audit & Certificate		
For Tax Audit Fees	0.75	0.75
For Certification Fees	0.80	0.40
	1.55	1.15
34.3 Other Information :		
a) Value or imports calculated on CIF basis during the year	NIL	NIL
b) Expenditure in Foreign Currency	NIL	NIL
c) Amount remitted during the year in Foreign Exchange on account of Dividend	NIL	NIL
d) Earning in Foreign Currency	NIL	NIL



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particular	For the year ended March 31, 2018 Rs. in Lakhs	For the year ended March 31, 2017 Rs. in Lakhs
35 CONTINGENT LIABILITIES NOT PROVIDED FOR :		
a) In respect of Statutory Liabilities :		
i) Subjudice, Sales tax and Entry Tax including interest thereon	13.26	13.26
ii) Subjudice, Excise Duty and penalty thereon	106.94	120.20
iii) Subjudice, in respect of alleged claim of Stamping fee on Vats	55.42	55.42
b) In respect of Other Liabilities :		
i) Alleged claim of interest on arrears of late payment of cane price	73.09	73.09
ii) In respect of labour cases in dispute, the amount of which is not ascertainable.		
iii) Bank Guarantees for Rs. 400.44 Lakhs in favor of Oil Companies and Government Department (Previous year Rs. 264.24 Lakhs)		
c) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.1580.40 Lakhs against which advance have been paid Rs. 443.66 Lakhs (Previous year Rs. 1.65 Lakhs)		
NOTE :- The above amount in-respect of contingent liabilities represents best estimates arrived at on the basis of available information as the actual liability can not be predicted accurately and Company has relied upon expert legal advise against the such disputed liabilities.		
36 The interest aggregating to Rs.607.19 Lakhs on delayed payment of Sugar cane price for Sugar seasons 2011-12 to 2014-15 is due for payment in view of the Supreme Court's order no.35113/2017 dated 23.04.2018.The Company is contemplating to file a review petition against above mentioned order of Supreme Court. Therefore, no provision has been made for the above mentioned liability of Rs. 607.19 Lakhs and also for Rs. 3091.15 Lakhs relating to the subsequent financial years 2015-16 to 2017-18; to that extent the accounts are not maintained on accrual basis.		
37 The Central Govt. Ministry of Law & Justice, have issued Notification No.6/2016 dated 01.01.2016 regarding payment of bonus (Amendment Act 2015) in terms of which the ceiling for payment of bonus has been revised w.e.f. 1st April, 2014. Certain High Courts have stayed the implementation of revision of Bonus from retrospective effect. ISMA has also filed writ against implementation of the order with regard to its retrospective effect from 1st April, 2014 and the matter is subjudice. Therefore the Company has not made provision for this liability for the year ending on 31.03.2015.		
38 In view of current year loss and accumulated losses, and uncertainty of future profitability the Board have decided not to make any further provision for Deferred Tax Assets, though not in line with India Accounting Standard-12.		
39 In absence of balance confirmations from certain creditors, included in Trade payable and other payable,Other current liabilities, other non-current & current financial assets, Trade Receivables, the Auditors have relied upon the figures appearing in the books of the Company.		
40 Income Tax assessments (regular u/s 143(3) have been completed upto the Financial year 2014-2015 (Assessment Year 2015-2016). The Company has gone in appeal against tax demand of certain assessment orders. The Company has been legally advised that in view of expected reliefs, no further provision for income tax liability is required.		
41 Post the applicability of Goods and Service Tax (GST) w.e.f. 1st July, 2017 revenue from operations are disclosed net of GST.		
42 The Company had different licence for Sugar unit and Distillery units upto 26.05.2017. W.e.f. 27 may, 2017 the Company is working under single licence.		

As per our report of even date
for M.SHARAN GUPTA & CO.
Chartered Accountants
Firm Registration No. 06430N

S.K. JADIA
Chief Financial Officer
(M. No. FCA093337)

A.K. JAIN
Company Secretary
(M. No. FCS5826)

Directors :
Onke Aggarwal (DIN : 00141124)
Hemantpat Singhania (DIN : 00141096)
R.C. Sharma (DIN : 00023274)
Radhika Viswanathan
Hoon (DIN : 06436444)
Ajit Hoon (DIN : 00540300)

M.S. GUPTA
Proprietor
Membership No. 084721
Place : New Delhi
Date : 26th May, 2018

VIVEK VISWANATHAN
Joint Managing Director
(DIN : 00141053)

RAJAT LAL
Managing Director
(DIN : 00112489)

CONTD.....



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Note No. 43. Related parties' Disclosures :

I Relationship

A	Key Management Personnel : (Directors)	Designation
1.	Sh. Rajat Lal	Managing Director
2.	Sh. Vivek Viswanathan	Joint Managing Director
3.	Sh. Rahul Lal	Executive Director
B	Key Management Personnel : (Other than Directors)	Designation
1.	Sh. Rajendra Khanna	Chief Financial Officer
2.	Sh. S.K. Jadia	Chief Financial Officer
3.	Sh. A.K. Singh	Company Secretary
4.	Sh. A. K. Jain	Company Secretary
C	Relatives of Key Management Personnel : (Directors)	Relation with Key Management Personnel
1.	Smt. Sudha Singhania	Sister of Shri Rajat Lal
2.	Smt. Poonam Lal	Wife of Shri Rajat Lal
3.	Ms. Pooja Lal	Daughter of Shri Rajat Lal
4.	Smt. Radhika Viswanathan Hoon	Sister of Shri Vivek Viswanathan
D	Relatives of Key Management Personnel : (Other than Directors)	Relation with Key Management Personnel
1.	Smt. Sanjana Jadia	Wife of Shri S.K. Jadia
2.	Mr. Somesh Jadia	Son of Shri S.K. Jadia
3.	Ms. Shriya Jadia	Daughter of Shri S.K. Jadia
4.	Mrs. Daizy Jain	Wife of Shri A.K. Jain
5.	Ms. Aditi Jain	Daughter of Shri A.K. Jain
6.	Ms. Avni Jain	Daughter of Shri A.K. Jain

Note :- Sh. Rajendra Khanna who was working as Chief Financial Officer of the Company, resigned from the services on 25.07.2017 and Sh. S.K. Jadia has been Appointed as Chief Financial Officer of the Company w.e.f. 21.09.2017.

Sh. A.K. Singh who was working as Company Secretary of the Company, resigned from the service on dt. 17.07.2017 and Sh. Ajay Jain appointed as Company Secretary w.e.f. 11.09.2017.

II Transactions of Expense/Income carried out during the year :

	Remuneration	Directors' Fee	Rent Paid	Interest on Deposits/Loans	Total
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
A					
Key Management Personnel (Directors)	62.85	-	23.99	123.73	210.57
	(68.27)	(-)	(23.99)	(104.04)	(196.30)
B					
Key Management Personnel (Other than Directors)	43.74	-	-	-	43.74
	(35.86)	(-)	(-)	(-)	(35.86)
C					
Relatives of Key Management Personnel (Directors)	-	1.80	-	1.71	3.51
	(-)	(1.80)	(-)	(1.59)	(3.39)
TOTAL A+B+C	<u>106.59</u>	<u>1.80</u>	<u>23.99</u>	<u>125.44</u>	<u>257.82</u>
	<u>(104.13)</u>	<u>(1.80)</u>	<u>(23.99)</u>	<u>(105.63)</u>	<u>(235.55)</u>

III Transactions of Loans and Deposits during the year:

	Opening Balance			Closing Balance
	As on 01.04.2017	Received	Repaid	As on 31.03.2018
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Loans				
- Key Management Personnel (Directors)	1,337.53	155.24	259.03	1,233.74
	(1,040.66)	(542.61)	(245.74)	(1,337.53)
- Relatives of Key Management Personnel (Directors)	17.64	1.71	0.77	18.58
	(16.21)	(1.59)	(0.16)	(17.64)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended March 31, 2018****Note No. 44. Segment Reporting :**

The Company's operation predominantly relates to manufacture and sale of Sugar and Alcohol products. Accordingly the Sugar and Alcohol products primarily comprises the basis for primary and secondary for segment information :

SEGMENT INFORMATION– BUSINESS SEGMENT :

Particulars	Sugar	Alcohol	Total
	Amount Rs. In Lakhs	Amount Rs. In Lakhs	Amount Rs. In Lakhs
-Segment Revenue including Excise Duty	35,925.80	3,442.70	39,368.50
External Revenue	(40,930.69)	(663.94)	(41,594.63)
Inter-segment	477.37	-	477.37
	(384.29)	(-)	(384.29)
Total	36,403.17	3,442.70	39,845.87
	(41,314.98)	(663.94)	(41,978.92)
-Segment Result before interest & tax and exceptional item - Profit/Loss(-)	(-)-1,323.27	1,537.02	213.75
	(3,993.58)	(-)(233.28)	(3,760.30)
Less : Unallocated expenses (Net of Unallocable Income)			723.75
			(350.73)
Less : Finance Charge			1,874.97
			(1,569.65)
Profit/(Loss) (-) before tax & exceptional item			(-)-2,384.97
			(1,839.92)
Add : Exceptional Item			-
			(-)
Profit/(Loss) (-) before tax			(-)-2,384.97
			(1,839.92)
- Segment Assets	23,195.55	3,453.29	26,648.84
	(18,965.04)	(3,424.77)	(22,389.81)
Unallocated Assets			7,012.71
			(7,331.89)
Total Assets			33,661.55
			(29,721.70)
- Segment Liabilities	38,490.82	180.98	38,671.80
	(31,624.95)	(341.22)	(31,966.17)
Unallocated Liabilities			1,421.21
			(1,442.62)
Total Liabilities			40,093.01
			(33,408.79)
Segment Capital Expenditure	85.78	33.01	118.79
	(333.57)	(2,032.47)	(2,366.04)
Unallocated Capital Expenditure			10.59
			(0.84)
Total Capital Expenditure			129.38
			(2,366.88)
- Segment Depreciation	136.63	255.90	392.53
	(107.08)	(59.99)	(167.07)
Unallocated Depreciation			5.43
			(6.70)
Total Depreciation			397.96
			(173.77)

44.1 The Company caters only Indian markets.

44.2 Operating segments have been identified on the basis of the nature of products and have been identified as per the quantitative criteria specified in the Ind AS.

44.3 The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

44.4 Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

44.5 Unallocated Assets include Deferred Tax Assets.

44.6 Figures in () denote Previous year figures.

As per our report of even date
for M.SHARAN GUPTA & CO.
Chartered Accountants
Firm Registration No. 06430N

S.K. JADIA
Chief Financial Officer
(M. No. FCA093337)

A.K. JAIN
Company Secretary
(M. No. FCS5826)

Directors :

Onke Aggarwal (DIN : 00141124)
Hemantpat Singhania (DIN : 00141096)
R.C. Sharma (DIN : 00023274)
Radhika Viswanathan
Hoon (DIN : 06436444)
Ajit Hoon (DIN : 00540300)

M.S. GUPTA
Proprietor
Membership No. 084721
Place : New Delhi
Date : 26th May, 2018

VIVEK VISWANATHAN
Joint Managing Director
(DIN : 00141053)

RAJAT LAL
Managing Director
(DIN : 00112489)



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Note No. 45. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

A. Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customers/agents, which mitigate the credit risk to an extent. The ageing of trade receivable is given below:

	Up to 6 months	More than 6 months	Total Amount (Rs.in Lakhs)
As at 31st March , 2018	494.31	41.77	536.08
As at 31st March , 2017	150.43	62.31	212.74
As at 31st March , 2016	256.96	66.69	323.65

Following table summaries the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	Rs. in Lakhs
As at April 01, 2016	5.09
Provided during the year	-
Reversal of provision	-
Amounts written off	-
As at March 31, 2017	5.09
Provided during the year	2.47
Reversal of provision	-
Amounts written off	-
As at March 31, 2018	7.56

Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Term deposits are maintained with banks with which Company has also availed borrowings.

B. Liquidity risk

Liquidity risk is the risk that a Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Rs. in Lakhs

Particulars	As at March 31st, 2018				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	16011.14	10390.72	2534.50	3085.92	16011.14
Trade Payables	21090.11	21090.11	-	-	21090.11
Other financials liabilities	2035.53	-	2035.53	-	2035.53
TOTAL	39136.78	31480.83	4570.03	3085.92	39136.78

Rs. in Lakhs

Particulars	As at March 31st, 2017				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	17526.12	11107.40	1518.66	4900.06	17526.12
Trade Payables	12227.05	12227.05	-	-	12227.05
Other financials liabilities	2036.07	-	2036.07	-	2036.07
TOTAL	31789.24	23334.45	3554.73	4900.06	31789.24



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Rs. in Lakhs

Particulars	As at April 1st, 2016				
	Carrying amount	On demand	0-12 months	More than 12 months	Total
Borrowings	13979.73	12123.75	515.55	1340.43	13979.73
Trade Payables	19443.68	19443.68	-	-	19443.68
Other financial liabilities	1160.28	-	1160.28	-	1160.28
TOTAL	34583.69	31567.43	1675.83	1340.43	34583.69

C. Fair value of financial assets and financial liabilities

Financial instruments measured at fair value can be divided into three levels for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Following methods and assumptions are used to estimate the fair values:-

- Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and short-term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short-term maturities of these financial assets and liabilities.
- Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by Company based on parameters such as interest rate, credit rating or assessed credit worthiness.
- Non-listed shares and other securities fall within level 3 of the fair value hierarchy. Valuation is based on the net asset method.
- Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.
- Ind AS 101 allow Company to fair value Property, Plant and Equipment on transition. Company has valued property, plant and equipment as deemed cost.

I) Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the Financial Statements:

Rs. in Lakhs

Particulars	As at March 31st, 2018			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	536.08	-	-	-
Cash and cash equivalents	158.11	-	-	-
Bank balances	1857.13	-	-	-
Loan-current	-	-	-	-
Other financial assets- non current	368.70	-	368.70	-
Total	2920.02	-	368.70	-
Financial Liabilities at amortised cost				
Borrowings - non current	3085.92	-	3085.92	-
Borrowings - current	12925.23	-	-	-
Trade Payables	21090.11	-	-	-
Other financial liabilities- current	2035.53	-	-	-
Total	39136.79	-	3085.92	-

II)

Rs. in Lakhs

Particulars	As at March 31st, 2017			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	212.74	-	-	-
Cash and cash equivalents	94.64	-	-	-
Bank balances	1988.30	-	-	-
Loan-current	0.00	-	-	-
Other financial assets- non current	380.30	-	380.30	-
Total	2675.98	-	380.30	-



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

Rs. in Lakhs

Particulars	As at March 31st, 2017			
	Carrying amount	Level 1	Level 2	Level 3
Financial Liabilities at amortised cost				
Borrowings - non current	4900.06	-	4900.06	-
Borrowings - current	12626.06	-	-	-
Trade Payables	12227.05	-	-	-
Other financial liabilities- current	2036.07	-	-	-
Total	31789.24	-	4900.06	-

III)

Rs. in Lakhs

Particulars	As at 1st April, 2016			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	323.65	-	-	-
Cash and cash equivalents	376.02	-	-	-
Bank balances	1824.99	-	-	-
Loan-current	-	-	-	-
Other financial assets- non current	440.64	-	440.64	-
Total	2965.30	-	440.64	-
Financial Liabilities at amorised cost				
Borrowings - non current	1340.43	-	1340.43	-
Borrowings - current	12639.30	-	-	-
Trade Payables	19443.68	-	-	-
Other financial liabilities- current	1160.28	-	-	-
Total	34583.69	-	1340.43	-

Note :- During the year ended 31st March 2018, 31st March 2017 & 1st April 2016, there is no transfer between the Level 1 and Level 2.

Note. 46. Market risk

The Company is exposed to the risk of movements in interest rates, inventory price that affects its assets, liabilities and future transactions.

i) Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. The Company's borrowings are linked to base rates of the banks. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

Rs.in Lakhs

Particulars	As at 31st, March 2018	As at 31st, March 2017
Total debt as at the end of the year	14558.83	16170.95
Average annual utilisation of debts at floating rate of interest (%)	91%	93%
Average availment of borrowings at floating rate of interest	13248.54	15038.98
Impact of 1% interest rate variation	132.49	150.39

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2018

ii) Inventory price risk

The Company is exposed to the movement in price of principal finished product i.e. Sugar. Prices of the Sugar cane is fixed by Government. Generally, Sugar production is carried out during Sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the Sugar inventory to the movement in the price. Company monitors the Sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in Sugar price on the inventory as at year end, other factors remaining constant is given in table below:

Rs.in Lakhs

Particulars	As at 31st, March 2018	As at 31st, March 2017
Sugar inventory held (Qtl. In Lakhs)	6.38	3.92
Impact of Sugar price variation by Rs. 100/Qtl.	638.00	392.00

Note No.47. Reconciliation of reserve between Ind AS and Previous GAAP

Rs.in Lakhs

Particulars	Notes to first time adoption	As at 1 April-2016
Equity		525.00
Other Equity		(5621.56)
Total Equity		(5,096.56)
Add Effect of transition to Ind AS :-		
i) Provision for Expected Credit Losses of Receivables	i	(160.30)
ii) Valuation of Inventories	ii	(237.67)
iii) Prior Period Adjustment	iii	(18.63)
Impact of Ind AS adjustment		(416.60)
Equity		525.00
Other Equity		(6038.16)
Total Equity		(5513.16)

- i) Provision for Expected Credit loss has been made as per the provision policy in accordance with Ind AS 109.
- ii) As per Ind AS 2 the Interest on CC limit has not been considered part of cost of production, consequently Inventory valuation has been decreased.
- iii) Prior period adjustments charged in Profit & Loss A/c in FY 2016-2017, now adjusted in FY 2015-2016.



SIR SHADI LAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Note No.48. Effect of Ind AS adoption on the balance sheet as at 31st March 2017 and 1st April 2016

Rs. in Lakhs

Particulars	Notes to first time adoption	As at 31st March 2017		As at 1st April 2016 (Date of transition)			
		Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
(1) Non-current assets							
[a] Property, Plant and Equipment		3537.33		3537.33	1411.99		1411.99
[b] Capital work-in-progress		29.39		29.39	17.19		17.19
[c] Other Intangible assets		14.61		14.61	-		-
[d] Financial Assets							
[i] Investments		-		-	-		-
[ii] Trade receivables		46.62		46.62	10.34		10.34
[iii] Loans		0.50		0.50	0.50		0.50
[iv] Other financial assets		380.30		380.30	440.64		440.64
[e] Deferred tax assets (net)		6881.11		6881.11	6881.11		6881.11
[f] Other Non-current assets		1.65		1.65	132.30		132.30
Sub Total (Non-current assets)		10891.51		10891.51	8894.07		8894.07
(2) Current assets							
[a] Inventories	1	15745.95	(275.94)	15470.01	18565.66	(237.67)	18327.99
[b] Financial Assets							
[i] Trade receivables		166.12		166.12	313.31		313.31
[ii] Cash and cash equivalents		94.64		94.64	376.02		376.02
[iii] Bank Balance other than cash and cash equivalents		1988.30		1988.30	1824.99		1824.99
[iv] Loans		-		-	-		-
[v] Other financial assets	2	178.17		178.17	149.21	(1.77)	147.44
[c] Other current assets	3	1093.25	(160.30)	932.95	1056.38	(160.30)	896.08
Sub Total (Current assets)		19266.43	(436.24)	18830.19	22285.57	(399.74)	21885.83
Total Assets		30157.94	(436.24)	29721.70	31179.64	(399.74)	30779.90
EQUITY AND LIABILITIES							
EQUITY							
[a] Equity Share capital		525.00		525.00	525.00		525.00
[b] Other Equity		(3,826.92)	(385.17)	(4,212.09)	(5,621.56)	(416.60)	(6,038.16)
Sub Total (Equity)		(3,301.92)	(385.17)	(3,687.09)	(5,096.56)	(416.60)	(5,513.16)
(1) LIABILITIES							
Non-current liabilities							
[a] Financial Liabilities							
[i] Borrowings	4	4951.12	(51.07)	4900.05	1340.43		1340.43
[b] Provisions		534.43		534.43	486.90		486.90
[c] Other non current liabilities		85.02		85.02	80.02		80.02
Sub Total (Non-current liabilities)		5570.57	(51.07)	5519.50	1907.35		1907.35
(2) Current liabilities							
[a] Financial Liabilities							
[i] Borrowings		11107.40		11107.40	12123.75		12123.75
[ii] Trade payables		12227.05		12227.05	19443.68		19443.68
[iii] Other financial liabilities	2	3554.73		3554.73	1658.98	16.86	1675.84
[b] Provisions		1000.11		1000.11	1142.44		1142.44
Sub Total (Current liabilities)		27889.29		27889.29	34368.85	16.86	34385.71
Total Equity and Liabilities		30157.94	(436.24)	29721.70	31179.64	(399.74)	30779.90

The previous GAAP figures have been reclassified to confirm the Ind AS presentation for the purpose of this note.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

- 1 As per IND AS 2 the interest on CC Limit has not been considered part of cost of production , consequently inventory valuation has been decreased.
- 2 Prior period adjustments charged in Profit & Loss A/c in FY 2016-17, now adjusted in FY 2015-16.
- 3 Provision for expected credit loss has been made as per the provision policy in accordance with Ind AS 109.
- 4 Ind AS 109 requires that the upfront/processing fees paid in respect of the borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, such fees were charged to profit or loss on straight line basis over the tenure of loan. Accordingly, borrowings as at 31 March 2017 have been reduced by Rs. 51.07 Lakh and unamortised upfront/processing fees as at 31 March 2017 have been reduced by Rs.60.55 Lakh with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The loss for the year ended 31 March 2017 increased by Rs. 9.48 Lakh as a result of the additional interest expense.

Note No. 49. Effect of Ind AS adoption on the statement of profit & loss for the year ended 31st March, 2017

Rs. in Lakhs

Particulars	Notes to first time adoption	Amount As per IGAAP	Effects of transition to Ind AS	Amount as Per Ind AS
Continuing Operations				
I. Revenue from operations	1	41978.92	-	41978.92
II. Other Income		253.26	-	253.26
III. Total Income (I+II)		42232.18	-	42232.18
IV. Expenses				
Cost of material consumed		27858.08	-	27858.08
Changes in Inventories Finished goods, Work-in-Progress and Stock-in-Trade	2	2540.38	38.27	2578.65
Excise Duty on Sale of Goods	1	2336.81	-	2336.81
Employee Benefits Expense	3	3172.07	(13.85)	3158.22
Finance costs	4	1620.72	(51.07)	1569.65
Depreciation and amortization expenses		173.77	-	173.77
Other expenses	5	2735.71	(18.63)	2717.08
Total Expenses (IV)		40437.54	(45.28)	40392.26
V. Profit / (Loss) before exceptional items and tax		1794.64	45.28	1839.92
VI. Exceptional items				
VII. Other Comprehensive Income		-	(13.85)	(13.85)
VIII. Profit / (Loss) before tax from continuing operations		1794.64	31.43	1826.07

The previous GAAP figures have been reclassified to confirm the Ind AS presentation for the purpose of this note.

- 1 Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by Rs. 2336.81 Lakh. There is no impact on the total equity or loss for the year ended 31 March 2017.
- 2 As per IND AS 2 the impact on CC Limit has not been considered part of cost of production , consequently inventory valuation has been decreased by Rs. 38.27 Lakh. This has increased loss for the year ended 31st March 2017.
- 3 Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. There is no impact on the total equity as at 31 March 2017.
- 4 Ind AS 109 requires that the upfront/processing fees paid in respect of the borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, such fees were charged to profit or loss. Accordingly, borrowings as at 31 March 2017 have been reduced by Rs. 51.07 lakh and unamortised upfront/processing fees as at 31 March 2017



NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

have been reduced by Rs.60.55 lakh with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31 March 2017 decreased by Rs. 9.48 lakh as a result of the additional interest expense.

- 5 Prior period adjustments charged in profit & loss a/c in FY 2016-17 aggregating to Rs. 18.63 Lakhs transfered to FY 2015-16, resulting increase in total equity.

Note No.50. The net worth of the Company has since been eroded on account of operational losses, incurred by the Company upto the F.Y. 2014-15, which was basically on account of low recovery of Sugar from Sugarcane. Whereas on account of improvement in the Sugar manufacturing unit, during the season 2015-16, the recovery has substantially improved with the result that the Company has earned profit during the year 2016-17. As such the Company will remain as a going concern and is likely to pay it's liabilities including cane dues from expected generation of cash flow.

However the accumulated losses of the Company as at 31.03.2018 were Rs. 6956.46 Lakhs as against the paid up capital of Rs. 525.00 Lakhs.

Note No.51. Certain previous year figures have been rearranged to make them comparable with current figures. Figures have been rounded off nearest to Lakhs.





NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2018

NOTE NO. 4: STATEMENT OF CASH FLOW

	For the Year ended 31st March, 2018 (Rs. in lakhs)	For the Year ended 31st March, 2017 (Rs. in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax and exceptional item as per Profit & Loss Account	(2,384.97)	1,839.92
Adjustments for :		
Depreciation	397.96	173.77
Interest (Net)	1709.59	1,331.85
Bad debts & claims written off (Net)	321.80	218.64
(Profit)/Loss on sale & Disposal of Fixed Assets (Net)	17.36	52.61
Unclaimed Credit Balances Written Back	(0.45)	(0.49)
Stores Written off	1.55	33.73
Operating Profit before working capital changes	62.84	3,650.03
Adjustment for :		
Trade and other receivables	123.93	(158.22)
Inventories	(4,214.59)	2,824.25
Trade Payables	8,030.42	(7,868.42)
Cash generated from operations	4,002.60	(1,552.36)
Interest paid	(1,063.00)	(643.74)
Direct tax paid (Net)	9.82	9.26
Net Cash from operating activities	2,949.42	(2,186.84)
B. CASH FROM INVESTING ACTIVITIES :		
Purchase of fixed assets (including Intangible Assets)	(167.14)	(2,379.08)
Capital Advance	(442.01)	130.65
Sale of fixed assets	3.84	0.56
Interest received	224.48	177.05
Net Cash used in investing activities	(380.83)	(2,070.82)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from fixed Deposit/Directors Loan	(102.85)	298.30
Proceeds from Term Loan/Repayment of Finance Liability	(1,620.07)	4,562.74
Interest paid	(782.20)	(884.76)
Net Cash used in Financing Activities	(2,505.12)	3,976.28
Net increase in Cash and Cash equivalents	63.47	(281.38)
Opening balance of Cash and Cash equivalents	94.64	376.02
Closing balance of Cash and Cash equivalents	158.11	94.64

Note : Figures in () denote Cash Outgo

As per our report of even date
for M.SHARAN GUPTA & CO.
Chartered Accountants
Firm Registration No. 06430N

S.K. JADIA
Chief Financial Officer
(M. No. FCA093337)

A.K. JAIN
Company Secretary
(M. No. FCSS826)

Directors :
Onke Aggarwal (DIN : 00141124)
Hemantpat Singhania (DIN : 00141096)
R.C. Sharma (DIN : 00023274)
Radhika Viswanathan
Hoon (DIN : 06436444)
Ajit Hoon (DIN : 00540300)

M.S. GUPTA
Proprietor
Membership No. 084721
Place : New Delhi
Date : 26th May, 2018

VIVEK VISWANATHAN
Joint Managing Director
(DIN : 00141053)

RAJAT LAL
Managing Director
(DIN : 00112489)



SIR SHADI LAL ENTERPRISES LIMITED

SIR SHADI LAL ENTERPRISES LIMITED

CIN L51909DL1933PLC009509

Regd. Office : 4-A, Hansalaya, 15, Barakhamba Road, New Delhi-110 001

PROXY FORM

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

DP ID *	Ledger Folio No.	
Client ID*	No. of Share(s) held	

Name of the member (s)		Email ID	
Registered Address		Folio	
		DP ID/Client ID	

1. Name :
 Address:
 Email Id :
 Signature : (, or failing him)

2. Name :
 Address:
 Email Id :
 Signature : (, or failing him)

3. Name :
 Address:
 Email Id :
 Signature : (, or failing him)

As my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 84th Annual General Meeting of the company, to be held on Monday, the 24th day of September. 2018 at 11.00 A.M., at PHD House, 4/2 Siri Institutional Area, August Kranti Marg, Opposite Asian Game Village, New Delhi-110016 and at any adjournment thereof in respect of such as are indicated below:

Resolution No.	Business	Vote	
		For	Against
1	Adoption of Financial Statements, Directors Reports and Auditors Reports.		
2	Re-appointment of Mrs. Radhika Vishwanathan Hoon, Director, who retires by rotation and being eligible, offers herself for re-appointment.		
3.	Re-appointment of Mr. Vivek Vishwanathan, Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Approval for appointment of Auditors and fixing their remuneration.		
5.	Approval for Remuneration of Cost Auditors for the Financial Year 2018-19.		
6.	Approval for re-appointment of Mr. Rahul Lal, as Executive Director.		
7.	Approval of related party transactions.		

Signed this _____ day of _____ 2018

Signature of Shareholder

Signature of Proxy holder (s)

Note :

- This form of proxy in order to be effective should be duly completed, signed, stamped and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting
- As provided under Regulation 44 of the SEBI Listing Regulations 2015, shareholder may vote either for or against each resolution.

Re. 1/-
Revenue
Stamp

**SIR SHADI LAL ENTERPRISES LIMITED**

CIN L51909DL1933PLC009509
Regd. Office : 4-A, Hansalaya, 15, Barakhamba Road, New Delhi-110001

ATTENDANCE SLIP

Folio No.	DP ID*	Client ID*	No. of Shares

* Applicable to Members holding shares in Electronic Form

I, _____ (Name of the Shareholder/Proxy) hereby record my presence at the 84th Annual General Meeting of the Company held on Monday, the 24th September, 2018 at 11.00 A.M. at PHD House, 4/2 Siri Institutional Area, August Kranti Marg, Opposite Asian Games Village, New Delhi-110 016.

Signature of Shareholder/Proxyholder

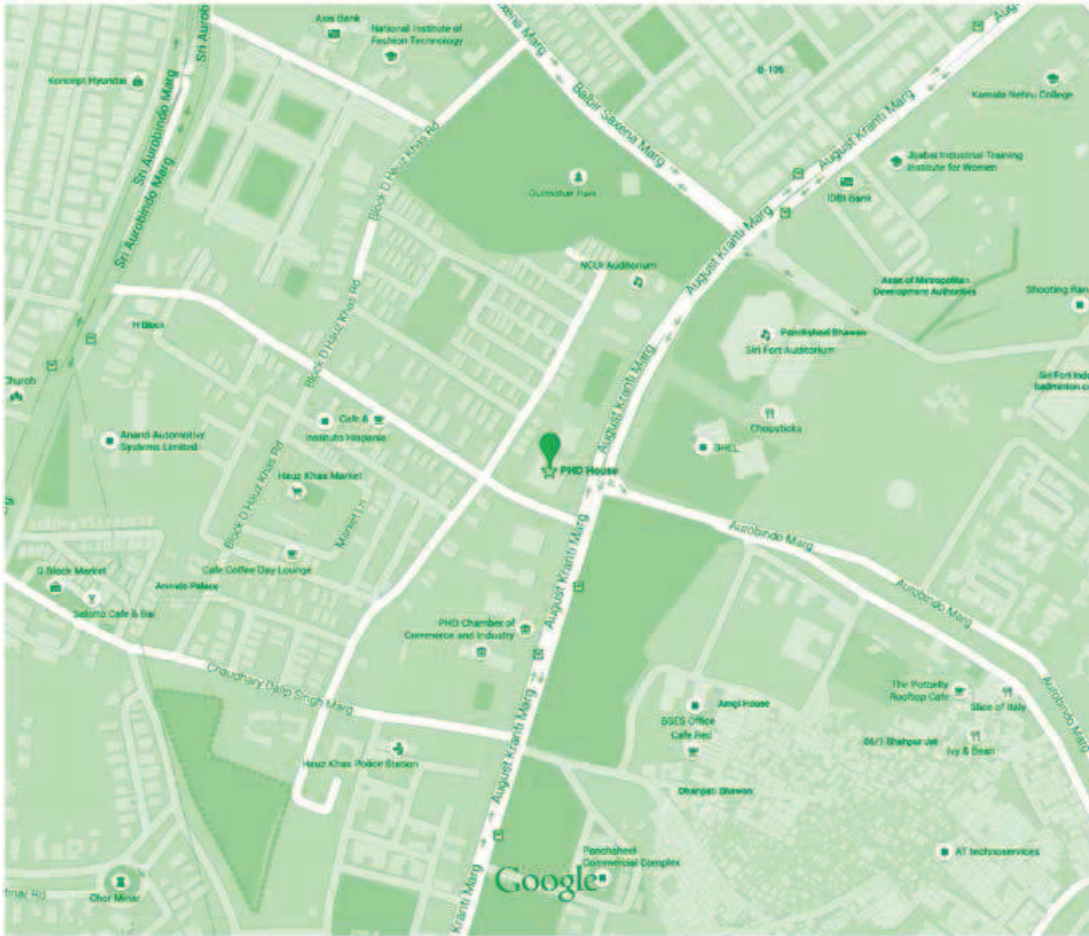
Note :

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Only shareholders of the company or their Proxies will be allowed to attend the meeting on production of the attendance slip duly completed and signed.



SIR SHADI LAL ENTERPRISES LIMITED

Google PHD House



Address :

P.H.D. HOUSE

**4/2, Siri Institutional Area,
August Kranti Marg,
Opposite Asian Games Village,
New Delhi - 110 016**