NIPPO

Indo National Limited

Dated 25th September 2018

1) B S E Limited
   Floor 1, 'Phiroze JeeJeebhoy Towers'
   Dalal Street
   Mumbai - 400 001

2) The Listing Department
   National Stock Exchange of India Ltd.
   "Exchange Plaza",
   Bandra-Kurla Complex, Bandra (E)
   MUMBAI – 400 051

Ref: Scrip Code: 504058 / ISIN: INE567A01010 / Symbol: NIPPOBATRY

Sub: Outcome of 45th Annual General meeting held on 24th September 2018 at 3.00 p.m.

Dear Sirs,

Further to our letter dated August 13, 2018 ,45th Annual General Meeting (AGM) of our company was concluded on 24th September 2018 at Sri P.Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai – 600 017 and enclosed the following documents for updation in website.

1. Annual Report for the financial year 2017-18.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Indo National Ltd

J. Srinivasan
Company Secretary

NIPPO

THE ENERGY POWERHOUSE

45th ANNUAL REPORT 2017 - 18


MAY THE POWER BE WITH YOU

INDO NATIONAL LIMITED

(CIN L31909TN1972PLC006196)

Registered Office: 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.
Corporate / Head Office: 'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street, Nungambakkam, Chennai - 600 006.

CONTENTS

INDO NATIONAL LIMITED

BOARD OF DIRECTORS	**N. Ramesh Rajan** Chairman
	P. Dwaraknath Reddy Managing Director
	R.P. Khaitan Joint Managing Director
	P. Aditya Reddy Joint Managing Director
	S. Obul Reddy
	Mrs. Lakshmmi Subramanian
CHIEF FINANCIAL OFFICER	**M. Sankara Reddy** (Upto 30th June, 2018) **M. Subramanyam** (From 1st July, 2018)
SECRETARY	**J. Srinivasan**
AUDITORS	**G Balu Associates LLP** 'Jammi Building', No.123, Royapettah High Road, Mylapore, Chennai - 600 004.
BANKERS	**Canara Bank** **MUFG Bank Ltd.** **DBS Bank Ltd.** **HDFC Bank Ltd.**
REGISTERED OFFICE	No.609, Mount Road Lakshmi Bhavan IVth Floor Chennai – 600 006
CORPORATE / HEAD OFFICE	'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street Nungambakkam, Chennai - 600 006.
FACTORY	Tada Village Nellore District - 524 401. (Andhra Pradesh)

NOTICE

NOTICE is hereby given that the FORTY FIFTH ANNUAL GENERAL MEETING of INDO- NATIONAL LTD will be held at Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai-600 017 on Monday the 24th day of September, 2018 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. (a) To receive, consider and adopt the Directors Report, Audited Standalone Balance Sheet of the Company as at March 31, 2018 and the statement of Profit and Loss for the year ended that date together with the reports of the Auditors thereon.

   (b) To receive, consider and adopt the Audited Consolidated financial Statements of the company for the financial year ended 31st March 2018 together with Report of Auditors thereon.

2. To declare a Dividend on equity shares.

3. To appoint a Director in the place of Mr. P. Dwaraknath Reddy (DIN:00277929), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.

4. To appoint a Director in the place Mr. R.P. Khaitan (DIN:00015801), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.

5. To appoint a Director in the place of Mr. P. Aditya Reddy (DIN:00482051), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.

6. To appoint a Director in the place of Mr. S. Obul Reddy (DIN:00027829), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

7. To re-appoint Mr.P. Dwaraknath Reddy (DIN:00277929) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   Resolved that in accordance with the provisions of Sections 196, 197 and 198 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), on the basis of recommendation of Nomination and Remuneration Committee and approval of the board the consent of the Company be and is hereby accorded to the re-appointment of Mr. P. Dwaraknath Reddy (DIN:00277929) as Managing Director of the Company, for a period of one year with effect from 1st October 2018, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. P. Dwaraknath Reddy (DIN:00277929), subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

   Resolved further that Remuneration and other perquisites payable to Mr. P. Dwaraknath Reddy (DIN:00277929) Managing Director of the Company be and is hereby accorded for a period of one year with effect from 01st October 2018 to 30th September, 2019.

   Further resolved that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr. P. Dwaraknath Reddy

(DIN:00277929) Managing Director of the Company be paid minimum remuneration and perquisites in case of absence or inadequacy of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Schedule V to the Companies Act,2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

8. To re-appoint Mr. R.P. Khaitan (DIN:00015801) as Joint Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution.**

Resolved that in accordance with the provisions of Sections 196, 197 and 198 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), on the basis of recommendation of Nomination and Remuneration Committee and approval of the board the consent of the Company be and is hereby accorded to the re-appointment of Mr. R.P. Khaitan (DIN:00015801) as Joint Managing Director of the Company, for a period of one year with effect from 1st October 2018, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. R.P. Khaitan, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Resolved further that Remuneration and other perquisites payable to Mr. R.P. Khaitan, (DIN:00015801) Joint Managing Director of the Company be and is hereby accorded for a period of one year with effect from 01st October 2018 to 30th September, 2019.

Further resolved that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr. R.P. Khaitan (DIN:00015801), Joint Managing Director of the Company be paid minimum remuneration and perquisites in case of absence or inadequacy of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

9. To re-appoint Mr. N. Ramesh Rajan as an independent director (DIN NO:01628318) and in this regard, pass the following resolution as a **Special Resolution**.

Resolved that pursuant to the provisions of section 149 and 152 read with schedule IV and other applicable provisions, if any, of the Companies Act 2013, and the Companies (Appointment and Qualification of Directors) Rules 2014, and the applicable provisions of the SEBI (LODR) Regulations 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. N. Ramesh Rajan (DIN NO:01628318) who was appointed as an Independent Director and who holds office as an Independent Director up to 06th May 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years up to 06th May 2024 on such terms as given in the Explanatory Statement attached hereto.

10. To re-appoint Mrs.Lakshmmi Subramanian as an independent director (DIN NO:00001439) and in this regard, pass the following resolution as a **Special Resolution**.

Resolved that pursuant to the provisions of section 149 and 152 read with schedule IV and other applicable provisions, if any, of the Companies Act 2013, and the Companies (Appointment and Qualification of Directors) Rules 2014, and the applicable provisions of the SEBI (LODR) Regulations 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs.Lakshmmi Subramanian (DIN NO:00001439) who was appointed as an Independent Director and who holds office as an Independent Director up to 16th July 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years up to 16th July 2024 on such terms as given in the Explanatory Statement attached hereto.

11. To approve the remuneration of the Cost Auditor for the financial year ending March 31,2019 and in this regard to consider and if thought fit to pass the following resolution as ordinary resolution.

    Resolved that pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act,2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) Mr. P. Raju Iyer, Cost accountant appointed by the Board of Directors of the Company on the recommendations of the audit committee be paid the remuneration of Rs.50,000/- plus out of pocket expense to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019.

    Resolved further that the Board of directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary proper or expedient to give effect to this resolution.

For and on behalf of the Board of Directors
For Indo National Ltd

Place: Chennai
Date : 10th August, 2018

N. Ramesh Rajan
Chairman
(DIN:01628318)

NOTES:

1. The Explanatory Statement as per the provisions of section 102 of the Companies Act, 2013 in respect of the items of the Special Business as set out above is annexed.
2. A member entitled to attend and vote at this annual general meeting may appoint a proxy to attend and vote on his behalf. Such a proxy need not be a member of the company. Proxies, in order to be effective, must be received at the Registered/ Corporate Office of the company not less than Forty–Eight hours before the commencement of the meeting.
3. The requirement relating to ratification of appointment of Statutory Auditors by members at every Annual General Meeting is done away with Notification issued by MCA, New Delhi. Accordingly no resolution is proposed for ratification of appointment of Auditors, who was appointed in the Annual General Meeting, held on 25th September 2017.
4. Pursuant to Section 105 of the Companies Act, 2013 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.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September, 2018 to 24th September, 2018 (Both days inclusive).
6. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administraiton) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has

appointed Mr. M. Damodaran of M.Damodaran & Associates, Practicing Company Secretaries, Chennai as Scrutinizer.

The procedure and instructions for e-voting are as under:

i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.

ii) Now click on "Shareholders" to cast your votes.

iii) Now, select the "Company Name" from the drop down menu and click on "SUBMIT".

iv) Now, fill up the following details in the appropriate boxes:

User ID	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 digits Client ID b) For CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- •Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name.

Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. Incase both the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

v) After entering these details appropriately, click on "SUBMIT" tab.

vi) Members holding shares in Physical form will then reach directly to the voting screen.

vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

ix) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

x) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.

xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.

xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiv) Institutional members (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 at secretarial@mdassociates.co.in with a copy marked to helpdesk.evoting@cdslindia.com.

xv) In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.

xvi) The e-voting period commences on Friday the 21st September, 2018 at 9.00 am and ends on Sunday, the 23rd September, 2018 at 5.00 p.m.

xvii) During this period members holding shares in physical or dematerialized form as on 17th September, 2018 may cast their vote electronically. The e-voting module shall be displayed by CDSL for voting thereafter.

xviii) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on 17th September, 2018.

xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

7. The Dividend upon its declaration at the meeting will be paid to those members, whose names stand in the Register of Members as on 24th September, 2018. The said dividend will be paid on 3rd October, 2018. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and CDSL for this purpose.

8. Members holding shares in electronic mode may please note that the dividend payable to them would be paid through Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their Depository Participants (DPs). In absence of availability of ECS facility, the dividend will be paid through warrants and the bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.

9. In respect of shares held in physical form, members desirous of receiving dividends by way of direct credit to their bank accounts through ECS may authorize the Company with their ECS mandate. The Shareholders desirous of obtaining the ECS mandate may

download the form from the website of the company at www.nippobatteries.com or may write to the company secretary at the Registered Office of the Company.

10. Members holding shares in physical form are requested to notify change of address immediately to the Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai - 600 002 for the purpose of mailing Dividend Warrants etc. As per SEBI circular, members holding shares in physical form and in case of transfer of shares means, the Transfer Deed should contain PAN of both Transferor and Transferee.

11. The shares of the company have been activated for dematerialisation with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL) vide ISIN INE567A01010. Members wishing to dematerialise their shares may approach any Depository Participant (DP).

12. Kindly mention your Folio Number/PAN NO/ Client ID/DPID Number(in case of shares held in electronic form) in all your correspondence to Share Transfer Agents and in the case of electronic form to the Depository Participant in order to reply to your queries promptly.

13. Pursuant to Section 124 of the Companies Act, 2013, an amount of Rs.6,89,900/- remaining unclaimed out of the dividend for the year 2009-10 was transferred to the Investor Education and Protection Fund constituted by the Central Government on 30th August 2017.

    Pursuant to MCA notification dated 10th May 2012, IEPF (uploading of information regarding unpaid and unclaimed amount lying with companies) Rules 2012, the Company has uploaded the information in respect of the unclaimed dividend from the financial year 2010-11 onwards as on the date of Annual General Meeting held on 25th September 2017 on the website of the IEPF and on the website of the Company.

    As per IEPF Authority (Accounting, Audit, Transfer and Refund) Rules 2016, as amended from time to time, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the shareholder for 7 years, to the Demat Account of the IPEF Authority. The Company has transferred such shares in respect of which dividend for the Financial Year 2010, has not been claimed, to the Demat Account of the IEPF Authority. The members, whose shares and un claimed dividend etc., have been transferred to the fund may claim or apply for refund to the IEPF Authority in form IEPF-5.In terms of SEBI Listing Regulations, till such time claim is made, voting rights on such shares remain frozen. Since only one consolidated claim from IEPF authority is allowed in a year members are requested to file proper form with evidence to make a claim.

14. Members seeking any information or clarification with regard to the accounts are requested to write to the Company atleast ten days in advance of the meeting so as to enable the Company to keep the information ready.

15. Members who hold shares in demat form are requested to notify any change in their particulars like change in address, bank particulars etc. to their respective Depository Participants.

16. The Ministry of Corporate Affairs vide its circular dated 21st April 2011 allowed the companies to send notices, annual reports and other documents by means of e-mail to the members of the Company. Hence members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with the Company/ Registrar.

17. Pursuant to provisions of Section 72 of the Companies Act, 2013, Members can avail of the facility of nomination in respect of shares held by them in physical form. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Company's Registrar and Share Transfer Agent: Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club

House Road, Chennai - 600 002. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

18. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

19. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE FORTY FIFTH ANNUAL GENERAL MEETING OF THE COMPANY AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.7

As per the provisions of Sections 196,197 and 198 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, The Board of Directors of the Company (the 'Board'), at its meeting held on 10th August 2018 has, subject to the approval of members, re-appointed Mr. P. Dwaraknath Reddy as Managing Director, for a period of one year with effect from 01st October 2018 and approved the remuneration recommended by the Nomination and Remuneration Committee of the Board for a period of one year with effect from 01st October 2018.

It is proposed to seek the members' approval for the appointment of and remuneration payable to Mr. P. Dwaraknath Reddy as Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of appointment of and remuneration payable to Mr. P. Dwaraknath Reddy is as under:

(a) Salary, Perquisites and Allowances per annum:

Salary : Rs.60 lacs (Rs.5 lacs per month)

Commission : 1% of the net profits of the Company.

Perquisites:

Medical Reimbursement: Reimbursement of expenses actually incurred for self and family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

Leave Travel Concession: For self and family once in a year as per the rules of the Company.

Club Fees: Fees of clubs subject to a maximum of two clubs, admission and life membership not being allowed.

Personal accident insurance: Annual premium payable as per the policy of the Company.

Company's contribution towards Provident Fund: Not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.

Company's contribution to Superannuation / Annuity Fund: Not exceeding 15% of the salary as laid down under the Income Tax Rules, 1962.

Gratuity: One full month's salary for each completed year of service.

Encashment of leave at the end of tenure as per the rules of the Company.

Car: For use of Company's business. Use of car for private purposes shall be billed by the Company to Mr. P. Dwaraknath Reddy.

Telephone: Telephone facility at residence. Personal long distance calls shall be billed by the Company to Mr. P. Dwaraknath Reddy.

(b) General:

(i) The Managing Director will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and confirm to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) The Managing Director shall act in accordance with the Articles of

Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(iii) The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

(iv) The Managing Director of the company, in addition to oversee the day to day affairs of the Company, shall perform his respective duties with regard to the decisions concerning purchase, sales, pricing, marketing, publicity, selling and distribution of the Company's products all over India. He shall be the final deciding authority with respect to the aforesaid matters. He is entrusted with substantial powers of management of the affairs of the Company.

Mr. P. Dwaraknath Reddy satisfy 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 Directors 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 Mr. P. Dwaraknath Reddy and under Section 190 of the Act.

Mr. P. Dwaraknath Reddy is interested in the resolution set out respectively at Item No. 7 of the Notice, which pertain to his re-appointment and remuneration payable to him.

The relatives of Mr. P. Dwaraknath Reddy may be deemed to be interested in the resolution set out respectively at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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 these resolutions.

The Board recommends the Ordinary Resolution for re-appointment of Mr. P. Dwaraknath Reddy as Managing Director of the Company for the approval of members.

ITEM NO.8

The Board recommends the appointment of Mr. R. P. Khaitan, having experience of more than 55 years in battery industry, as Joint managing director of the company for a period of one year.

As per the provisions of Sections 196, 197 and 198 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, the Board of Directors of the Company (the 'Board'), at its meeting held on 10th August, 2018, has, subject to the approval of members, re-appointed Mr. R.P. Khaitan as Joint Managing Director, for a period of 1 year with effect from 01st October 2018 and approved the remuneration recommended by the Nomination and Remuneration Committee of the Board for a period of one year with effect from 01st October 2018 from the expiry of his present term, which will expire on 30th September 2018.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. R.P. Khaitan as Joint Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. R.P.Khaitan is as under:

(a) Salary, Perquisites and Allowances per annum:

Salary : Rs.60 lacs (Rs.5 lacs per month)

Commission : 1% of the net profits of the Company.

Perquisites:

Medical Reimbursement: Reimbursement of expenses actually incurred for self and family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

Leave Travel Concession: For self and family once in a year as per the rules of the Company.

Club Fees: Fees of clubs subject to a maximum of two clubs, admission and life membership not being allowed.

Personal accident insurance: Annual premium payable as per the policy of the Company.

Company's contribution towards Provident Fund: Not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.

Company's contribution to Superannuation / Annuity Fund: Not exceeding 15% of the salary as laid down under the Income Tax Rules, 1962.

Gratuity: One full month's salary for each completed year of service.

Encashment of leave at the end of tenure as per the rules of the Company.

Car: For use of Company's business. Use of car for private purposes shall be billed by the Company to Mr. R.P. Khaitan.

Telephone: Telephone facility at residence. Personal long distance calls shall be billed by the Company to Mr. R. P. Khaitan.

(b) General:

(i) The Joint Managing Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(ii) The Joint Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

(iii) Managing Director (MD) & Joint Managing Director (JMD) will jointly decide the role of Joint Managing Director of the Company. In case of any diverse views, the view of the MD shall prevail. From time to time, JMD will appraise MD about the progress of the work and will act & operate in accordance with the guidance and on information received from MD.

Mr. R.P. Khaitan satisfy 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 Directors 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 Mr. R.P. Khaitan as Joint Managing Director of the Company under Section 190 of the Act.

Mr.R.P. Khaitan is interested in the resolution set out respectively at Item No. 8 of the Notice, which pertain to his re-appointment and remuneration payable to him.

The relatives of Mr.R.P. Khaitan may be deemed to be interested in the resolution set out respectively at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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 these resolutions.

The Board recommends the Special Resolution for appointment of Mr. R.P. Khaitan as Joint Managing Director of the Company, for the approval of members.

ITEM NO.9

Mr. N. Ramesh Rajan (DIN NO:01628318) was appointed as an Independent Director of the Company and he holds office as an independent director of the Company up to 06th May 2019 (first term).

The Nomination and remuneration committee, on the basis of report of performance evaluation, has recommended re-appointment of Mr. N. Ramesh Rajan, as an independent director for a second term of 5 consecutive years on the board of the company.

The Board based on the performance evaluation and as per the recommendation of the Nomination and remuneration committee, the continued association of Mr. N.Ramesh Rajan would be immense beneficial to the company and it is desirable to continue to avail his service as an Independent Director. Accordingly it is proposed to re-appoint Mr. N. Ramesh Rajan as an Independent Director of the Company, not liable to retire by rotation for a second term of 5 consecutive years.

The Company had received declaration from Mr. N. Ramesh Rajan that he meets the criteria of independence as prescribed both under section 149 (6) of the companies act and under SEBI (LODR) Regulations 2015. Mr. N. Ramesh Rajan is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act 2013 and has given his consent to act as a Director.

The draft letter of appointment contains terms and conditions, of Mr. N. Ramesh Rajan as an Independent Director are available for inspection by the members of the company.

Mr. N. Ramesh Rajan shall be paid remuneration by way of fee for attending board meeting or committees thereof, reimbursement of expenses for participating meeting and commission within the limits as specified under section 197 of the Companies Act, 2013.

Mr. N. Ramesh Rajan is interested in this resolution set out at item no.9 of the notice with regard to his re-appointment . None of the directors / key managerial personnel are in any way concerned or interested in the resolution.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr.N.Ramesh Rajan as an Independent Director of the Company under Section 190 of the Act.

The Board recommends the special resolution set out at Item No.9 of the notice for approval by members.

ITEM NO:10

Mrs.Lakshmmi Subramanian (DIN NO:00001439) was appointed as an Independent Director of the Company and she holds office as an independent director of the Company up to 16th July 2019 (first term).

The Nomination and remuneration committee, on the basis of report of performance evaluation, has recommended re-appointment of Mrs.Lakshmmi Subramanian, as an independent director for a second term of 5 consecutive years on the board of the company.

The Board based on the performance evaluation and as per the recommendation of the Nomination and remuneration committee, the continued association of Mrs.Lakshmmi Subramanian would be immense beneficial to the company and it is desirable to continue to avail her service as an Independent Director. Accordingly it is proposed to re-appoint Mrs.Lakshmmi Subramanian as an Independent Director of the Company, not liable to retire by rotation for a second term of 5 consecutive years.

The Company had received declaration from Mrs.Lakshmmi Subramanian that she meets the criteria of independence as prescribed both under section 149 (6) of the companies act and under SEBI (LODR) Regulations 2015. Mrs.Lakshmmi Subramanian is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act 2013 and has given her consent to act as a Director.

The draft letter of appointment contains terms and conditions, of Mrs. Lakshmmi Subramanian as an Independent Director are available for inspection by the members of the company.

Mrs. Lakshmmi Subramanian shall be paid remuneration by way of fee for attending board meeting or committees thereof, reimbursement of expenses for participating meeting and commission within the limits as specified under section 197 of the Companies Act, 2013.

Mrs. Lakshmmi Subramanian is interested in this resolution set out at item no. 10 of the notice with regard to her re-appointment. None of the directors / key managerial personnel are in any way concerned or interested in the resolution.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mrs. Lakshmmi Subramanian as an Independent Director of the Company under Section 190 of the Act.

The Board recommends the special resolution set out at Item No.10 of the notice for approval by members.

ITEM NO.11

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the members.

On recommendation of the Audit Committee the Board has considered and approved appointment of Mr. P. Raju Iyer, Cost accountant (Registration No.102146), for the conduct of the Cost Audit of the Company at a remuneration of Rs.50,000/- plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2019.

The resolution of Item No.11 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.11.

For and on behalf of the Board of Directors
For Indo National Ltd

Place: Chennai
Date: 10th August 2018

Chairman
(DIN: 01628318)

ADDITIONAL INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED

FOR THE ITEM NOS.3 to 10 AS PER REGULATION 36(3) OF SEBI LODR 2015 AND AS PER CLAUSES OF SS 2

S.No. 1.	Name of the Appointee	**Mr. P. Dwaraknath Reddy**	**Mr. R.P. Khaitan**	**Mr. P. Aditya Reddy**	**Mr. S. Obul Reddy**	**Mrs. Lakshmmi Subramanian**	**Mr. N. Ramesh Rajan**
2.	Age	65 Yrs	70 Yrs	34 Yrs	56 Yrs	59 Yrs	61 Yrs
3.	Qualification	B.Com	B.Com. (Hons)	B.S (Bachelor of Science) in International Relations from Lewis Clark College, Portland, USA	B.Com., B.L	B.Com., F.C.S.	B.Com., FCA
4.	Experience	46 Yrs	48 Yrs	10 Yrs	26 Yrs	30 Yrs	37 Yrs
5.	Expertise in specific functional area	Pl. refer explanatory statement - Item No.7	Pl. refer explanatory statement Item No.8	Aerospace and Defence	Corporate finance, legal and general management	Expertise in mergers, de-mergers, acquisitions and takeovers, extensive knowledge in all Company Law matters, Stock Exchange Regulations, FEMA, SEBI Act and Regulations. *Experienced in handling litigations and legal cases, appearances before SEBI, RBI, NCLT and other statutory authorities. * Acting as arbitrator in litigation matters; and * Expertise in handling IPO, due deligences and providing complete corporate solutions.	Served as Audit Engagement partner/ Country Relationship partner for several Multinational & Domestic clients. Led several large due diligence Engagements & Risk Advisory engagements.
6.	Shareholding in the company	1653695	69049	6	Nil	Nil	Nil
7.	Relationship with other Directors and KMP	Father of Mr. P. Aditya Reddy, Joint Managing Director of the Company	NA	Son of Mr. P. Dwaraknath Reddy Managing Director of the Company	NA	NA	NA
8.	Other directorship	1) PDR Investments Private Ltd	1) Radiohms Properties Private Ltd.	1) Helios Strategic Systems Ltd.	1) Apollo Nellore Hospitals Ltd.	1) Dynavision Limited	TTK Healthcare Limited
		2) Sindya Securities and Investments Private Ltd.	2) RAL Consumer Products Ltd.	2) Kineco Limited	2) Emedlife Insurance Broking Services Ltd.	2) PCR Investments Limited	
		3) Iris KPO Resourcing (India) Pvt Ltd.	3) Glide International Private Limited	3) Kalpatharu Infrastructure Development Company P. Ltd	3) PCR Investments Ltd.		
		4) Obul Reddy Investments P Ltd.	4) Video Electronics Private Limited	4) P.D.R. Investments Pvt. Ltd.	4) Apollo Rajshree Hospitals P Ltd.		
		5) Helios Holdings Pvt. Ltd.	5) Manya Education Private Limited	5) Sindya Securities and Investment Private Ltd	5) Apollo Mumbai Hospital Ltd.		

		Mr. P. Dwaraknath Reddy	Mr. R.P. Khaitan	Mr. P. Aditya Reddy	Mr. S. Obul Reddy	Mrs. Lakshmmi Subramanian	Mr. N. Ramesh Rajan
		6) Helios Strategic Systems Ltd.	6) Jhaveri Properties Private Ltd.	6) Helios Holdings Pvt. Ltd.	6) Vasumati Spinning Mills Pvt Ltd.		
		7) Garuda Energy Pvt. Ltd.		7) Kalpatharu Enterprises Pvt Ltd.	7) Sindya Infrastructure Devt. Co. Pvt. Ltd.		
		8) Viswambhara Power Pvt.Ltd.		8) Kineco Kaman Composites India P.Ltd.	8) Kineco Limited		
				9) Apollo Telemedicine Networking Foundation	9) Indian Hospitals Corporation Ltd.		
				10) Obul Reddy Investments (P) Ltd.	10) Apollo Pharmacies Ltd.		
				11) Hrisheeka Solar Power Pvt. Ltd.	11) Apollo Health Resources Ltd.		
					12) KEI-RSOS Petroleum and Energy Pvt. Ltd.		
9.	Membership / Chairman of Committees of other Board				<u>Indian Hospitals Corporation Ltd:</u> 1. Audit Committee - Member 2. Nomination and Remuneration Committee - Member 3. Risk Management Committee - Member	<u>Dynavision Limited</u> 1. Audit Committee - Member 2. Nomination and Remuneration Committee - Member	
					<u>PCR Investments Limited:</u> 1. Audit Committee - Member 2. Nomination and Remuneration Committee - Member 3. Corporate Social Responsibility (CSR) Committee - Member 4. Risk Management Committee - Member	<u>PCR Investments Limited:</u> 1. Audit Committee - Chairman 2. Nomination and Remuneration Committee - Chairman 3. Corporate Social Responsibility (CSR) Committee - Chairman	

DIRECTORS' REPORT

for the year ended March 31, 2018

Your Directors have pleasure in presenting the Forty Fifth Annual Report of your Company together with the Audited Balance Sheet as at March 31, 2018, the Statement of Profit & Loss for the year ended that date and the Auditors' Report thereon.

FINANCIAL RESULTS

The profit before tax for the year under review is at Rs.21.03 Crores as against Rs.20.91 Crores in the previous year. The financial results for the year 2017-18 as compared with the previous year are summarized as under :

	2017-18 (Rs. in crores)	2016-17 (Rs. in crores)
Profit Before Tax and Depreciation	36.93	37.59
Less : Depreciation for the year	5.77	5.24
Profit Before Tax	31.16	32.35
Provision for tax including Deferred tax	10.13	11.44
Profit after Tax	21.03	20.91
Add : Surplus in P&L Account brought forward	18.94	16.28
Sub - Total	39.97	37.19

Your Directors recommend the following appropriations :

Less : APPROPRIATION		
General Reserve	15.00	7.00
Proposed Dividend	9.38	9.38
Tax on proposed dividend	1.90	1.87
Surplus in P&L A/c carried forward	13.69	18.94
Total	39.97	37.19

REVIEW OF PERFORMANCE

DRY CELL BATTERIES

The Dry Cell Battery Industry as a whole was affected due to import of poor quality batteries from China, digitalization of gadgets and de-stocking of volume by trade distribution channels. In terms of battery category wise, sale of "D" size continues to drop year on year over 23%, "AA" varieties drop by 14% and "AAA" verities continues to be fastest growing category of batteries in India. Your Company's production quantity had decreased from 618 million pieces to 521 million pieces. The sales quantity also decreased from 625 million pieces to 542 million pieces. In terms of value, your Company had registered a turnover of Rs.275.80 crores as against Rs.318.64 crores in the previous year. (Net of GST)

LIGHTING PRODUCTS

The sales volume of flashlight and other lighting products had decreased from 40.90 lakhs pieces to 26.07 lakhs pieces as compared to the previous year. In LED product category (bulbs, fixtures, tube lights, etc.,) your company expects to grab sizable market share in coming years which will improve both top and bottom line of the financials of the company.

DIVIDEND

Your Directors recommends a dividend of Rs.20/- per share (200%) for the year 2017-18. This Dividend, if approved, will be paid to the Shareholders whose names appear on the Register of Members as on 24th September, 2018. The company intends to pay the dividend on 3rd October, 2018.

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

SUBSIDIARIES, CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the consolidated financial statements pursuant to section 129(3) of the Companies Act 2013 and SEBI (LODR) Regulations 2015.

During the year your company,through its wholly owned subsidiary M/s. Helios Strategic Systems Ltd (HSSL),had invested Rs.8 crores in Cumulative Optionally Redeemable Preference shares issued by Kineco Limited a step one subsidiary of your company. HSSL is also entitled to appoint majority of the Board of directors in Kineco Limited.

The consolidated financial statement have been prepared by the company in accordance with the Accounting Standards prescribed by the ICAI in this regard. The Audited Consolidated Financial Statements together with Auditor's Report form part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remarks.

Your Company's subsidiary, M/s. Kineco Ltd., registered a consolidated turnover for the year 2017-18 amounts to Rs.118.48 crores as against Rs.61.33 crores in the previous year 2016-17. Total comprehensive income for the year amounts to Rs.13.00 crores as against Rs.3.17 crores in the previous year. The total comprehensive income attributable to owners of the company for the year amouns to Rs.8.42 crores as against Rs.2.46 crores in the previous year.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries, Associates and Joint Ventures in Form AOC-1 is attached to the financial statements of the Company. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of the subsidiaries are available on the website of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under SEBI (LODR) Regulations 2015 is presented in a separate section forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) they have selected such accounting policies and applied them consistently and made judgements 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 profit of the Company for the year ended on that date;

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

d) they have prepared the annual accounts on a 'going concern' basis;

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

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

CORPORATE GOVERNANCE

A separate report on Corporate Governance along with Auditors' Certificate on its compliance is attached as Annexure - "B" to this report.

RELATED PARTY TRANSACTIONS

As per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.nippobatteries.com.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

All Related Party Transactions are placed before the Audit Committee as well as Board for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/ or entered in the Ordinary Course of Business and are at Arm's Length.

There were no contract / arrangement / transactions entered in to during the year ended March 31, 2018 which were not at arm's length basis.

All the material related party transitions exceeding ten percent of the annual consolidated turnover as per the last audited financial statement / other related party transactions were entered during the year by the company are disclosed in accordance with section 134 (3) (h) of the Companies Act, 2013, in form AOC 2 as per Annexure - "C" of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR committee comprises Mr.N.Ramesh Rajan, Chairman, Mr. S.Obul Reddy, and Mr. P.Aditya Reddy as other members.

The Board has laid out the Company's policy on corporate social responsibility (CSR), and the CSR activities of the Company are carried out as per the instructions of the committee. The Committee also monitors the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. During the year, the Company has spent 2% of its average net profits for the three immediately preceding financial years on CSR activities.

The financial data / Annual Report pertaining to the Company's CSR activities for the financial year 2017-2018 is presented in the prescribed format in Annexure-"D"to the Board Report.

The CSR Policy is available on our website www.nippobatteries.com.

RISK MANAGEMENT

The Board has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in overseeing that all the risks that the organization faces such as strategic, financial, credit, market, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Company regularly updates to committee on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

DIRECTORS

In accordance with the Articles of Association of the Company Mr. P. Dwaraknath Reddy will retire by rotation at this ensuing Annual General Meeting. He being eligible, offer himself for re-appointment.

In accordance with the Articles of Association of the Company Mr. R.P. Khaitan will retire by rotation at this ensuing Annual General Meeting. He being eligible, offer himself for re-appointment.

In accordance with the Articles of Association of the Company Mr. P. Aditya Reddy will retire by rotation at this ensuing Annual General Meeting. He being eligible, offer himself for re-appointment.

In accordance with the Articles of Association of the Company Mr.S. Obul Reddy will retire by rotation at this ensuing Annual General Meeting. He being eligible, offer himself for re-appointment.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has reappointed Mr. N. Ramesh Rajan as an Independent Director of the company for a second term of 5 consecutive years on the expiry of his current term of office.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has reappointed Mrs. Lakshmmi Subramanian as an Independent Director of the company for a second term of 5 consecutive years on the expiry of her current term of office.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

Information about all the Directors proposed to be re-appointed is furnished in the Explanatory Statement under Section 102 of the Companies Act, 2013 under the heading "Information about the Directors proposed to be re-appointed" attached to the Notice of the ensuing Annual General Meeting for your consideration.

Mr. M. Sankara Reddy, Chief Financial Officer of the Company, retires from the service effective from closing business hours of 30th June 2018 after long distinguished career spanning about 36 years in the Company. The Board of Directors wish to place on record their appreciation of service rendered by Mr. M. Sankara Reddy.

Pursuant to approval by the Audit Committee and recommendation by the Nomination and Remuneration Committee, Mr. M. Subramanyam has been appointed as the Chief Financial Officer and KMP of the Company (presently holding the position in the Company as President), with effect from 01st July 2018, a qualified Chartered Accountant, having more than 27 years' of experience in the areas of corporate finance, strategy – conceptualising, implementing and project implementation etc., The term of appointment is as per the service conditions applicable to the employees of the Company.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

As per Companies Act, 2013 and SEBI (LODR) Regulations 2015 mandates that the Board shall monitor and review the Board evaluation framework and a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.The Board subsequently evaluated its own performance, the working of its Committees and Independent Directors without participation of the relevant Director(s).

TRAINING OF INDEPENDENT DIRECTORS

To familiarize the strategy, operations and functions of our Company, the executive directors make presentations / orientation programme to non – executive independent directors about the company's strategy, operations, product and service offerings, markets, organization structure, finance, human resources, production facilities and quality and risk management. The appointment letters of Independent Directors has been placed on the Company's website at www.nippobatteries.com.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company had met during the year on 13th February, 2018 to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

MEETINGS OF THE BOARD

Four meetings of the Board of directors were held during the year. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PERSONNEL

Your Directors wish to place on record their appreciation for the dedication and hard work put in by the employees at all levels for the overall growth of your Company. Relations with the employees at Factory, Head office / Depots and other Branches were cordial during the year.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the information required in respect of employees of the Company, will be provided upon request. As per section 136 (1) of the Companies Act, 2013 the report and accounts are being sent to the members and others entitled thereto. Any member interested in inspecting or obtaining copy of the statement of particulars of employees being forms part of the Report may contact the Company Secretary at Registered Office during working hours and any member interested in obtaining such information may write to the company secretary and the same will be furnished on request.

REMUNERATION POLICY OF THE COMPANY

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance report, which forms part of the Board's Report. The objective of the Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

The particulars of loans, guarantees and investments under section 186 of the Act read with the Companies (Meetings of Board and its powers) Rules, 2014 for the financial year 2017-18 are given in the notes to the financial statements.

STATUTORY AUDITORS

M/s G. Balu Associates (Firm Registration No. 000376S/S-200073) have been appointed as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of Forty Fourth Annual General Meeting till the conclusion of the Forty Ninth Annual General Meeting of the Company. Further, the Auditors has confirmed their eligibility under Section 144 of the Companies Act, 2013 and the rules made there under. The Auditor's Report alongwith Notes to Accounts is self-explanatory and therefore does not call for any further explanations / comments. The Auditor's Report does not contain any qualifications, reservation and or adverse remarks.

COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014 the Company has appointed Mr. P. Raju Iyer, Practicing Cost Accountant, as the Cost Auditor of the Company for conducting the audit of cost records of the Company for the financial year ending 31st March 2019 subject to ratification of remuneration payable to him by the members of the Company at the ensuing Annual General Meeting of the Company. The Company hereby confirms that maintenance of Cost Accounts and Records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013.

SECRETARIAL AUDITOR

As required under Section 204 of the Companies Act, 2013 and Rules thereunder the Board has appointed M.Damodaran & Associates, Practising Company Secretaries as Secretarial Auditor of the company to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure – "F" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

WHISTLE BLOWER POLICY/VIGIL MECHANISIM

The Company has adopted a whistle blower policy/ Vigil mechanism that covers directors and employees of the Company to bring to the attention of the management any issues which is to be in violation or in conflict with the fundamental business principles of the Company. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express those concerns without fear of punishment or unfair treatment.

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics.

All the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy.

The Whistle Blower Policy is available on the website of the Company www.nippobatteries.com.

INTERNAL CONTROL SYSTEM AND INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded.

The Company has an established Internal Financial Control to cover internal controls over financial reporting and operating controls etc., The framework is reviewed regularly by the management and tested by internal audit team and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE, ETC.

Your Company has always been in the forefront of energy conservation. Several measures to conserve energy and to reduce the costs associated with it have been taken. The details regarding conservation of energy, foreign exchange, technology absorption including R & D efforts as required under Section 134 (3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in Annexure "A" to this Report. The Company has an in-house Research Development Department, where the main areas of focus are, Energy Conservation, Process upgradation and Environment Preservation. The Ministry of Science and Technology, Department of Scientific and Industrial Research, Government of India has recognized in-house R&D facilities of the Company.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return of the Company is annexed herewith as Annexure – "E" to this report.

STATEMENT PURSUANT TO SEBI (LODR) REGULATIONS 2015

The Company's Securities are listed with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company has paid the Annual Listing fees to all the Stock Exchanges.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

The Competition Commission of India (CCI), in a Suo Moto case relating to cartelization of Zinc Carbon dry cell batteries market in India, through its order dated 19th April 2018 imposed a penalty of Rs.42.26 Crs against the Company. The company had filed an appeal and stay application before the Hon. National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's Order and The Hon. NCLAT passed an order to stay the penalty with the direction of depositing 10% of the penalty amounts to Rs.4.22 Crs within 15 days with the Registry of the NCLAT. The Company had deposited Rs.4.22 Crs with Registry of NCLAT before the due date.

The company based on a legal opinion and considering the uncertainity relating to outcome of this matter no provision has been considered in the books of accounts. The company has been advised to show the amount of penalty under the head "contingent Liability" as per Ind As-37 and the same has been disclosed as contingent liability in the books of accounts.

There are no other significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company.

DISCLOSURE UNDER THE SEXUAL HARASMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an anti-sexual Harassment Policy as required under prevention of Sexual Harassment of Woman at workplace (Prohibition, Prevention and Redressal) Act 2013 and constituted an Internal Complaints Committee (ICC).Your Directors further states that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL

During the year under review

1. The Company had not issued equity shares with differential voting rights as to dividend, voting right or otherwise.
2. No fraud has been reported to the Audit committee or to Board by the Auditors of the Company.
3. There was no change in the share capital or the key managerial personnel of the Company.
4. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
5. Neither the Managing Director nor the Whole time Directors of the company receive any remuneration or commission from any of its subsidiaries.

ACKNOWLEDGEMENT

Your Directors thank the Central and State Governments and the Banks for their continued help and support.

Your Directors also thank the Authorised Wholesale Dealers, Stockiest and Retailers for their excellent support under difficult conditions and the Consumers for their continued patronage of your Company's products. Your Directors are especially thankful to the esteemed Shareholders for their continued encouragement and support.

For and on behalf of the Board of Directors
For Indo National Ltd

N. Ramesh Rajan
Chairman
(DIN:01628318)

Place: Chennai
Date: 10th August, 2018

Annexure "A" to Directors' Report

Information required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2018.

A. Conservation of Energy

Efforts are being made to control Energy cost wherever possible even though Energy cost forms only negligible proportion of total cost of manufacture of batteries. Energy conservation activities initiated earlier years based on Energy Audit has been continued during 2017 - 2018.

B. Technology Absorption
Research and Development (R & D)

(1) Specific areas in which R & D activities are carried out by the Company:

- a) New Products Development
- b) Finding alternate source of materials
- c) Import Substitution
- d) Development of improved designs
- e) Development of new products to suit consumer requirements

(2) Benefits derived as a result of the above R & D activities:

- a) Efficiency in usage of raw materials
- b) Cost Reduction
- c) Improvement in product quality
- d) Automatic and accurate testing of batteries
- e) Foreign exchange savings due to indigenisation efforts

(3) Future plan of action:

To continue indigenisation efforts and to further strengthen R & D activities for the purpose of cost reduction and quality improvements and for developing new products depending on market requirements.

(4) Expenditure on R & D (Rs. in Lakhs)

a) Recurring	15.50

b) Total R & D expenditure as a percentage of total turnover 0.05%

Technology absorption, adaptation, and innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

   Installation of sophisticated instrument for R & D, testing and process control measures. Technology has been fully absorbed and adapted for all types of Dry cell batteries.

2. Benefits derived as a result of the efforts, e.g: product improvement, cost reduction, product quality maintenance and import substitution etc.,

   (a) Improvement of designs.

   (b) Import Substitution.

   (c) Cost Reduction.

   (d) Product Quality Maintenance & Improvement.

   (e) New products development.

3. Imported Technology: Not Applicable (Imported during the last 5 years reckoned from the beginning of the financial year)

   (a) Technology imported.

   (b) Year of Import,

   (c) Has Technology been fully absorbed

C. Foreign Exchange Earnings and Outgo:

(1) Activities relating to Exports; we have taken initiatives to increase exports and developing of new export markets for products and services. At present no Exports are being made. However, continuous efforts are being made to procure Export orders.

(2) Total Foreign Exchange used and earned:

Total expenditure on Foreign Currency on imports of raw materials, components, capital goods, spare parts, travel and others amounts to Rs.2353.32 Lakhs as against Rs.2971.65 Lakhs for the previous year.

For and on behalf of the Board of Directors
For Indo National Ltd

N. Ramesh Rajan
Chairman
(DIN:01628318)

Place: Chennai
Date: 10th August, 2018

ANNEXURE 'B' TO DIRECTORS' REPORT - CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company provides its corporate governance system and its process:

Your company is in full compliance of the Corporate Governance principles enunciated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in terms of structure, composition of Board and its committees and other disclosure requirements.

The Company is regular in complying with the mandatory requirements of the Corporate Governance Code.

1) COMPANY'S PHILOSOPHY

Indo National Ltd. has always believed that Good corporate Governance is more a way of business life than a mere legal compulsion. Corporate Governance enhances the trust and confidence of all the stakeholders. Good practice in corporate behaviour helps to enhance and maintain public trust in companies and stock market. It is the application of best management practices, compliances of law in true letter and spirit and adherence to ethical standards for effective management discharge of social responsibilities for sustainable development of all stakeholders. In this pursuit, your Company's philosophy on Corporate Governance is lead by strong emphasis on transparency, fairness, independence, accountability and integrity. The Board of Directors of the Company is at the centre of the Governance system of the Company.

2) BOARD OF DIRECTORS

The composition of Board of Directors of the Company is in conformity with Regulation 17 of the SEBI Listing Regulations and section 149 of the Companies Act 2013. The Board of Directors comprises of Three Executive Directors, one Non-Executive Director and Two Independent / Non - Executive Directors. The Chairman of the Board is an Independent, Non-Executive Director. To be in line with the company's philosophy on Corporate Governance, all statutory subjects are placed before the Board to discharge its responsibilities as trustees of the shareholders.

The composition and category of Directors is as follows:-

Name	Category	Number of Directorships held in other Indian companies	Number of Board Committee memberships held in other companies	No. of Shares held in the company
Mr. P. Dwaraknath Reddy	Executive Director	8	None	1653695
Mr. R.P. Khaitan	Executive Director	6	None	69049
Mr. P. Aditya Reddy	Executive Director	11	None	6
Mr. S.Obul Reddy	Non-Executive Director	12	7	-
Mr. N. Ramesh Rajan	Independent Director	1	-	-
Mrs. Lakshmmi Subramanian	Independent Director	2	5	-

a. BOARD MEETINGS, ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETING AND THE LAST AGM:

During the year under review four Board Meetings were held and the gap between two Board meetings did not exceed four months. Among other things, key matters like periodic financial results, Company's Annual Stanalone / Consolidate Financial Statements, Auditor's report and Board's Report, diversify the business of the company, providing corporate guarantee / approval of investments in whollyowned subsidiary company / Terms of reference of Board Committees, capital/ operating budgets and risk management are brought to the Board. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

b. DATE OF BOARD MEETINGS:

26th May 2017, 17th August 2017, 5th December 2017 and 14th February 2018.

c. THE ATTENDANCE OF THE DIRECTORS AT THE BOARD MEETING / AGM HELD DURING THE YEAR ARE GIVEN BELOW :

Name of the Director	No. of Board Meetings Held during the tenure of the Director	No. of Board Meetings Attended	Last AGM attendance (Yes/No)
Mr. P. Dwaraknath Reddy	4	4	Yes
Mr. R.P. Khaitan	4	4	Yes
Mr. P. Aditya Reddy	4	4	Yes
Mr. S. Obul Reddy	4	3	Yes
Mr. N. Ramesh Rajan	4	4	Yes
Mrs. Lakshmmi Subramanian	4	4	Yes

3) AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's responsibilities, an Audit Committee has been constituted consisting majority being Independent Directors. The statutory/internal auditors are permanent invitees to the audit committee meetings. The functions of the Audit Committee include:

- Reviewing the adequacy of internal control systems and the internal audit reports, Internal Financial Control and their compliance thereof.
- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment of external auditors and fixation of their audit fee, and also approval for payment for any other services.
- Reviewing with Management the quarterly and annual standalone / consolidated financial statements before submission to the Board.
- Approval and subsequent modification and review of related party transactions, scrutiny of inter corporate loans and investments and statutory compliance etc.,
- Review of investment made by the unlised subsidiary, scrutiny of intercorporate loan and investments and review the functioining of whistle blower mechanism etc.,
- Approval of extension of Retirement age of CFO after assessing age, and experience etc.,
- Looks in to matters specifically referred by the Board of Directors.

During the year, four meetings were held one of which was before finalisation of accounts. The said meetings were held on 25th May 2017, 16th August, 2017, 4th December 2017, and 13th February 2018. The constitution of the Committee and the attendance of each member of the Committee as on March 31, 2018 are given below:

Name	Status	No. of meetings held	No. of meetings attended
Mr. N. Ramesh Rajan	Chairman	4	4
Mrs. Lakshmmi Subramanian	Member	4	4
Mr. S. Obul Reddy	Member	4	3

The Company Secretary acts as the secretary of the Audit Committee. Mr. N. Ramesh Rajan, Chairman of the Audit Committee was present at the 44th Annual General Meeting of the Company held on September 25, 2017.

4) STAKEHOLDER RELATIONSHIP AND SHARE TRANSFER COMMITTEE:

The Committee oversees share transfers and monitor investors' grievances such as complaints on transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. and redressal thereof within the purview of the guidelines set out in the listing agreement. The Committee also look into the matters of issue of duplicate share certificates, approval / reject application for re-materialisation, subdivision, consolidation transposition and thereupon issue of share certificates to the shareholders etc., The committee also monitors the implementation and compliance with the Company's Code of conduct for prohibition of Insider Trading.

No complaints of material nature were received during the year under review. As on 31st March 2018 no complaints were outstanding. The committee consists of the following Directors:

1. Mr. N. Ramesh Rajan, Chairman
2. Mrs. Lakshmmi Subramanian, Member
3. Mr. P. Dwaraknath Reddy, Member
4. Mr. R.P. Khaitan, Member

The Company Secretary is the Compliance Officer of the Committee. The company has created separate e-mail id (jsrinivasan@nippobatteries.com) for grievance redressal.

5) NOMINATION AND REMUNERATION COMMITTEE:

The main agenda of the committee is to identify persons who are qualified to become directors in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal. The committee also formulate the criteria for evaluation of independent directors and to determine the Company's policy on specific remuneration packages for Executive Directors and any compensation payments etc.,

1. Mrs. Lakshmmi Subramanian, Chairman
2. Mr. N. Ramesh Rajan, Member and
3. Mr. S. Obul Reddy, Member

The Company Secretary is the Compliance Officer of the Committee.

The details of remuneration paid to the Executive Directors for the financial year 2017-18 are given below:

(Rs. in lakhs)

Name & Designation	Salary	Perquisites	Total
Mr. P. Dwaraknath Reddy Managing Director	54.00	57.19	111.19
Mr. R.P. Khaitan Joint Managing Director	54.00	59.34	113.34
Mr. P. Aditya Reddy Joint Managing Director	60.00	57.72	117.72

During the year, one meeting was held on 16th August, 2017. The constitution of the Committee and the attendance of each member of the Committee as on March 31, 2018 are given below:

Name	Status	No. of meetings held	No. of meetings attended
Mrs. Lakshmmi Subramanian	Chairman	1	1
Mr. N. Ramesh Rajan	Member	1	1
Mr. S. Obul Reddy	Member	1	1

The Board of Directors shall decide the remuneration of Non-Executive/Independent Directors. The Non-Executive/Independent Directors are paid sitting fees of Rs.20,000/- each per meeting of the Board / Committee attended by them. Further commission upto one percent of the net profits of the Company in each Financial year for a period of three financial years commencing from the financial year ending March 31, 2017 is being paid to them in such a manner as determined by the Board of Directors of the Company. The Commission payable to each Non-Executive / Independent Directors for the financial year ending March 31, 2018 amounting to Rs.5,00,000/-. The sitting fees of Rs.4.41 lakhs for attending Board Meetings and Audit committee meetings were paid to Non-Executive/Independent Directors during the financial year 2017-2018. The Company has not granted any Stock Option to Non-Executive/Independent Directors. There is no differential accounting treatment followed in the Company during the Financial Year 2017-2018. There is no pecuniary relationship or transactions of Non-Executive / Executive / Independent Directors in the Company. The Non-Executive / Independent Directors are not holding any shares in the Company.

Nomination and Remuneration Policy:

The company has sound and transparent policy in determining and accounting for the remuneration of Executive/ Non-Executive/ Independent Directors. The payment of Remuneration to Executive directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board.

Your company recognizes the importance of human resource as its valuable assets and aligning the business objectives with specific measurable performance of individual objectives and targets.

This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013, Listing Agreement and SEBI (LODR) Regulations 2015 to pay equitable remuneration to the directors, KMPs and employees of the Company.

The objective and purpose of the Remuneration Policy is to determine qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and recommend to the Board policies relating to the remuneration of the directors, KMPs and other employees.It also ensures that recognition of performance encourages achieving better operational results.

The Nomination and Remuneration Committee recommends the remuneration/commission payable to Executive Directors which is approved by the Board of Directors, subject to the approval of shareholders, wherever necessary.

The Board will have the discretion to retain the Managing Director, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

6) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Board of Directors at its Meeting held on 7th May, 2014 constituted "Corporate Social Responsibility Committee" (CSR) as required under Section 135 of the Companies Act, 2013. The Committee comprises of three Members. The Chairman of the Committee is a Non – Executive and Independent Director.

The present Composition of the Committee is as under :

Name of Director	Designation in the Company	Status in the Committee
Mr. N. Ramesh Rajan	Independent Director	Chairman
Mr. P. Aditya Reddy	Joint Managing Director	Member
Mr. S. Obul Reddy	Director	Member

The committee's primary responsibility is to formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company.

The committee also monitors the implementation of the CSR policy and recommend the amount of expenditure to be incurred on CSR activities.

Three meetings of the committee were held during the year.

7) RISK MANAGEMENT COMMITTEE:

The Company has constituted the Risk Management Committee comprising of Mr. N. Ramesh Rajan as the Chairman and Mr. S. Obul Reddy, Director and Mr. M. Sankara Reddy, Chief Financial Officer and Mr. J. Srinivasan Company Secretary as members of the Committee.

The role of Risk Management Committee is as follows:

Implementation of Risk Management Systems and Framework;

Reviewing the Company's financial and risk management policies;

Assessing risk and minimizing the procedures;

Framing, implementing and monitoring the risk management plan for the Company.

The committee will apprise to the Board the most significant risk and action taken by the respective heads to mitigate such risks.

One committee meeting was held during the Financial Year ended 31st March, 2018.

8) WHOLLY OWNED SUSBIDARY / SUBSIDIARY COMPANY:

Your Company monitors the performance of Wholly owned Subsidary / subsidiary companies (list of subsidiary companies has been provided in the financial statements), *inter-alia*, by the following means:

a) During the year the Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary. As on 23rd May 2018, date on which Annual Consolidated Accounts of your Company were approved by the Board, M/s. Kineco Ltd become Material Subsidy of your Company. The Board at its meeting held on 10th August 2018 had decided to nominate Mr. N. Ramesh Rajan, Independent cum Non–Executive Chairman of your Company, to act as an Independent Director in M/s. Kineco Ltd. He has conveyed his acceptance of the appointment to act as an Independent Director in M/s. Kineco Ltd.

b) The Audit Committee reviews the financial statements,in particular, the investments made by the unlisted Wholly owned subsidiary /subsidiary companies.

c) The minutes of the meetings of the board of directors of the unlisted Wholy owned subsidiary / subsidiary companies were placed at the meetings of the Board of Directors of the Company.

d) Your Company formulated a Policy on Material Subsidiary as required under the SEBI Listing Regulations 2015 and the policy is hosted on the website of the Company : http://www.nippobatteries.com/html/pdf/Mat.subsidiaries.pdf

9) DETAILS OF ANNUAL GENERAL MEETINGS: Location and time of the last three AGMs:

AGM	YEAR	VENUE	DATE	TIME
42nd	2014-2015	Sri. P. Obul Reddy Hall Vani Mahal, No.103, G.N. Chetty Road, Chennai – 600 017	23-09-2015	2.30 p.m.
43rd	2015-2016	Sri. P. Obul Reddy Hall Vani Mahal, No.103, G.N. Chetty Road, Chennai – 600 017	23-09-2016	12.15 p.m.
44th	2016-2017	Sri. P. Obul Reddy Hall Vani Mahal, No.103, G.N. Chetty Road, Chennai – 600 017	25-09-2017	03.00 p.m.

Seven Special Resolutions were passed in the last three Annual General Meetings as under:

Sl. No.	Subject	Annual General Meeting held on	For the Financial year ended
1.	Approval of Related Party transactions as per SEBI Circular Nos.CIR/CFD/POLICY CELL /2/2014 / 07/2014 dated April 07 & September 15 2014 – M/s. Associated Electrical Agencies	23rd Sept. 2015	31st March, 2015
2.	Approval of Related Party transactions as per SEBI Circular Nos.CIR/CFD/POLICY CELL /2/2014 / 07/2014 dated April 07 & September 15 2014 – M/s. Apex Agencies	23rd Sept. 2015	31st March, 2015
3.	Approval of Related Party transactions U/s. 188 of the Companies Act, 2013 and SEBI Circular Nos.CIR/CFD/POLICY CELL /2/2014 / 07/2014 dated April 07 & September 15 2014 – M/s. Radiohms Agencies	23rd Sept. 2015	31st March, 2015
4.	Approval of Related Party transactions U/s. 188 of the Companies Act, 2013 and SEBI Circular Nos.CIR/CFD/POLICY CELL /2/2014 / 07/2014 dated April 07 & September 15 2014 - M/s. RAL Consumer Products Ltd	23rd Sept. 2015	31st March, 2015
5.	Alteration of Articles of Association of the company	23rd Sept. 2016	31st March, 2016
6.	Re-appointment of Mr R.P.Khaitan (DIN: 00015801), as Joint Managing Director of the Company	25th Sept. 2017	31st March, 2017
7.	Approve 1% of the Net Profits of the Company be paid and distributed amongst the Non-Executive Independent Directors of the Company.	25th Sept. 2017	31st March, 2017

10) DISCLOSURES:

i) Related Party Transactions: There have been no materially significant related party transactions,monetary transactions or relationships between the Company and directors, the Management, subsidiaries or relatives, except for those disclosed in the Board's report. The detailed information on materially significant related party transactions is annexed to the Board's report. The transactions are not prejudicial to the interest of the Company.

The Audit Committee grants omnibus approval for the proposed related party transactions which will be valid for a year. The Audit Committee also lays down the criteria for granting omnibus approvals as per SEBI (LODR) Regulations 2015 in line with the policy for transactions which are repetitive in nature. In case Related Party Transactions cannot be foreseen, the Audit Committee grants omnibus approval for such transactions subject to their value not exceeding Rupees One Crore per transaction.

The Audit Committee reviews, every quarter, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given. Where it requires, the Audit Committee will report the related party transaction for the approval of the Board. If the Board feels that shareholders' approval is required, then the same shall be put up for approval by the shareholders of the Company. The policy is hosted on the website of the Company http://www.nippobatteries.com/html/policies.html

ii) Compliances by the Company: The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

iii) Whistle Blower Policy: The Company has established a mechanism for Whistle Blower Policy.

iv) We affirmed that no personnel have been denied access to the audit committee.

v) Compliance with mandatory requirements: The Company has complied with all Mandatory requirements as mentioned under SEBI (LODR) Regulations 2015.

vi) Adoption of Non-Mandatory requirements: The Company is in the process of adopting other non – mandatory requirements as mentioned under SEBI (LODR) Regulations 2015. The company has appointed separate persons to the post of Chairman and CEO&MD.

11) WHISTLE BLOWER POLICY/VIGIL MECHANISIM:

As part of corporate governance and as per companies act 2013, the company has adopted Vigil Mechanism / Whistle blower policy that covers our directors and employees.The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The mechanism provides for adequate safeguards against victimization of Directors and employees and also provide for direct access to the Chairman of the Audit Committee. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation. During the year under review, no employee was denied access to the Audit Committee.

12) MEETING OF INDEPENDENT DIRECTORS / FAMILIARISATION PROGRAMME:

The company's independent directors meet atleast once in a year without the presence of Executive/ Non- Executive Directors. The Indpendent Directors met once during the year under review on 13th February 2018 and inter – alia discussed:

1. the performance of non-Independent Directors and the Board as a whole;
2. the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors; and

3. the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Your Company follows a structured orientation and familiarisation programme through various reports/codes/ internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. The details of familiarisation programme for the financial year 2017-18 have been updated in the website

13) MEANS OF COMMUNICATION:

The Board of Directors of the Company approves and takes on record the financial results in the proforma prescribed by the Stock Exchanges within the statutory period and announces forthwith the results to all the stock exchanges where the shares of the company are listed and also publishes the financial results in The Business Line and Makkal Kural newspapers.

These results are promptly submitted to the Stock Exchanges to enable them to display the same on their website. The financial results are also made available at the website of the Company www.nippobatteries.com.

14) MANAGEMENT DISCUSSION AND ANALYSIS:

Appended to this Report.

15) GENERAL SHAREHOLDERS' INFORMATION:

1. AGM date, time and venue	:	24th September, 2018; Monday at 3.00 p.m. at Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N. Chetty Road, T. Nagar, Chennai - 600 017.	
2. Dates of Book Closure (Physical)	:	Tuesday the 18th September, 2018 to Monday the 24th September, 2018 (both days inclusive)	
3. Financial Year	:	01-04-2017 to 31-03-2018	
4. Annual Results	:	23rd May, 2018	
5. Posting of Annual Reports	:	30st August, 2018	
6. Last date of receipt of proxy Forms	:	48 hrs before AGM	
7. Dividend payment date	:	3rd October, 2018	
8. Listing Fees	:	Paid to all the above stock exchanges for the year 2017-18	
9. Address	:	**Registered Office**	**Corporate / Head Office**
		No.609, Mount Road, Lakshmi Bhavan, IVth Floor, Nungambakkam, Chennai – 600 006.	'Surya Varsh', I & IInd Floor, Door No.17/9, Wallace Garden 2nd Street, Nungambakkam Chennai - 600 034.
10. Plant location	:	(i) Tada Kandriga Village, Nellore. (A.P.)	
11. Postal ballot resolutions	:	Nil	

12. Listing on Stock Exchanges :

(i) BSE Ltd.
Floor 25, Phiroze Jheejibhoy Towers
Dalal Street; Mumbai – 400 001
Tel : 91-22-2272 1233/ 22721234
Fax : 91-22-2272 2082/ 2061
Email : corp.relations@bseindia.com

(ii) National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex
Bandra (E); Mumbai – 400 051
Tel : 91-22-26598235/36,
Fax : 91-22-26598237/38
Email : cmlist@nse.co.in

16) STOCK CODE :

BSE Ltd.	504058
National Stock Exchange of India Ltd	NIPPOBATRY

17) MONTHLY SHARE PRICE DETAILS AT BSE & NSE DURING 2017-18 ARE :

	BSE			NSE		
MONTH	HIGH (Rs.)	LOW (Rs.)	NO. OF SHARES TRADED	HIGH (Rs.)	LOW (Rs.)	NO. OF SHARES TRADED
APRIL – 17	958.20	890.00	11,781	964.80	889.90	37,134
MAY – 17	949.85	877.05	8,645	946.00	875.00	33,731
JUNE – 17	998.95	871.00	5,281	960.00	871.90	18,226
JULY -17	946.90	882.00	12,311	924.95	880.05	26,279
AUGUST -17	909.00	821.00	14,778	909.75	805.10	40,048
SEPTEMBER – 17	933.00	834.15	14,668	929.90	842.15	59,045
OCTOBER -17	879.35	828.10	7,018	879.95	826.10	15,449
NOVEMBER -17	940.00	830.00	11,873	928.95	828.00	31,223
DECEMBER -17	914.75	831.05	11,947	922.00	815.60	32,461
JANUARY – 18	1148.00	860.00	62,496	1140.00	868.00	1,56,352
FEBRUARY -18	1014.60	800.05	19,611	1018.95	798.00	64,685
MARCH – 18	879.00	801.10	11,150	873.45	804.20	16,179

18) REGISTRAR & SHARE TRANSFER AGENTS :

The address of the Registrar & Share Transfer Agents is as under:

M/s. Cameo Corporate Services Ltd.
Subramanian Building
No.1, Club House Road
Chennai – 600 002

Name of Contact person:
Mr. R.D. Ramasamy, Director
Phone No.: 044-28460390 (6 lines)
Fax No.: 044-28460129
Email : cameo@cameoindia.com

19) SHARE TRANSFER SYSTEM :

Applications for transfer of shares held in physical form are received by the Registrar and Share Transfer Agent Cameo Corporate Services Ltd and all valid transfers are processed and effected immediately from the date of receipt. Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records and to send all corporate communications, dividend warrants, etc.

Physical shares received for dematerialisation are processed and completed within a period of 7 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders. However, the request for share transfers etc. will continue to be considered and approved by the share transfer committee. The Share Transfer Committee generally meets once in a month. There are no pending share transfers as on 31st March 2018.

20) NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report,media releases, among others are filed electronically on NEAPS.

21) SEBI COMPLAINTS REDRESS SYSTEM (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

22) DEMATERIALISATION OF SHARES:

The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. The International Securities Identification Number (ISIN) allotted to the Company is INE567A01010. As on 31st March, 2018, 98% of the Company's total shares representing 3675054 shares are in dematerialized form.

23) OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

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

24) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018:

Number of shares	Number of shareholders	Percentage of shareholders	Number of shares held	Percentage of shareholding
1 - 500	7113	95.85	450868	12.02
501 - 1000	182	2.45	129926	3.47
1001 - 2000	64	0.86	93251	2.49
2001 - 3000	19	0.26	47724	1.27
3001 - 4000	10	0.14	36301	0.96
4001 - 5000	7	0.09	30607	0.82
5001 - 10000	8	0.11	50502	1.35
10001 & above	18	0.24	2910821	77.62
TOTAL	7421	100.00	3750000	100.00

25) CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2018:

Category	No. of shares held	% of shareholding
Indian Promoters	2806895	74.85
Resident Indians	808703	21.56
Non-Resident Indians	13040	0.36
Foreign Institutional Investors	50	0.00
Domestic Companies	110721	2.95
Banks / FI	1901	0.05
Clearing Members	729	0.02
IEPF	7961	0.21
TOTAL	3750000	100.00

26) UNCLAIMED DIVIDEND AMOUNTS:

Pursuant to the provisions of Section 123 of the Companies Act, 2013, the dividend for the following years, which remain unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013. Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to M/s. Cameo Corporate Services Ltd., Subramanian Building, No.1, Club House Road, Chennai – 600 002.

During the year under review, the Company has credited Rs.6,89,900 to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

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 25th September, 2017 (date of last Annual General Meeting) on the Company's website www.nippobatteries.com and on the website of the Ministry of Corporate Affairs.

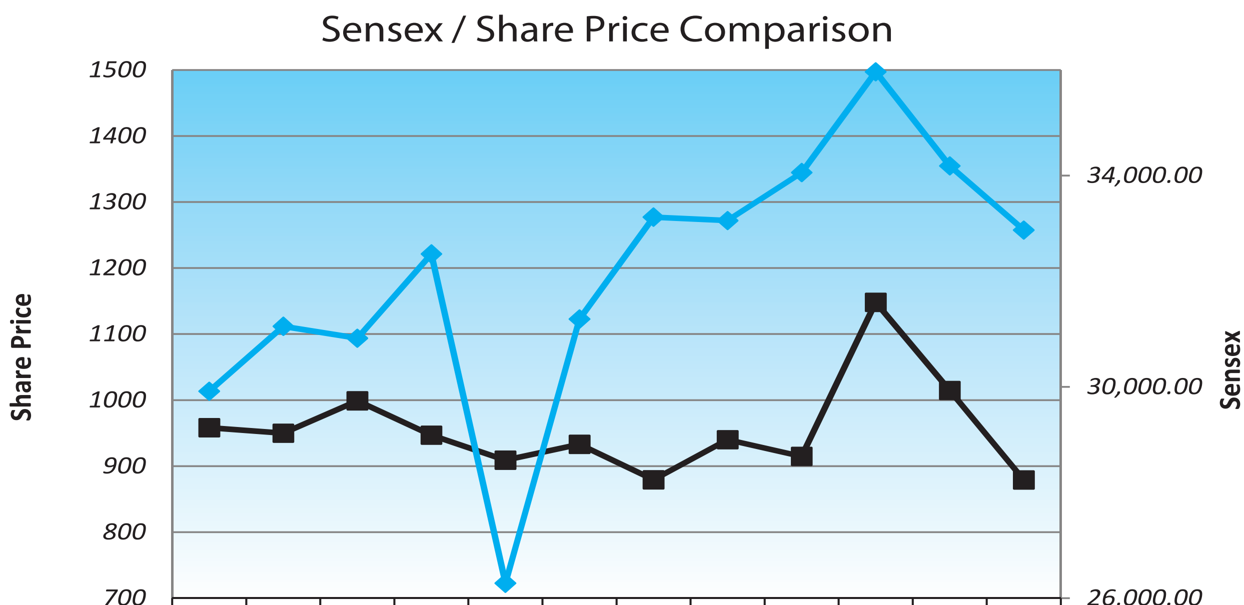
Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows:

Financial Year	Amount outstanding as on 31.03.2018 (Rs.)	Date of Declaration of Dividend	Proposed date of transfer to IEPF
2010-11	8,18,080.00	20-07-2011	25-08-2018
2011-12	2,74,220.00	31-07-2012	05-09-2019
2012-13	3,03,220.00	27-09-2013	02-11-2020
2013-14	5,07,900.00	26-09-2014	01-11-2021
2014-15	6,17,525.00	23-09-2015	29-10-2022
2015-16	6,05,550.00	23-09-2016	29-10-2023
2016-17	5,91,975.00	25-09-2017	31-10-2024

In terms of the SEBI Listing Regulations, the details of the equity shares in unclaimed suspense account are as follows:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as at the beginning of the year	Nil	Nil
Shareholders who approached the Company for transfer of shares and whose shares were transferred from the suspense account during the year	Nil	Nil
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per section 124 of the Companies Act, 2013	97	7961
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil	Nil

27) PERFORMANCE IN COMPARISION TO BSE INDEX:



	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
SHARE PRICE	958.2	949.85	998.95	946.9	909.00	933.00	879.35	940	914.75	1148	1014.6	879
SENSEX	29,918	31,145	30,921	32,514	26283.	31,283	33,213	33,149	34,056	35,965	34184.	32,968

28) RECONCILIATION OF SHARE CAPITAL AUDIT:

A quarterly audit was conducted by a practising company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2018 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories.

29) PREVENTION OF INSIDER TRADING:

In accordance with the SEBI Regulations as amended, the Company has established a code of conduct for prohibition of insider trading in the company's shares. The objective of this Code is to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations 2015.

30) ADDRESS FOR CORRESPONDENCE:

The Secretary
Indo National Ltd
No.609, Mount Road
Lakshmmi Bhavan, IVth Floor
Chennai -600 006.
Ph.: 044-28272711
www.nippobatteries.com

ANNEXURE - 'C' TO THE BOARD REPORT

FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Applicable
2. Details of contracts or arrangements or transactions at Arm's length basis : As mentioned below :

S.No	Name of the Related Party	Nature of Relationship	Contracts / Arrangements / Transactions				Date of Approval by Board / Members and Period of Approval	Sales value during the year (Rs.in Cr.)	Amount paid as advances, if any
			Nature	Duration	Salient terms	Justification for entering into			
1	Associated Electrical Agencies	Director and relatives of Director is a Partner	Sale of Nippo brand products and interest on over dues and other Services	Five Years/ Yearly	Prevailing Market Rates	Ordinary course of business being carried on for many years	10th August 2016 & 23rd September 2016* Period of Approval 01st October 2016 to 30th September 2019	39.98	Nil
2	Apex Agencies	Director and relatives of Director is a Partner	Sale of Nippo brand products and interest on over dues and other Services	Five Years/ Yearly	Prevailing Market Rates	Ordinary course of business being carried on for many years	10th August 2016 & 23rd September 2016** Period of Approval 01st October 2016 to 30th September 2019	53.22	Nil
3	RAL Consumer Products Ltd	One common Director	Sale of Nippo brand products and interest on over dues and other Services	Yearly	Prevailing Market Rates	Ordinary course of business being carried on for many years	17th August 2017 Period of Approval 01st October 2017 to 31st March 2018 10th August 2016 and 23rd September 2016 Period of Approval 01st October 2016 to 30th September 2017	23.26	Nil
4	Radiohms Agencies	Director is a Partner	Sale of Nippo brand products and interest on over dues and other Services	Yearly	Prevailing Market Rates	Ordinary course of business being carried on for many years	17th August 2017 Period of Approval 01st October 2017 to 31st March 2018 10th August 2016 and 23rd September 2016 Period of Approval 01st October 2016 to 30th September 2017	27.01	Nil

S.No	Name of the Related Party	Nature of Relationship	Contracts / Arrangements / Transactions				Date of Approval by Board / Members and Period of Approval	Sales value during the year (Rs.in Cr.)	Amount paid as advances, if any
			Nature	Duration	Salient terms	Justification for entering into			
5	Deccan Hospitals (A Unit of Appollo Hospitals Enterprises Ltd)	Relative of Director is a Director	Sale of Solar power units and other Services	Yearly	Prevailing Market	At Arms lenght basis	26th May 2017 Period of Approval 01st June 2017 to 30th May 2018	2.62	Nil
6	Kalpatharu Enterprises Pvt.Ltd	One common Director	Rent	One year	Prevailing Market Rates	At Arms lenght basis	26th May 2017 Period of Approval 01st June 2017 to 30th May 2018	0.63	0.67
7	Radiohms Properties Pvt.Ltd	One common Director	Rent	One year	Prevailing Market Rates	At Arms lenght basis	26th May 2017 Period of Approval 01st June 2017 to 30th May 2018	0.15	0.08

For and on behalf of the Board

Place : Chennai
Date : August 10, 2018

N. Ramesh Rajan
Chairman

ANNEXURE - 'D'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:-

   CSR Policy is stated herein below:

   http://www.nippobatteries.com/html/pdf/CSR%20POLICY-INL.pdf

2. The CSR Committee consisting of the following three members:-

   1. Mr. N. Ramesh Rajan Chairman (Independent Director)
   2. Mr. S. Obul Reddy, Member (Director)
   3. Mr. P. Aditya Reddy, Member (Director)

3. The average net profit of the company for the last three financial years is as follows:

S.No.	FINANCIAL YEAR	Rs. in Crores
1	2014 - 15	41.64
2	2015 - 16	34.10
3	2016 - 17	32.43
	TOTAL PROFIT	**108.17**
	AVERAGE FOR 3 YEARS	**36.05**

4. The total CSR Budget on the basis of @ 2% of average net profits of the Company for the financial year 2017-2018 is Rs.0.72 Crs.

5. Details of CSR spent during the financial year.
   Total amount spent for the financial year : Rs.0.73 crores

6. Amount unspent, if any : Nil

7. Manner in which the amount spent during the financial year is detailed below:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads (1) Direct excpenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
1	Establishing Institutions for primary & higher education for the benefit of the down trodden community people in the society	Education	Chennai Tamil Nadu	800000	800000	800000	Trust : The Shakti Foundation, No.9, Mani-keswari Road, Kilpauk, Chennai-600010
2	Bring special children across Chennai on one platform and to provide food, Breakfast & Lunch for them	Social	Chennai Tamil Nadu	1330000	1330000	2130000	Trust : The Shakti Foundation, No.9, Mani-keswari Road, Kilpauk, Chennai-600010
3	Water supply to Tada Village	Drinking Water	Tada, Andhra Pradesh, Nellore District	723600	723600	2853600	Direct
4	Construction of R.O. Plant at Tada (RO System, SS Tank & Cable)	Drinking Water	Tada, Andhra Pradesh, Nellore District	106497	106497	2960097	Direct
5	Expenses related to RO Plant	Drinking Water	Tada, Andhra Pradesh, Nellore District	180720	180720	3140817	Direct
6	Support to Child Education, Protection & Survival etc.	Education	Save India	240000	240000	3380817	Direct
7	Support to Child Education, Nutrition, care & love	Education	Aasara Trust	500000	500000	3880817	Direct
8	Sponsorship amount	Education and Health Care	Covelong Point Surfing School	236000	236000	4116817	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads (1) Direct excpenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
9	Welfare of the visually challenged	Social	National Association for the Blind	500000	500000	4616817	Direct
10	School Fees for the children of St. Joseph's, Kovalam	Education	R.A Puram Chennai-28	377600	377600	4994417	Through NUR
11	Sponsorship amount	Sports	Concern India Foundation	30000	30000	5024417	Direct
12	Maintenance and renovation of institutions places	Social	Indian Culture and Heritage Trust	2000000	2000000	7024417	Direct
13	Promoting Greenery	Social	Vijayalakshmi Athreya Foundation	300000	300000	7324417	Direct

We hereby declare that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

For and on behalf of the Board

P. Dwaraknath Reddy
Managing Director

N. Ramesh Rajan
Chairman of CSR Committee

Place : Chennai
Date : August 10, 2018

EXTRACT OF ANNUAL RETURN
Financial year ended on 31.03.2018
FORM NO. MGT - 9
[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Annexure - 'E'

I. Registration and other details :

1. CIN	L31909TN1972PLC006196
2. Registration Date	15/07/1972
3. Name of the Company	INDO NATIONAL LIMITED
4. Category / Sub-Category of the Company	Company having Share Capital
5. Address of the Registered Office and contact details	No.609, Mount Road, Lakshmi Bhawan, 4th Floor, Chennai - 600 006. Tamil Nadu 044-28272711 Email Id: jsrinivasan@nippobatteries.com
6. Whether listed company	Yes (Listed in BSE and NSE)
7 Name, address and contact details of Registrar and Share Transfer Agent	M/s.Cameo Corporate Services Ltd. Subramaniam Building, No.1, Club House Road, Chennai-600 002 Ph: 44-28460390 -44-28460129 Email id: investor@cameoindia.com

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

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the company
Dry Batteries	27201	91.75
Flashlights and others	27400	8.25

III. Particulars of Holding, Subsidiary and Associate Companies :

Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable Section
Helios Strategic Systems Limited	U74999TN2015PLC101208	Wholly owned subsidiary company	100	2 (87)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Share Holders	No. of Shares held at the begining of the Year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
A. Promoters									
1. Indian									
a) Individual / HUF	2557528	0	2557528	68.2007	2557528	0	2557528	68.2007	0.0000
b) Central Govt./State Govt.(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corporate	249367	0	249367	6.6498	249367	0	249367	6.6498	0.0000
d) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other....	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total (A)(1)	**2806895**	**0**	**2806895**	**74.8505**	**2806895**	**0**	**2806895**	**74.8505**	**0.0000**
2. Foreign									
a) Individuals (Non-Residents) Individuals / Foreign Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0000**	**0.0000**
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	**2806895**	**0**	**2806895**	**74.8505**	**2806895**	**0**	**2806895**	**74.8505**	**0.0000**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Financial Institutions / Banks	2903	0	2903	0.0774	1901	0	1901	0.0507	-0.0267
c) Central Govt. / State Govt.(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Foreign Institutional Investor	50	0	50	0.0013	50	0	50	0.0013	0.0000
h) Foreign Venture Capital	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
j) Others (specify) - -	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total (B)(1)	**2953**	**0**	**2953**	**0.0787**	**1951**	**0**	**1951**	**0.0520**	**-0.0267**

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Share Holders	No. of Shares held at the begining of the Year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
2. Non-Institutions									
a. Bodies Corporate	118580	463	119043	3.1745	110320	401	110721	2.9525	-0.2220
b. Individuals									
i) Individual Shareholders holding nominal share capital up to 1 lakh	613241	84629	697870	18.610	623641	74545	698186	18.6182	0.0083
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	72968	0	72968	1.9458	74214	0	74214	1.9790	0.0332
c. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0	0.0000
d. Any Other									
i) Clearing Members	1306	0	1306	0.0348	729	0	729	0.0194	-0.0154
ii) Hindu Undivided Families	33900	0	33900	0.9040	36303	0	36303	0.9681	0.0641
iii) IEPF	0	0	0	0.0000	7961	0	7961	0.2123	0.2123
vi) Non-Resident Indians	15065	0	15065	0.4017	13040	0	13040	0.3477	-0.0540
Sub-Total (B)(2):	**855060**	**85092**	**940152**	**25.0707**	**866208**	**74946**	**941154**	**25.0972**	**0.0265**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**858013**	**85092**	**943105**	**25.1495**	**868159**	**74946**	**943105**	**25.1495**	**0.0000**
Total (A) + (b)	**3664908**	**85092**	**3750000**	**100.00**	**3675054**	**74946**	**3750000**	**100.00**	**0.0000**
C. Shares held by Custodian and against which Depository									
Promoter and Promoter Group	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0000**
Public	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0000**
Total Custodian (c)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0000**
Grand Total (A+B+C)	**3664908**	**85092**	**3750000**	**100.00**	**3675054**	**74946**	**3750000**	**100.00**	**0.0000**

ii. Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	M/s. PDR Investments Pvt.Ltd	163907	4.3708	97.25	163907	4.3708	97.25	-
2.	M/s. Obul Reddy Investments Pvt.Ltd	68560	1.8283	30.29	68560	1.8283	30.29	-
3.	Mrs.P. Sindoori Reddy	11000	0.2933	-	11000	0.2933	-	-
4.	Mrs. Suneeta Reddy	59580	1.5888	24.47	59580	1.5888	24.47	-
5.	Mr. P. Dwaraknath Reddy	1653695	44.0985	90.31	1653695	44.0985	90.31	-
6.	Mrs. Sindoori Reddy	135016	3.6004	100.00	135016	3.6004	100.00	-
7.	Mr. Aditya dev Reddy	6	0.0002	-	6	0.0002	-	-
8.	M/s. H.N. Khaitan (HUF)	21540	0.5744	-	21540	0.5744	-	-
9.	M/s. JSK Marketing Pvt.Ltd	6400	0.1707	-	6400	0.1707	-	-
10.	M/s. Radiohms Investment and Trading Pvt.Ltd	5300	0.1413	-	5300	0.1413	-	-
11.	M/s. Radiohms Properties Pvt. Ltd	5200	0.1387	-	5200	0.1387	-	-
12.	Mrs. Lakshmi devi Jiwarajka	322284	8.5942	99.91	313000	8.3467	100.00	-0.2475
13.	Mrs. Lakshmi devi Jiwarajka	0	0.0000	-	31512	0.8403	-	0.8403
14.	Mrs. Saraladevi Khaitan	83036	2.2143	-	83036	2.2143	-	-
15.	Mrs. Saraladevi Khaitan	11114	0.2964	-	11114	0.2964	-	-
16.	Mr. R.P. Khaitan	69049	1.8413	-	69049	1.8413	-	-
17.	Mrs. Savitri devi Jiwarajka	22228	0.5927	-	0	0.0000	-	-0.5928
18.	Mrs. Saraladevi Khaitan	166248	4.4333	-	166248	4.4333	-	-
19.	Ms. Anju Ganeriwal	2732	0.0729	-	2732	0.0729	-	-
	Total	**2806895**	**74.8505**	-	**2806895**	**74.8505**	**-**	**0.0000**

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

Sl. No.	Shareholders Name	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	**M/s. PDR INESTMENTS PVT.LTD**				
	At the beginning of the year 01-Apr-2017	163907	4.3708	163907	4.3708
	At the end of the year 31-Mar-2018	163907	4.3708	163907	4.3708
2	**M/s. OBUL REDDY INVESTMENTS PVT.LTD**				
	At the beginning of the year 01-Apr-2017	68560	1.8282	68560	1.8282
	At the end of the Year 31-Mar-2018	68560	1.8282	68560	1.8282
3.	**Mrs. SINDOORI REDDY**				
	At the beginning of the year 01-Apr-2017	135016	3.6004	135016	3.6004
	At the end of the Year 31-Mar-2018	135016	3.6004	135016	3.6004
4	**Mrs. P. SINDOORI REDDY**				
	At the beginning of the year 01-Apr-2017	11000	0.2933	11000	0.2933
	At the end of the Year 31-Mar-2018	11000	0.2933	11000	0.2933
5.	**Mrs. SUNEETA REDDY**				
	At the beginning of the year 01-Apr-2017	59580	1.5888	59580	1.5888
	At the end of the Year 31-Mar-2018	59580	1.5888	59580	1.5888
6.	**Mr. P. DWARAKNATH REDDY**				
	At the beginning of the year 01-Apr-2017	1653695	44.0985	1653695	44.0985
	At the end of the Year 31-Mar-2018	1653695	44.0985	1653695	44.0985
7.	**Mr. ADITYA DEV REDDY**				
	At the beginning of the year 01-Apr-2017	6	0.0001	6	0.0001
	At the end of the Year 31-Mar-2018	6	0.0001	6	0.0001
8.	**M/s. H N KHAITAN (HUF)**				
	At the beginning of the year 01-Apr-2017	21540	0.5744	21540	0.5744
	At the end of the Year 31-Mar-2018	21540	0.5744	21540	0.5744
9.	**M/s. JSK MARKETING PVT.LTD.**				
	At the beginning of the year 01-Apr-2017	6400	0.1706	6400	0.1706
	At the end of the Year 31-Mar-2018	6400	0.1706	6400	0.1706
10.	**M/s. RADIOHMS INVESTMENT AND TRADING PRIVATE LIMITED**				
	At the beginning of the year 01-Apr-2017	5300	0.1413	5300	0.1413
	At the end of the Year 31-Mar-2018	5300	0.1413	5300	0.1413

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

Sl. No.	Shareholders Name	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
11.	**M/s. RADIOHMS PROPERTIES PRIVATE LIMITED**				
	At the beginning of the year 01-Apr-2017	5200	0.1386	5200	0.1386
	At the end of the Year 31-Mar-2018	5200	0.1386	5200	0.1386
12.	**Mrs. LAXMI DEVI JIWARAJKA**				
	At the beginning of the year 01-Apr-2017	322284	8.5942	322284	8.5942
	Sale 16-Mar-2018	-9284	0.2475	313000	8.3466
	At the end of the Year 31-Mar-2018	322284	8.5942	313000	8.3466
	At the beginning of the year 01-Apr-2017	0	0	0	0
	Purchase 22-Sep-2017	22228	0.5927	22228	0.5927
	Purchase 16-Mar-2018	9284	0.2475	31512	0.8403
	Purchase 31-Mar-2018	31512	0.8403	31512	0.8403
13.	**Mrs. SARLADEVI KHAITAN**				
	At the beginning of the year 01-Apr-2017	83036	2.2142	83036	2.2142
	At the end of the Year 31-Mar-2018	83036	2.2142	83036	2.2142
14.	**Mrs. SARLADEVI KHAITAN**				
	At the beginning of the year 01-Apr-2017	166248	4.4332	166248	4.4332
	At the end of the Year 31-Mar-2018	166248	4.4332	166248	4.4332
15.	**Mrs. SARLADEVI KHAITAN**				
	At the beginning of the year 01-Apr-2017	11114	0.2963	11114	0.2963
	At the end of the Year 31-Mar-2018	11114	0.2963	11114	0.2963
16.	**Mr. R.P. KHAITAN**				
	At the beginning of the year 01-Apr-2017	69049	1.8413	69049	1.8413
	At the end of the Year 31-Mar-2018	69049	1.8413	69049	1.8413
17.	**Mrs. SAVITRI DEVI JIWARAJKA**				
	At the beginning of the year 01-Apr-2017	22228	0.5927	22228	0.5927
	Sale 22-Sep-2017	-22228	0.5927	0	0
	At the end of the Year 31-Mar-2018	0	0	0	0
18.	**Ms. ANJU GANERIWAL**				
	At the beginning of the year 01-Apr-2017	2732	0.0728	2732	0.0728
	At the end of the Year 31-Mar-2018	2732	0.0728	2732	0.0728

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

Name of the Company : Indo National Limited

Sl. No.	Shareholders Name	Shareholding at the begining of the year		Cumulative Shareholding during the year		Folio/DP_CL_ID	PAN
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company		
1.	**SHARAD KANAYALAL SHAH** UT1 : VARSHA SHARAD SHAH UTI2 : DIPAK KANAYALA SHASH At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018 HAVING SAME PAN	40010 40010	1.0669 1.0669	40010 40010	1.0669 1.0669	'IN30082911655927	AAKPS6262N
1.	**SHARAD KANAYALAL SHAH** JT1 : VARSHA SHARAD SHAH JT2 : DIPAK KANAYALAL SHAH At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018 HAVING SAME PAN	4800 4800	0.1280 0.1280	4800 4800	0.1280 0.1280	'IN30133021657213	AAKPS6262N
2.	**SHARE BAZAR FINANCIAL SERVICES LTD.** At the beginning of the year 01-Apr-2017 Sale 15-Sep-2017 Purchase 18-Sep-2017 At the end of the Year 31-Mar-2018	34900 -34900 34900 34900	0.9306 0.9306 0.9306 0.9306	34900 0 34900 34900	0.9306 0.0000 0.9306 0.9306	'1201910100004869	AAFCS0923G
3	**SUNIDHI SECURITIES & FINANCE LIMITED** At the beginning of the year 01-Apr-2017 Sale 14-Apr-2017 Sale 21-Apr-2017 Sale 28-Apr-2017 Sale 26-May-2017 Sale 02-Jun-2017 At the end of the Year 31-Mar-2018	25385 -363 -338 -800 -500 -23384 0	0.6769 0.0096 0.0090 0.0213 0.0133 0.6235 0.0000	25385 25022 24684 23884 23384 0 0	0.6769 0.6672 0.6582 0.6369 0.6235 0.0000 0.0000	'1202350000001380	AADCS1657D
4	**VIJAYAKUMAR R** At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018 HAVING SAME PAN	22184 22184	0.5915 0.5915	22184 22184	0.5915 0.5915	'IN30169611683964	ABWPV4806G
4	**R VIJAYAKUMAR** At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	600 600	0.0160 0.0160	600 600	0.0160 0.0160	'IN30018312351258	ABWPV4806G
5	**UTTAM KHOBRAGADE** At the beginning of the year 01-Apr-2017 Sale 03-Nov-2017 Sale 10-Nov-2017 Sale 01-Dec-2017 Sale 08-Dec-2017 Sale 12-Jan-2018 Sale 16-Feb-2018 At the end of the Year 31-Mar-2018	10774 -460 -278 -300 -100 -2000 -1000 6636	0.2873 0.0122 0.0074 0.0080 0.0026 0.0533 0.0266 0.1769	10774 10314 10036 9736 9636 7636 6636 6636	0.2873 0.2750 0.2676 0.2596 0.2569 0.2036 0.1769 0.1769	'IN30002010243687	AFCPK7196J
6	**MEERA REDDY M K** At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	7084 7084	0.1889 0.1889	7084 7084	0.1889 0.1889	'M0000406	

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

Sl. No.	Shareholders Name	Shareholding at the begining of the year		Cumulative Shareholding during the year		Folio/DP_CL_ID	PAN
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company		
7	**KIFS INTERNATIONAL LLP**						
	At the beginning of the year 01-Apr-2017	6119	0.1631	6119	0.1631	'IN30148510870926	AAIFK6285F
	Purchase 12-May-2017	600	0.0160	6719	0.1791		
	Sale 04-Aug-2017	-6719	0.1791	0	0.0000		
	Purchase 15-Sep-2017	6441	0.1717	6441	0.1717		
	Sale 22-Sep-2017	-6441	0.1717	0	0.0000		
	Purchase 16-Feb-2018	6441	0.1717	6441	0.1717		
	Purchase 02-Mar-2018	111	0.0029	6552	0.1747		
	At the end of the Year 31-Mar-2018	6552	0.1747	6552	0.1747		
8	**RAJESH DEVRAJ MEHRA**						
	At the beginning of the year 01-Apr-2017	5823	0.1552	5823	0.1552	'1202350000274162	AAKPM5998D
	Sale 15-Sep-2017	-4494	0.1198	1329	0.0354		
	Sale 22-Sep-2017	-1329	0.0354	0	0.0000		
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000		
9	**AJIT BASWANT PATNEKAR**						
	At the beginning of the year 01-Apr-2017	5796	0.1545	5796	0.1545	'1202350000274158	AABPP7242C
	Sale 05-Jan-2018	-2196	0.0585	3600	0.0960		
	At the end of the Year 31-Mar-2018	3600	0.0960	3600	0.0960		
10	**ASHOK SUGLA**						
	At the beginning of the year 01-Apr-2017	5632	0.1501	5632	0.1501	'IN30290242813390	AKXPS6356A
	Purchase 07-Apr-2017	468	0.0124	6100	0.1626		
	Purchase 14-Apr-2017	125	0.0033	6225	0.1660		
	Purchase 26-May-2017	984	0.0262	7209	0.1922		
	Purchase 31-Oct-2017	99	0.0026	7308	0.1948		
	Purchase 03-Nov-2017	376	0.0100	7684	0.2049		
	Purchase 10-Nov-2017	650	0.0173	8334	0.2222		
	Purchase 19-Jan-2018	703	0.0187	9037	0.2409		
	Purchase 25-Jan-2018	888	0.0236	9925	0.2646		
	Purchase 02-Feb-2018	205	0.0054	10130	0.2701		
	Purchase 09-Feb-2018	130	0.0034	10260	0.2736		
	Sale 16-Feb-2018	-335	0.0089	9925	0.2646		
	Purchase 09-Mar-2018	75	0.0020	10000	0.2666		
	Purchase 16-Mar-2018	850	0.0226	10850	0.2893		
	Purchase 23-Mar-2018	1170	0.0312	12020	0.3205		
	At the end of the Year 31-Mar-2018	12020	0.3205	12020	0.3205		
11	**SKS CAPITAL AND RESEARCH PRIVATE LIMITED**						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'IN30009510479162	AAECS4504Q
	Purchase 14-Apr-2017	5000	0.1333	5000	0.1333		
	Purchase 21-Apr-2017	2500	0.0666	7500	0.2000		
	Purchase 28-Apr-2017	2500	0.0666	10000	0.2666		
	Purchase 02-Jun-2017	7500	0.2000	17500	0.4666		
	Purchase 09-Jun-2017	500	0.0133	18000	0.4800		
	Purchase 11-Aug-2017	2000	0.0533	20000	0.5333		
	Sale 08-Dec-2017	-5000	0.1333	15000	0.4000		
	Sale 09-Feb-2018	-550	0.0146	14450	0.3853		
	At the end of the Year 31-Mar-2018	14450	0.3853	14450	0.3853		

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

Sl. No.	Shareholders Name	Shareholding at the begining of the year		Cumulative Shareholding during the year		Folio/DP_CL_ID	PAN
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company		
12	**INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS**						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'IN30070810656671	EXEMPTCATG
	Purchase 01-Dec-2017	7951	0.2120	7951	0.2120		
	Purchase 08-Dec-2017	10	0.0002	7961	0.2122		
	At the end of the Year 31-Mar-2018	7961	0.2122	7961	0.2122		
13	**ANGEL FINCAP PRIVATE LIMITED**						
	At the beginning of the year 01-Apr-2017	5135	0.1369	5135	0.1369	'1203320007719863	AAACA7011Q
	Purchase 07-Jul-2017	127	0.0033	5262	0.1403		
	Purchase 14-Jul-2017	10	0.0002	5272	0.1405		
	Purchase 22-Sep-2017	10	0.0002	5282	0.1408		
	Purchase 29-Sep-2017	10	0.0002	5292	0.1411		
	Purchase 24-Nov-2017	10	0.0002	5302	0.1413		
	Sale 01-Dec-2017	-10	0.0002	5292	0.1411		
	Purchase 12-Jan-2018	62	0.0016	5354	0.1427		
	Purchase 02-Feb-2018	5	0.0001	5359	0.1429		
	Purchase 09-Feb-2018	3	0.0000	5362	0.1429		
	Sale 09-Mar-2018	-10	0.0002	5352	0.1427		
	Purchase 23-Mar-2018	17	0.0004	5369	0.1431		
	At the end of the Year 31-Mar-2018	5369	0.1431	5369	0.1431		

v) Shareholding of Directors and Key Managerial Personnel

Sl.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in Share Holding	Reason	Cumulative shares during the year 01.04.2017 to 31.03.2018	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Mr. P. Dwaraknath Reddy	1653695	44.0985	-	-	-	1653695	44.0985
2	Mr. Aditya Dev Reddy	6	0.0016	-	-	-	6	0.0016
3	Mr. R.P. Khaitan	69049	1.8413	-	-	-	69049	1.8413
4	Mr. N. Ramesh Rajan	Nil		-	-	-	Nil	-
5	Mr. S. Obul Reddy	Nil		-	-	-	Nil	-
6	Mr. M. Subramanyam	Nil		-	-	-	Nil	-
7	Mrs. Lakshmmi Subramanian	Nil		-	-	-	Nil	-
8	Mr. M. Sankara Reddy	1500	0.004	-	-	-	1500	0.004
9	Mr. J. Srinivasan	Nil		-	-	-	Nil	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:- Rs. in lakhs

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1855.95	0	0	1855.95
ii) Interest due but not paid	0.00	0	0	0.00
iii) Interest accrued but not due	0.39	0	0	0.39
Total (i+ii+iii)	**1856.34**	**0**	**0**	**1856.34**
Change in Indebtedness during the financial year				
Addition	3184.45	0	0	3184.45
Reduction	2802.57	0	0	2802.57
Net Change	381.88	0	0	381.88
Indebtedness at the end of the financial year				
i) Principal Amount -	2236.08	0	0	2236.08
ii) Interest due but not paid	0.00	0	0	0.00
iii) Interest accrued but not due	2.14	0	0	2.14
Total (i+ii+iii)	**2238.22**	**0**	**0**	**2238.22**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Figures in Rupees)

Sr. No.	Particulars of Remuneration	Mr. P. Dwaraknath Reddy Managing Director	Mr. R.P. Khaitan Joint Managing Director	Mr. Aditya Reddy Joint Managing Director	Total Amount
	Gross Salary				
1	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	5400000	5400000	6000000	16800000
	b) Value of perquisites under section 17(2) of Income Tax Act, 1961	1898534	2114378	1922383	5935295
	c) Profit in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	
2	Stock Options	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission				
	- as a percentge of profit	3100000	3100000	3100000	9300000
5	- others specify (Superannuation)	720000	720000	750000	2190000
	Total (A)	**11118534**	**11334378**	**11772383**	**34225295**

B. Remuneration to other Directors:

1. Independent Directors

(Figures in Rupees)

Sr. No.	Particulars of Remuneration	Name of the Director		
		Mr.N.Ramesh Rajan	Mrs. Lakshmmi Subramanian	Total Amount
1	Fee for attending Board / Committee Meetings	160400	160400	**320800**
2	Commission	500000	500000	**1000000**
3	Others Please Specify	-	-	**-**
	Total (B) (1)	**660400**	**660400**	**1320800**

2. Other Non Executive Directors

Sr. No.	Particulars of Remuneration	Name of the Director
		Mr.S.Obul Reddy
1	Fee for attending Board / Committee Meetings	120400
2	Commission	-
3	Others Please Specify	-
	Total (B) (2)	**120400**
	Total (B)=(B)(1)+(B)(2)	**1441200**

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total amount
		Mr. M.Sankara Reddy Chief Financial Officer	Mr. J.Srinivasan Company Secretary	
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act 1961 (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	6745697	2589850	9335547
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
	Total ©	6745697	2589850	9335547

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Sections of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Place : Chennai
Date : August 10, 2018

N. Ramesh Rajan
Chairman

Annexure - 'F'

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To,

The Members,

INDO- NATIONAL LIMITED

CIN: L31909TN1972PLC006196

NO. 609, MOUNT ROAD, LAKSHMI BHAWAN, IVTH FLOOR

CHENNAI - 600006.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INDO- NATIONAL LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

Based on my verification of the INDO- NATIONAL LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made here in after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by INDO- NATIONAL LIMITED ("the Company") for the financial year ended on 31.03.2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Companies (Amendment) Act, 2017;

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(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, 1992 and 2015;

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

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

I have also examined with the applicable Regulations/Standards of the following:

(i) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) The Secretarial Standards (SS-1) for Board Meeting and Secrecretarial Standards (SS-2) for General Meeting inlcuding revised Secretarial Standard - 1 and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: NIL

I further report that

The Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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.

All decisions at the Board Meetings and Committee Meeting are carried and recorded in Minutes of the Meetings of the Board of Directors and Committees of the Board as the case may be.

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

I further report that during the audit period the company has no specific events/actions having a major bearing on th company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

for M. Damodaran & Associates

M. Damodaran
FCS No.5837
C P No.5081

Place : Chennai
Date : 10.08.2018

ANNEXURE - 'G'

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of the remuneration of each director to the median employee's remuneration of the company for the financial year are given below:

Name	Designation	Ratio
Mr. P. Dwaraknath Reddy	Managing Director & CEO	34 : 1
Mr. R.P. Khaitan	Joint Managing Director	34.7 : 1
Mr. P. Aditya Reddy	Joint Managing Director	36 : 1
Mr. M. Ramesh Rajan*	Independent Non-Executive Director	2.02 : 1
Mrs. Lakshmi 0Subramanian*	Independent Non-Executive Director	2.02 : 1
Mr. S. Obul Reddy*	Non-Executive Director	1.44 : 1

*sitting fees / commission paid to Independent / non-executive directors during the year for attending board/ committee meetings.

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

Name	Designation	Percentage increase/ decrease in remuneration
Mr. P. Dwaraknath Reddy	Managing Director & CEO	6.33
Mr. R.P. Khaitan	Joint Managing Director	11.72
Mr. P. Aditya Reddy	Joint Managing Director	N.A.
Mr. M. Sankara Reddy	Chief Financial Officer	5.51
Mr. J. Srinivasan	Company Secretary	12.01

c) The percentage increase in the median remuneration of employees in the financial year was 6.03%.

d) The Company has 500 permanent employees on the rolls of company as on 31st March 2018.

e) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Name	Designation	CTC Rs.in Lakhs	% Increase/ Decrease in CTC	PAT (Rs. in crore)	% Increase in PAT
Mr. P. Dwaraknath Reddy	Managing Director & CEO	111.19*	6.33	21.03	0.57
Mr. R.P. Khaitan	Joint Managing Director	113.34#	11.72		
Mr. P. Aditya Reddy	Joint Managing Director	117.72**	-		
Mr. M. Sankara Reddy	Chief Financial Officer	75.54	5.51		
Mr. J. Srinivasan	Company Secretary	28.15	12.01		

*#** It consists of salary/allowance, value of perquisites, bonus and retirement benefits with in the limit approved by members at the AGM held on 23rd September 2016 / 25th September, 2017.

f) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year was 8.31% whereas increase in the managerial remuneration was 6.62%.

g) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

S.No	Particulars	Rs. in Lakhs
1	Remuneration of highest paid Director	117.72
2	Remuneration of Employee	128.95
	Ratio	1.09

b) It is hereby affirmed that the remuneration paid during the year is as per the policy of the company.

For and on behalf of the Board

Place : Chennai
Date : August 10, 2018

N. Ramesh Rajan
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE:

The Indian Dry Battery Industry witnessing a sluggish growth and your Company's market share is estimated around 31% among organized players in Dry Battery Industry.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERNS:

The Dry cell battery industry is witnessing intense competition among the players and maintaining the existing market share is becoming more and more difficult due to difficult market conditions. To overcome the difficult market conditions your company is undertaking various measures like productivity improvements, cost reduction activities, reduction of defectives, intensifying sales promotion activities, giving thrust to improving sales in the rural markets through better distribution, etc.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company has adequate Internal Control procedures commensurate with its size and nature of the business. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and statutes. The Internal Control system provide for well-documented policies, guidelines, authorizations and approval procedures. The Internal Auditors RGN Price & Co., had carried out Internal Audit extensively throughout the year. The prime objective of such Audit is to test the adequacy and effectiveness of all Internal Controls laid down by the management and to suggest improvements, wherever necessary.

FINANCIAL PERFORMANCE:

The total turnover of the Company for the year under review was Rs.275.80Crs as compared to Rs.318.64 Crs in the previous year (net of Excise Duty / GST). The profit before depreciation and tax for the year under review was Rs.36.92 Crs as against Rs.37.59 Crs in 2016-17 and depreciation for the year is Rs.5.76 Crs as against Rs.5.24 Crs in the previous year. The profit after tax for the year under review is Rs.21.03 Crs as against Rs.20.91 Crs in the previous year.

HUMAN RESOURCES:

The Company regards its human resources amongst its most valuable assets and proactively reviews and evolves policies and processes to attract and retain requisite skill-sets covering technical and managerial functions through a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its people. As of March 31, 2018, the number of employees stood at 500 covering all locations compared to 548 as of March 31, 2017.

DECLARATION

TO THE MEMBERS OF INDO NATIONAL LTD.

This is to declare that the Code of Conduct envisaged by the Company for members of the Board and the Senior Management Personnel have been complied with by all the members of the Board and the Senior Management Personnel of the Company respectively in respect of the Financial year ended 31st March 2018.

For INDO NATIONAL LIMITED

Place : Chennai
Date : 10th August, 2018

P. DWARAKNATH REDDY
MANAGING DIRECTOR & CEO

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate Governance by Indo National Limited for the year ended 31st March, 2018, as stipulated in the relevant provisions of Securities Exchange Board of India ("Listing Obligations and Disclosure requirements) Regulations, 2015.

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the regulations 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, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned 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 affairs of the Company

For G Balu Associates LLP
Chartered Accountants
Firm No. 000376S/S200073

Rajagopalan B
Partner
M.No. 217187

Place : Chennai
Date : 10th August, 2018

CEO & CFO CERTIFICATION

The Board of Directors
Indo National Ltd.
Chennai

Dear Members of the Board,

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, changes if any, in the design or operation of such internal controls.

D. We have indicated to the auditors and the Audit committee

(1) any significant changes in internal control over financial reporting during the year;

(2) all significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) any instances of significant fraud of which we are aware that involve the management or an employee having a significant role in the company's internal control system over financial reporting.

P. Dwaraknath Reddy
Managing Director & CEO

M. Sankara Reddy
Chief Financial Officer

Place : Chennai
Date : 23rd May, 2018

INDEPENDENT AUDITORS REPORT ON STATEMENT OF ANNUAL STANDALONE FINANCIAL RESULTS

To
The Members of
Indo National Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Indo National Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

Auditor's Responsibility

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

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

We conducted our audit of the standalone Ind AS 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Ind AS financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that:

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

   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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS 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 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

   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 standalone Ind AS financial statements - Refer Note 32.1(i) to the standalone Ind AS financial statements.

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

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

      iv. The reporting on disclosures relating to specified bank notes is not applicable to the Company for the year ended March 31, 2018.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For G Balu Associates LLP
Firm Registration No: 000376S/S200073
Chartered Accountants

Rajagopalan. B
Partner
Membership Number: 217187

Place: Chennai
Date : 23rd May, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 1(f) under the 'Report on other Legal and Regulatory Requirements' Section of our Independent Auditors' Report of even date to the members of Indo National Limited on the Ind AS standalone financial statements for the year ended March 31, 2018.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of Indo National Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements:

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements:

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements 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 with reference to Financial Statements issued by the Institute of Chartered Accountants of India."

For G Balu Associates LLP
Firm Registration No: 000376S/S200073
Chartered Accountants

Rajagopalan. B
Partner
Membership Number: 217187

Place: Chennai
Date: 23rd May, 2018

ANNEXURE – 'B' TO THE AUDITORS' REPORT

Referred to in paragraph 2 under the 'Report on other Legal and Regulatory Requirements' section of our Independent Auditors' Report of even date to the members of Indo National Limited on the Ind AS standalone financial statements for the year ended March 31, 2018.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of 3 years. In accordance with this programme, certain fixed assets have been verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable.

(c) According to the information and explanations given to us, and on the basis of the examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory has been physically verified during the year by the management and no material discrepancies were noticed on such verification.

(iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties, covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) 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 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its specified products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty, Value added tax, goods and service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty, Value added tax, goods and service tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the following statutory dues which have not been deposited on account of dispute.

Nature of the statute	Nature of Dues	Amount	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	11.51	The Second Appellate Authority
Income Tax Act, 1961	Income Tax	11.60	The First Appellate Authority
Sales Tax	Central Sales Tax	2.15	First Sales Tax Appellate Authority

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and any term loans from banks. 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 by its officers or employees has not been noticed or reported during the year.

(xi) According the information and explanations given to us, the company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) 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) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) According to the information and explanation given the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(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 any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G BALU ASSOCIATES LLP,
Chartered Accountants
FRN: 000376S/S200073

Raja Gopalan B
Partner
M.No: 217187

Place: Chennai
Date: 23rd May, 2018

BALANCE SHEET

for the year ended March 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	Balance as at 31.03.2018	Balance as at 31.03.2017	Balance as at 31.03.2016
I. ASSETS				
1 Non-current Assets				
(a) Property, plant and equipment	3A	8,035.45	8,117.61	7,300.95
(b) Capital work in progress	3B	27.42	30.28	1.50
(c) Intangible assets	4	37.90	14.18	22.89
(d) Financial Assets				
(i) Investments	5A	4,651.52	3,846.52	3,181.52
(ii) Loans	5B	47.93	47.24	45.52
(e) Other non-current assets	6	761.76	414.87	116.77
Non-current Assets		13,561.98	12,470.70	10,669.15
2 Current Assets				
(a) Inventories	7	3,557.80	4,028.85	3,356.34
(b) Financial Assets				
(i) Trade receivables	8A	7,600.67	7,277.50	6,906.79
(ii) Cash and cash equivalents	8B	1,522.45	548.71	1,350.45
(iii) Bank balances other than above	8D	283.19	283.39	1,876.18
(iv) Loans	8E	229.74	169.30	139.06
(c) Current Tax Assets	9	473.19	255.65	322.11
(d) Other current assets	10	507.53	321.92	343.47
Current Assets		14,174.57	12,885.32	14,294.40
TOTAL ASSETS		27,736.55	25,356.02	24,963.55
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	11	375.00	375.00	375.00
(b) Other Equity	12	19,426.37	18,451.53	17,488.90
		19,801.37	18,826.53	17,863.90
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13A	-	-	2,200.00
(ii) Other financial liabilities	13B	5.18	5.18	1.94
(b) Provisions	14	375.63	264.46	217.13
(c) Deferred tax liabilities (Net)	15	2,084.29	2,148.30	1,752.80
Non-Current Liabilities		2,465.10	2,417.94	4,171.87
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16A	2,236.08	1,855.95	1,252.35
(ii) Trade payables	16B	1,662.77	1,119.19	847.24
(b) Other current liabilities	17	1,287.00	907.16	661.67
(c) Provisions	14	284.23	229.25	166.52
Current Liabilities		5,470.08	4,111.55	2,927.78
TOTAL EQUITY AND LIABILITIES		27,736.55	25,356.02	24,963.55

See accompanying notes forming part of the financial statements

As per our Report attached

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

Place : Chennai
Date : 23rd May, 2018

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

J. SRINIVASAN
Secretary

N. RAMESH RAJAN
Chairman

R.P. KHAITAN
Joint Managing Director

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

(Rs. in Lakhs)

	Particulars		Note No.	For the Year ended March 31, 2018	For the Year ended March 31, 2017
I.	**Revenue from operations (Gross)**		18	28,498.44	35,813.39
II.	**Other operating Income**		19	1,808.59	1,756.10
III.	**Total Income (I+II)**			30,307.03	37,569.49
IV.	**Expenses**				
	(a)	Cost of materials consumed	20	11,663.28	13,305.37
	(b)	Excise Duty Expenses		918.22	3,949.91
	(c)	Purchases of Stock-in-Trade - Traded goods	21	5,131.88	7,140.38
	(d)	Changes in inventories of finished goods Work-in-progress and stock-in-trade	22	254.63	(263.36)
	(e)	Employee benefits expenses	23	3,899.02	3,667.99
	(f)	Finance costs	24	234.63	239.56
	(g)	Depreciation and amortization expenses	25	576.54	523.71
	(h)	Other expenses	26	4,512.64	5,770.95
	Total Expenses			27,190.84	34,334.51
V.	**Profit before tax (III-IV)**			3,116.19	3,234.98
VI.	**Less : Tax expenses**				
	a.	Current tax	27	1,077.00	644.50
	b.	Deferred tax		(64.00)	499.50
VII.	**Profit for the period (V-VI)**			2,103.19	2,090.98
VIII.	**Other Comprehensive Income (Net of Taxes)**			-	-
IX.	**Total Comprehensive Income for the period** (Comprising profit and other comprehensive income)			2,103.19	2,090.98
X.	**Earning per share (of Rs.10/- each)**				
	a.	Basic (in Rs.)		56.09	55.76
	b.	Diluted (in Rs.)		56.09	55.76

See accompanying notes forming part of the financial statements

As per our Report attached
For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

N. RAMESH RAJAN
Chairman

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018

CASH FLOW STATEMENT

for the year ended March 31, 2018

(Rs. in Lakhs)

	Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
A.	**Cash flow from operating activities**		
	Profit before income tax	**3,116.19**	3,234.98
	Adjustments for:		
	Depreciation and amortisation expenses	**576.54**	523.71
	Profit on Sale of Fixed Assets	**(1.81)**	(0.89)
	Interest income	**(358.47)**	(354.18)
	Finance cost	**233.18**	241.99
	Operating profit before working capital changes	**3,565.63**	3,645.61
	Changes in operating assets and liabilities		
	Financial assets and other current assets	**(616.82)**	1,472.60
	Trade receivables	**(323.17)**	(370.71)
	Inventories	**471.05**	(672.51)
	Trade payables	**543.58**	271.95
	Provisions & other liabilities	**545.99**	358.78
	Changes in working capital	**620.63**	1,060.11
	Cash generated from operations	**4,186.26**	4,705.72
	Less : Income tax paid (Net of Refunds)	**(924.27)**	(572.27)
	Net cash generated from operating activities	**3,261.99**	4,133.45
B.	**Cash flow from investing activities**		
	Purchase of PPE (including changes in CWIP)	**(538.80)**	(1,361.80)
	Proceeds from Sale of PPE	**25.37**	2.25
	(Purchase) / disposal proceeds of investments	**(805.00)**	(665.00)
	Interest received	**11.58**	56.10
	Net cash flow (used in) investing activities	**(1,306.85)**	(1,968.45)
C.	**Cash flow from financing activities**		
	Proceeds from / (Repayment of) Long term borrowings	**-**	(2,200.00)
	Dividends paid including dividend distribution tax	**(1,128.35)**	(1,128.35)
	Finance cost paid	**(233.18)**	(241.99)
	Net cash flow used in financing activities	**(1,361.53)**	(3,570.34)
	(i) Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**593.61**	(1,405.34)
	(ii) Cash and cash equivalents at the beginning of the year	**(1,307.24)**	98.10
	Cash and cash equivalents at the end of the year	**(713.63)**	(1,307.24)

The accompanying notes are an integral part of these financial statements

As per our Report attached

For and on behalf of the Board of Directors

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

M. SANKARA REDDY
Chief Financial Officer

N. RAMESH RAJAN
Chairman

RAJA GOPALAN B
Partner (M No.217187)

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

(Rs. in Lakhs)

a) EQUITY SHARE CAPITAL

Balance as at April 1, 2016	375.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2017	375.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2018	375.00

b) OTHER EQUITY

PARTICULARS	RESERVES & SURPLUS		Items of other comprehensive income	Total
	GENERAL RESERVE	RETAINED EARNINGS		
Balance as at April 1, 2016	15,857.82	1,631.08	-	17,488.90
Profit for the year	-	2,090.98	-	2,090.98
Transfer to General reserve	700.00	(700.00)	-	-
Payment of Dividend and dividend distribution tax FY 2015-16	-	(1,128.35)	-	(1,128.35)
Balance as at March 31, 2017	16,557.82	1,893.71	-	18,451.53
Profit for the year	-	2,103.19	-	2,103.19
Transfer to General reserve	1,500.00	(1,500.00)	-	-
Payment of Dividend and dividend distribution tax FY 2016-17	-	(1,128.35)	-	(1,128.35)
Balance as at March 31, 2018	18,057.82	1,368.55	-	19,426.37

See accompanying notes forming part of the financial statements

As per our Report attached

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

Place : Chennai
Date : 23rd May, 2018

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

J. SRINIVASAN
Secretary

N. RAMESH RAJAN
Chairman

R.P. KHAITAN
Joint Managing Director

NOTES FORMING PART OF FINANCIAL STATEMENTS

1. CORPORATE INFORMATION:

Indo National Limited ("The Company") is a public limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 and has its registered office in Chennai. The Company is in the business of manufacture of Batteries and trading Torches and Emergency power backup products. The Company recently launched LED and Mosquito Bats. Nippo is the first Indian dry battery company to have been certified with ISO 9001 and ISO 14001 international standards and has the ISI mark of quality on all its batteries. Nippo has 28 depots across India and has distribution network with over 3500 (approx.) stockiest PAN India.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These are the first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 2.20 for details of first-time adoption - mandatory exceptions and optional exemptions availed by the Company.

2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except: defined benefit plans- plan assets measured at fair value.

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 for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise. Estimates have been used in provision for employee benefits and useful lives of property, plant and equipment.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2.4 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognized, net of returns and trade discount, when 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.

Revenue includes excise duty but excludes sales tax and value added tax.

Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

2.5 Foreign currency transactions and translations

The functional currency of the Company is Indian rupee (INR).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognized in the Statement of Profit and Loss.

2.6 Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.

2.7 EMPLOYEE BENEFITS

2.7.1 Retirement benefit costs and termination benefits:

Defined contribution plan

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The following are the defined contribution plans:

Provident Fund - This is a defined contribution plan framed in accordance with Indian laws, in accordance with which eligible employees participate. Under the plan, both the employee and employer contribute monthly at a determined rate (currently upto 12% of employee's salary). Contributions under the plan are made to the trust sponsored by the Company and the Pension Scheme framed by the Central Government.

Defined benefit plan

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The following are the defined benefit plans:

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Gratuity - The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is funded with LIC.

Defined benefit costs are categorized as follows:

(i) Service cost (including current service cost, past service cost, gains and losses on curtailment and settlement);

(ii) net interest income or expense and

(iii) remeasurement.

2.7.2 Short term employee benefits and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and other leaves in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilties recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of that related service. Other employee benefits include compensated absences and termination benefits. Both these benefits are settled as per the Company policy and charged to profit and loss account as and when the payment is made.

2.8 INCOME TAX

2.8.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.8.2 Deferred tax

Deferred tax is recognized on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.8.3 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.9 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after

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its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, plant and equipment acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till the project is ready for its intended use.

2.9.1 Depreciation

Property, Plant and equipment has been provided on the straight-line method on imported body maker and bag makers, other projects under plant and equipments on assets relating to 3D Project (I line), 3U Unit (New line), 4U Units (New lines) and solar plant and written down value method on all other tangible assets as per the useful life prescribed in Schedule II to the Companies Act, 2013. Motor car purchased under new block is depreciated over 4 years. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

2.10 Intangible Assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.10.1 Intangible assets under development

Expenditure on research and development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use. An intangible asset is derecognized 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, are recognized in profit or loss when the asset is derecognized.

2.10.2 Useful lives of intangible assets

Intagible assets are amortized over their useful life.

2.11 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

2.12 Inventories

Raw materials including components, finished goods, work in process, stock in trade, material in transit, packing materials and stores & spares have been valued at lower of cost and estimated net realizable value. Cost is computed under FIFO method. Excise duty payable on manufactured finished goods held in the factory is included in the value of closing stock wherever applicable. These are shown in balance sheet

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based upon technical and economic evaluation carried out by independent valuers but not exceeding the cost thereof. In case the technical or economic factors underlying the valuation undergo material or adverse changes, appropriate write down is made in the year of such adverse change. Material in transit, if any, is valued at cost.

2.13 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate of the consideration required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.13.1 Warranties

Provisions for service warranties and returns are recognised when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

2.14 Cash and cash equivalents

Cash comprises of cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of Statement of Cash Flows.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share (if any) is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.17 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

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2.17.1 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

2.18.1 Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

(i) those measured at amortised cost and

(ii) those to be measured subsequently at fair value through profit and loss.

a. Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

c. Investment in subsidiaries:

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

d. Impairment of financial assets

The financial assets will be tested for impairment at each reporting date. Loss allowance for expected credit losses willl be recognised for financial assets measured at amortised cost, if any.

e. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire.

2.18.2 Financial liabilities and equity

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument:

a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

b. Financial Liabilities

Financial liabilities are measured at amoritsed cost using the effective interest rate method. Trade and other payables maturing within one year from the balance sheet date is measured at carrying amount since the carrying amount approximates the fair value to short term maturity of these instruments.

c. Derecognition of financial liabilities

The Company derecognizes financial liabilities only when the Company's obligations are discharged, cancelled or they expire.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2.19 First-time adoption - mandatory exceptions and optional exemptions:

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:-

a. Derecognition of financial assets and financial liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

b. Deemed cost for property, plant and equipment and intangible assets:

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

c. Deemed cost for Investment in Subsidiaries:

The Company has elected to continue with the carrying value of its investment in subsidiary recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(Rs.in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
3A.	Carrying amounts of:			
	Freehold land	363.35	363.35	282.41
	Buildings	1,349.62	1,347.58	1,226.46
	Plant and equipment	6,018.63	6,196.19	5,607.32
	Furniture and Fixture	187.56	78.79	82.06
	Vehicles	59.69	86.49	45.09
	Office equipment	34.67	16.60	19.20
	Electrical Equipment - Air Conditioners and Refrigerators	10.33	13.85	20.13
	Computer Systems	11.60	14.76	18.28
	Sub-Total	8,035.45	8,117.61	7,300.95
3B.	Capital work-in -progress	27.42	30.28	1.50
	Total	8,062.87	8,147.89	7,302.45

(Rs.in lakhs)

Particulars	Freehold Land	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Equipment - Air Conditioners and Refrigerators	Computer Systems	Total
Cost or deemed cost									
Balance as at March 31, 2016	282.41	2,692.94	15,025.01	266.67	214.21	179.10	248.01	388.69	19,297.04
Additions	80.94	212.51	931.21	22.64	63.74	7.54	-	10.31	1,328.89
Disposals	-	-	-	-	22.18	-	0.52	1.74	24.44
Balance as at March 31, 2017	363.35	2,905.45	15,956.22	289.31	255.77	186.64	247.49	397.26	20,601.49
Additions	-	108.35	221.19	140.55	-	31.32	-	9.47	510.88
Disposals	-	-	60.71	-	8.27	0.39	10.81	37.16	117.34
Balance as at March 31, 2018	363.35	3,013.80	16,116.70	429.86	247.50	217.57	236.68	369.57	20,995.03
Accumulated Depreciation	-	-	-	-	-	-	-	382.52	382.52
Balance as at March 31, 2016	-	1,466.48	9,417.69	184.61	169.12	159.90	227.88	370.41	11,996.09
Elimination on disposal	-	-	-	-	20.88	-	0.49	1.71	23.08
Depreciation expenses	-	91.39	342.34	25.91	21.04	10.14	6.25	13.80	510.87
Balance as at March 31, 2017	-	1,557.87	9,760.03	210.52	169.28	170.04	233.64	382.50	12,483.88
Elimination on disposal	-	-	38.09	-	7.41	0.37	10.81	37.10	93.78
Depreciation expenses	-	106.31	376.13	31.78	25.94	13.23	3.52	12.57	569.48
Balance as at March 31, 2018	-	1,664.18	10,098.07	242.30	187.81	182.90	226.35	357.97	12,959.58
Carrying amount	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016	282.41	1,226.46	5,607.32	82.06	45.09	19.20	20.13	18.28	7,300.95
Additions	80.94	212.51	931.21	22.64	63.74	7.54	-	10.31	1,328.89
Disposals	-	-	-	-	1.30	-	0.03	0.03	1.36
Depreciation expenses	-	91.39	342.34	25.91	21.04	10.14	6.25	13.80	510.87
Balance as at March 31, 2017	363.35	1,347.58	6,196.19	78.79	86.49	16.60	13.85	14.76	8,117.61
Additions	-	108.35	221.19	140.55	-	31.32	-	9.47	510.88
Disposals	-	-	22.62	-	0.86	0.02	-	0.06	23.56
Depreciation expenses	-	106.31	376.13	31.78	25.94	13.23	3.52	12.57	569.48
Balance as at March 31, 2018	363.35	1,349.62	6,018.63	187.56	59.69	34.67	10.33	11.60	8,035.45

Note:

The aggregate working capital limits of Rs.3000 (Rs.3000) sanctioned by banks are secured against equitable mortgage by deposit of title deed of factory property situated at Nellore, Andhra Pradesh and hypothecation of imported and indigenous raw materials, components, spares, goods in process and finished goods and the loan of Rs.118 (Rs.114) availed from banks is secured against fixed deposits.

NOTES FORMING PART OF FINANCIAL STATEMENTS

4. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Carrying amounts of:			
Computer Software	**37.90**	14.18	22.89
Total	**37.90**	**14.18**	**22.89**

(Rs. in lakhs)

	Computer Software	Total
Cost or deemed cost		
Balance as at March 31, 2016	68.26	68.26
Additions	4.13	4.13
Balance as at March 31, 2017	72.39	72.39
Additions	30.78	30.78
Disposals	-	-
Balance as at March 31, 2018	103.17	103.17
Accumulated depreciation and impairment	-	-
Balance as at March 31, 2016	45.37	45.37
Amortization expense	12.84	12.84
Balance as at March 31, 2017	58.21	58.21
Amortization expense	7.06	7.06
Balance as at March 31, 2018	65.27	65.27
Carrying amount		
Balance as at March 31, 2016	22.89	22.89
Additions	4.13	4.13
Amortization expense	12.84	12.84
Balance as at March 31, 2017	14.18	14.18
Additions	30.78	30.78
Amortization expenses	7.06	7.06
Balance as at March 31, 2018	37.90	37.90

5. FINANCIAL ASSETS

5A NON CURRENT INVESTMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Investment in equity instruments			
(i) Investment in subsidiary (at deemed cost) Helios Strategic Investments Ltd - 50000 equity shares of Rs. 10/- each fully paid up	**5.00**	5.00	5.00
(ii) Investment in Debentures 8% Compulsorily Convertible debentures invested in Helios Strategic Investments Ltd	**4,646.52**	3,841.52	3,176.52

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
5A	**NON CURRENT INVESTMENTS (CONTD.)**			
	Less: impairment loss	-	-	-
	Aggregate carrying amount of quoted investment	-	-	-
	Aggregate carrying amount of unquoted investment	4,651.52	3,846.52	3,181.52
	Aggregate amount of impairment in value of investment	-	-	-
5B	**LOANS**			
	Security Deposits	47.93	47.24	45.52
6.	**OTHER NON-CURRENT ASSETS**			
	Interest accrued on debentures (Unsecured considered good)	761.76	414.87	116.77
7.	**INVENTORIES** (at lower of Cost and Net Realizable Value) (as taken,valued & certified by the management)			
	Raw materials	917.09	1,146.67	761.48
	Goods-in-Transit	-	-	-
	Work in process	343.61	412.53	313.76
	Finished goods	1,371.75	1,491.77	1,209.92
	Stock-in-trade	681.48	739.43	856.69
	Stores and spares	243.87	238.45	214.49
	Total	3,557.80	4,028.85	3,356.34
	Note: Details of inventory of work-in-progress			
	Manufacturing batteries	343.61	412.53	313.76
8.	**FINANCIAL ASSETS**			
8A	**TRADE RECEIVABLE**			
	Unsecured and considered good	7,600.67	7,277.50	6,906.79
	Doubtful	-	-	-
	Less: Allowance for doubtful trade receivables (expected credit loss allowance)	-	-	-
	Total	7,600.67	7,277.50	6,906.79
	DEBTORS AGEING			
	Within the credit period (0 - 15)	1,422.95	1,237.44	1,117.62
	16 - 90 days past due	3,179.95	1,697.07	1,672.13
	More than 90 past due	2,997.77	4,342.99	4,117.04
	Total	7,600.67	7,277.50	6,906.79

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
8B	**CASH AND CASH EQUIVALENTS**			
	The management has not provided for any expected credit loss allowance considering the past trends and customers credit worthiness.			
	I) Cash & cash equivalents :			
	(a) Cash in hand	**2.37**	3.14	1.98
	(b) Cheques and drafts on hand	**1,500.87**	501.36	1,260.21
	(c) Balance with banks - In Current accounts	**19.21**	44.21	88.26
	Total	**1,522.45**	548.71	1,350.45
	II) Bank overdraft and cash credit	**(2,236.08)**	(1,855.95)	(1,252.35)
8C	**CASH AND CASH EQUIVALENTS FOR THE PURPOSE OF CASH FLOW STATEMENTS (I+II)**	**(713.63)**	(1,307.24)	98.10
8D	**OTHER BALANCE WITH BANKS**			
	Held as fixed deposits (Less than 12 months)	**243.40**	240.89	1,830.67
	Held as margin money against borrowings and other Commitments	**2.94**	4.53	4.53
	Unpaid dividend accounts	**36.85**	37.97	40.98
	Total	**283.19**	283.39	1,876.18
8E	**LOANS**			
	Security Deposit	**207.41**	129.06	109.98
	Loan to employee	**22.33**	40.24	29.08
	Total	**229.74**	169.30	139.06
9.	**CURRENT TAX ASSETS**			
	Receivables from Revenue Authorities	**579.20**	208.93	99.16
	Advance Tax net of Provision	**(106.01)**	46.72	222.95
	Total	**473.19**	255.65	322.11
10.	**OTHER CURRENT ASSETS**			
	Insurance claims receivables	**18.19**	25.68	25.96
	Other advances	**489.34**	296.24	317.51
	Total	**507.53**	321.92	343.47

11. EQUITY SHARE CAPITAL

	No.of Shares	Lakhs	No.of Shares	Lakhs	No.of Shares	Lakhs
(a) Authorised Equity shares of Rs.10 each with voting rights	**50,00,000**	**500.00**	50,00,000	500.00	50,00,000	500.00
(b) Issued Equity shares of Rs.10 each with voting rights	**37,50,000**	**375.00**	37,50,000	375.00	37,50,000	375.00
(c) Subscribed and fully paid up *Equity shares of Rs.10 each with voting rights*	**37,50,000**	**375.00**	37,50,000	375.00	37,50,000	375.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

11. EQUITY SHARE CAPITAL (CONTD.)

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

	Opening Balance	Additions during the year	Deletions during the year	Closing Balance
Equity shares with voting rights Year ended March 31, 2018				
- Number of shares	37,50,000	-	-	37,50,000
- Amount (Rs. in Lakhs)	375.00	-	-	375.00
Year ended March 31, 2017				
- Number of shares	37,50,000	-	-	37,50,000
- Amount (Rs. in Lakhs)	375.00	-	-	375.00

(ii) Terms / rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

(iii) Shareholding more than 5% - Number of shares and % of Holding

(Rs. in lakhs)

Shareholders	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings	No. of Shares	% of Holdings
P. Dwaraknath Reddy	16,53,695	44.10	16,53,695	44.10	16,53,695	44.10
Laxmi Devi Jiwarajka	3,44,512	9.19	3,22,284	8.59	3,22,284	8.59
Sarla Devi Khaitan	2,60,398	6.94	2,60,398	6.94	2,60,398	6.94

12. OTHER EQUITY

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) General Reserve	18,057.82	16,557.82	15,857.82
(ii) Retained Earnings	1,368.55	1,893.71	1,631.08
Total	19,426.37	18,451.53	17,488.90
(i) General Reserve			
Balance at beginning of year	16,557.82	15,857.82	
Movement during the year	1,500.00	700.00	
Balance at end of year	18,057.82	16,557.82	
(ii) Retained Earnings			
Balance at beginning of year	1,893.71	1,631.08	
Profit for the year	2,103.19	2,090.98	
Payment of dividend	(1,128.35)	(1,128.35)	
Transfer to General Reserve	(1,500.00)	(700.00)	
Balance at end of year	1,368.55	1,893.71	

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
13. FINANCIAL LIABILITIES			
13A BORROWINGS			
Indian rupee loan from banks	-	-	2,200.00
Total	**-**	**-**	**2,200.00**
13B OTHER FINANCIAL LIABILTIES			
Earnest Money Deposits	5.18	5.18	1.94
Total	**5.18**	**5.18**	**1.94**

14. PROVISIONS

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
(a) Provision for employee benefits	375.63	-	264.46	-	217.13	-
(b) Provision - Others	-	284.23	-	229.25	-	166.52
Total	375.63	284.23	264.46	229.25	217.13	166.52

Details of provisions

(i) The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	As at April 2016	Additions	Utilisation	Reversal (withdrawn is no longer required)	As at March 2017
Provision - Others	166.52	99.21	36.48	-	229.25
Total	166.52	99.21	36.48	-	229.25
Particulars	As at April 2017	Additions	Utilisati on	Reversal (withdrawn is no longer required)	As at March 2018
Provision - Others	229.25	183.05	128.07	-	284.23
Total	229.25	183.05	128.07	-	284.23

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
15. DEFERRED TAX LIABILITIES (NET)			
Deferred Tax Assets	157.74	158.73	142.33
Deferred Tax Liabilities	2,242.03	2,307.03	1,895.13
Total	**2,084.29**	**2,148.30**	**1,752.80**

NOTES FORMING PART OF FINANCIAL STATEMENTS

15. DEFERRED TAX LIABILITIES (CONTD.)

(Rs. in lakhs)

	As at March 31, 2017	Recognised in Profit & Loss	Recognised in other comprehensive income	As at March 31, 2018
A. DEFERRED TAX ASSETS				
Provision for compensated absences	158.73	(0.99)	-	**157.74**
Total	158.73	(0.99)	-	**157.74**
B. DEFERRED TAX LIABILITIES				
Difference between book balance and tax balance of property, plant and equipment	2,096.83	(26.65)	-	**2,070.18**
Others	210.20	(38.35)	-	**171.85**
Total	2,307.03	(65.00)	-	**2,242.03**

	As at March 31, 2016	Recognised in Profit & Loss	Recognised in other comprehensive income	As at March 31, 2017
A. DEFERRED TAX ASSETS				
Provision for compensated absences	142.33	16.40	-	158.73
Total	142.33	16.40	-	158.73
B. DEFERRED TAX LIABILITIES				
Difference between book balance and tax balance of property, plant and equipment	1,700.83	396.00	-	2,096.83
Others	194.30	15.90	-	210.20
Total	1,895.13	411.90	-	2,307.03

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
16. FINANCIAL LIABILITIES			
16A CURRENT BORROWINGS			
Loans repayable on demand from banks Secured at amortised cost			
Bank overdraft and cash credit	**2,236.08**	1,855.95	1,252.35
Total	**2,236.08**	1,855.95	1,252.35
Loans repayable on demand			
Canara Bank	**782.21**	107.76	1,214.33
DBS Bank	**607.95**	1,598.76	-
MUFG Bank Ltd.	**728.36**	35.78	-
HDFC Bank	**-**	-	38.02
Kotak Mahindra Bank	**117.56**	113.65	-
Total	**2,236.08**	1,855.95	1,252.35

NOTES FORMING PART OF FINANCIAL STATEMENTS

16A CURRENT BORROWINGS (CONTD)

Note: The aggregate working capital limits of Rs.3,000 (Rs.3,000) sanctioned by Banks are secured against equitable mortgage by deposit of title deed of factory property situtated at Nellore, Andhra Pradesh and hypothecation of imported and indigenous raw materials, components, spares, goods in process and finished goods and the loan of Rs.118 (Rs.114) availed from banks is secured against fixed deposits.

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
16B	**TRADE PAYABLES**			
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,662.77	1,119.19	847.24
	Due to subsidiary	-	-	-
	Total	1,662.77	1,119.19	847.24
	The average credit period for purchase of materials and traded products is 15 to 45 days			
17.	**OTHER CURRENT LIABILITIES**			
	(i) Statutory Dues Payable to government authorities	687.71	479.84	277.95
	(ii) Others	560.30	388.96	315.72
	(a) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:			
	Unclaimed Dividends	36.85	37.97	40.97
	(b) Other payables			
	Interest accrued but not due on Borrowings	2.14	0.39	27.03
	Total	**1,287.00**	**907.16**	**661.67**

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
18.	**REVENUE FROM OPERATIONS**		
	Sale of products-[including excise duty of (for the year ended March 31, 2018) refer note (i)	28,498.44	35,813.39
	Total	28,498.44	35,813.39
	(i) Sale of product comprises:		
	A. Manufactured Goods		
	Dry Batteries	20,963.76	25,976.57
	Total A - Sale of manufactured goods	20,963.76	25,976.57

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
18.	**REVENUE FROM OPERATIONS (CONTD.)**		
	B. Traded goods		
	Batteries	**5,180.89**	6,991.07
	Torches	**1,786.12**	2,524.93
	Others	**567.67**	320.82
	Total B - Sale of Traded goods	**7,534.68**	9,836.82
	Total - Sale of Products	**28,498.44**	35,813.39
19.	**OTHER OPERATING INCOME**		
	(a) Interest Income refer note (i) below	**1,598.51**	1,535.00
	(b) Other non-operating income (Refer Note.(ii) below)	**210.08**	221.10
	Total	**1,808.59**	1,756.10
	(i) Interest income comprises:		
	- Deposits	**11.58**	56.10
	- Over due bills	**1,240.04**	1,180.82
	- Debentures	**346.89**	298.08
	Total - Interest Income	**1,598.51**	1,535.00
	(ii) Other non-operating income comprises:		
	Net gain on sale of fixed assets	**1.81**	0.89
	Other non-operating income	**208.27**	220.21
	Total - Other Non-Operating Income	**210.08**	221.10
20.	**COST OF MATERIALS CONSUMED**		
	Opening Stock	**1,146.67**	761.48
	Add: Purchases	**11,433.70**	13,690.56
	Less: Closing Stock	**917.09**	1,146.67
	Total Cost of Material Consumed	**11,663.28**	13,305.37
	Material Consumed Comprises of:		
	Zinc	**4,245.21**	4,101.42
	Electrolytic Manganese Dioxide	**1,727.00**	1,704.31
	Others	**5,691.07**	7,499.64
	Total	**11,663.28**	13,305.37
21.	**PURCHASE OF STOCK IN TRADE (TRADED GOODS)**		
	Batteries	**3,371.96**	4,964.19
	Flashlights	**1,520.07**	2,021.41
	Others	**239.85**	154.78
	Total	**5,131.88**	7,140.38

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
22.	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	A. At the beginning of the accounting year		
	Finished goods	**1,491.77**	1,209.92
	Goods-in-process	**412.53**	313.76
	Stock-in-trade	**739.43**	856.69
		2,643.73	2,380.37
	B. At the end of the accounting year		
	Finished goods	**1,371.75**	1,491.77
	Goods-in- process	**343.60**	412.53
	Stock-in-trade	**673.75**	739.43
		2,389.10	2,643.73
	C. Decrease/(Increase) in Inventories	**254.63**	(263.36)
23.	**EMPLOYEE BENEFIT EXPENSE**		
	Salary, Wages and Allowances	**2,652.41**	2,556.33
	Directors' Remuneration	**342.25**	300.99
	Contribution to Provident and other funds	**230.66**	223.61
	Staff welfare expenses	**673.70**	587.06
	Total	**3,899.02**	3,667.99
24.	**FINANCE COSTS**		
	Interest to bank	**233.18**	241.99
	Applicable net loss/(gain) of foreign currency transaction / translation	**1.45**	(2.43)
	Total	**234.63**	239.56
25.	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation for the year on property, plant and equipment as per note	**569.48**	510.87
	Amortisation for the year on intangible assets as per note	**7.06**	12.84
	Total	**576.54**	523.71

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
26.	**OTHER EXPENSES**		
	Consumption of stores and spare parts	317.74	380.13
	Power, Gas and Water	328.56	380.74
	Repairs to:		
	Machinery	20.40	18.56
	Buildings	63.06	76.16
	General	224.37	354.68
	Insurance	24.26	16.68
	Research & Development Expenses	15.50	18.10
	Rent	314.75	297.20
	Travelling & Conveyance	538.75	535.53
	Communication expenses	70.41	72.65
	Printing and Stationery	15.09	15.07
	Vehicle Maintenance	58.19	50.37
	Auditors' Remuneration	10.25	8.00
	Professional charges	368.21	707.20
	Additional Sales Tax, etc	13.68	60.06
	Rates and taxes	96.13	133.81
	Advertisement expenses	330.79	886.62
	Freight expense	744.35	988.36
	Sales promotion, Selling and Distribution expenses	812.61	626.21
	Corporate Social Responsibility	73.24	64.38
	Miscellaneous expenses	72.30	80.44
	Total	**4,512.64**	5,770.95
	Payments to the auditors comprises fees for (net of service tax input credit, where applicable):		
	For Statutory audit	4.00	3.50
	For Taxation and Certification	3.50	2.00
	For Tax Audit	2.00	1.75
	Out of pocket expenses	0.75	0.75
	Total	**10.25**	8.00
27.	**INCOME TAX**		
	a. Income tax recognised in profit and loss		
	Current tax	1,077.00	644.50
	Deferred tax	(64.00)	499.50
	Total	**1,013.00**	1,144.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
27. INCOME TAX (CONTD.)		
b. Reconciliation of the accounting profit to the income tax expense for the year is summarised below :		
Profit before tax	**3,116.19**	3,234.98
Income tax expense calculated at 34.608%	**1,078.45**	1,119.56
Effect of expenses that are not deductible in determining taxable profit	**(1.45)**	(475.06)
Income-tax expense	**1,077.00**	644.50

28. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

28.1 Contingent liabilities & commitments (to the extent not provided for)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Contingent Liability		
a) Penalty imposed by Competition Commission of India ("CCI") on the company and on certain officers of the Company (Refer note below)	**4,226.00**	-
b) Claims against the Company not acknowledged as debts:		
Bills discounted with Bankers and others	**3,818.22**	2,598.88
Sales tax	**2.15**	2.15
Income Tax	**29.48**	29.48

Note: In terms of order dated 19th April 2018 received on 02nd May 2018, the Competition Commission of India (CCI) has imposed penalty of Rs. 4226.00 lakhs for alleged cartelisation in respect of Zinc carbon dry cell batteries market in india. The Company had filed an appeal against order of CCI before the National Compnay Law Appellate Tribunal (NCLAT) . NCLAT has granted stay on the CCI order on the condition that the Company should deposit 10% of the penalty amounting to Rs.422.00 Lakhs .The Company Based on the legal opinion and considering the uncertainty relating to outcome of this matter, no provision has been considered in the books of account.

Disclosure as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

28.2 Particulars of Loans, guarantees or investments covered under Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2018	March 31, 2017	Purpose
i) Loans Outstanding	**150.00**	Nil	Working Capital requirement
ii) Investments	**4,651.52**	3,846.52	Refer Notes 5A to Financials
iii) Guarantees	**3,690.00**	2,000.00	In connection with Bank Facilities obtained by Kineco Limited from HDFC Bank Ltd. (Kotak Mahindra Bank Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS

28. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

28.3 Employee benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident Fund.

The total expense recognised in profit or loss of Rs. 167.87 Lakhs (for the year ended March 31, 2017: Rs.161.97 Lakhs) represents contribution paid to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
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's 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 benefit 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.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.40% p.a.	7.05% p.a.
Salary escalation	10.00% p.a.	10.00% p.a.
Expected return on assets	7.40% p.a.	7.05% p.a.
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Attrition rate	6.00% p.a.	5.00% p.a.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
The estimates of future salary increases, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:		
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:		
Current service cost	**50.38**	92.50
Interest expense	**28.15**	110.20
Interest income	**(81.91)**	(69.98)
Return on plan assets (Excluding amounts included in net interest expense)	**-**	(12.03)
Components of defined benefit costs recognised in profit or loss	**(3.38)**	120.69
Amount recognised in Other Comprehensive Income (OCI) for the Year:		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(10.23)	15.12
Components of defined benefit costs recognised in other comprehensive income	**(10.23)**	15.12
Total	**(13.61)**	135.81
The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:		
Present value of defined benefit obligation	**1,170.38**	1,106.59
Fair value of plan assets	**(1,195.10)**	(1,100.62)
Net liability/ (asset) arising from defined benefit obligation	**(24.72)**	5.97
Funded	**(24.72)**	5.97
Unfunded	**-**	-
Total	**(24.72)**	5.97
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	**1,106.59**	939.53
Current service cost	**50.38**	92.50
Interest cost	**28.15**	110.20
Actuarial (gains)/losses	**(10.23)**	15.12
Benefits paid	**(4.51)**	(50.76)
Closing defined benefit obligation	**1,170.38**	1,106.59

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Movements in the fair value of the plan assets in the current year were as follows:		
Opening fair value of plan assets	**1,100.62**	966.51
Interest Income	**81.91**	69.98
Contributions	**17.08**	102.86
Benefits paid	**(4.51)**	(50.76)
Actuarial gains/(loss)	**-**	12.03
Closing fair value of plan assets	**1,195.10**	**1,100.62**

Sensitivity Analysis

The increase/ (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

Particulars	Funded	
	2017-18	**2016-17**
DISCOUNT RATE +100 basis points	**47.07**	38.35
DISCOUNT RATE -100 basis points	**52.79**	42.42
SALARY GROWTH +100 basis points	**50.78**	41.68
SALARY GROWTH -100 basis points	**44.15**	38.50
ATTRITION RATE +100 basis points	**9.80**	6.95
ATTRITION RATE-100 basis points	**10.79**	7.58
MORTALITY RATE 10% UP	**0.32**	0.24

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

28.4 Segment Information

The Company is engaged in the business of manufacturing dry cell batteries and trading rechargeable batteries, flashlights, EPBR products, LED and Mosquito bats which come under a single business segment known as Consumer Goods.

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.5 Related party transactions

28.5A Details of related parties:

Description of relationship	Names of related parties
SUBSIDIARIES	Helios Strategic Systems Ltd. Kineco Limited Kineco Alte Train Technologies Pvt. Ltd. Kineco Kaman Composites India Private Limited
ENTERPRISES WITH SIGNIFICANT INFLUENCE	Apex Agencies Associated Electrical Agencies Kalpatharu Enterprises Pvt. Ltd Radiohms Properties Pvt. Ltd Radiohms Agencies RAL Consumer Products Limited Deccan Hospitals (A Unit of Apollo Hospitals Ent. Ltd)
KEY MANAGERIAL PERSON **Executive Directors**	P. Dwaraknath Reddy R.P. Khaitan P. Aditya Reddy

28.5B Details of related party transactions during the year ended March 31, 2018 and balances outstanding as at March 31, 2018:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
SUBSIDIARIES		
Helios Strategic Systems Limited		
Outstanding as at the year end		
8% compulsorily convertible debentures	**805.00**	665.00
Loan outstanding	**150.00**	-
Kineco Limited		
Outstanding as at the year end		
Trade receivables	**0.75**	-
Apex Agencies		
Sales	**4,873.00**	5,671.90
Services Received	**74.36**	109.48
Services Rendered	**522.95**	414.42
Outstanding as at the year end		
Trade receivables	**2,577.86**	2,317.40
Associated Electrical Agencies		
Sales	**3,557.67**	4,318.31
Services Received	**27.29**	50.18
Services Rendered	**467.63**	326.32
Outstanding as at the year end		
Trade receivables	**2,386.29**	1,968.08

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Kalpatharu Enterprises Pvt Ltd		
Services Received	62.54	118.08
Outstanding as at the year end		
Trade payables	-	10.41
Deccan Hospitals		
Sales	270.37	75.01
Services Received	8.57	2.49
Outstanding as at the year end		
Trade Receivables	0.24	0.24
Radiohms Properties Pvt Ltd		
Services Received	15.42	18.39
Radiohms Agencies		
Sales	2,753.16	3,214.53
Services Received	45.76	27.49
Services Rendered	12.09	17.08
Outstanding as at the year end		
Trade receivables	575.92	427.35
RAL Consumer Products Limited		
Sales	2,396.20	3,730.56
Services Received	94.83	34.20
Services Rendered	25.06	29.18
Outstanding as at the year end		
Trade receivables	597.32	382.03
Key Managerial Person		
(i) P. Dwaraknath Reddy		
Remuneration & Perquisites	80.19	72.08
Commission	31.00	32.49
(ii) R.P. Khaitan		
Remuneration & Perquisites	82.34	68.96
Commission	31.00	32.49
(iii) P. Aditya Reddy		
Remuneration & Perquisites	86.72	67.89
Commission	31.00	27.08

28.6 Earnings per share

28.6A Basic

Profit for the year	2,103.19	2,090.98
Weighted average number of equity shares	37.50	37.50
Par value per share	10.00	10.00
Earnings per share - Basic	56.09	55.76

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
28.6B Diluted		
The diluted earnings per share has been computed by dividing the profit for the year available for Equity Shareholders by the weighted average number of equity shares		
Profit for the year	**2,103.19**	2,090.98
Weighted average number of equity shares for basic EPS	**37.50**	37.50
Weighted average number of equity shares for diluted EPS	**37.50**	37.50
Par value per share	**10.00**	10.00
Earnings per share - Diluted	**56.09**	55.76

28.7 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, gender equality,empowerment of women and promoting sports - National & Olympic. The expenditure incurred (Refer Note 30) during the year on these activities are as specified in schedule VII on the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year INR 73.24 Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(b) Amount spent during the year on:		
(i) Contribution towards charitable and cultural cause	**63.14**	48.48
(ii) Contribution towards rural development	**10.10**	15.90
Total	**73.24**	64.38

28.8 Details of research and development expenditure recognised as an expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Buying of equipments, lab test and cylinder development charges	**15.50**	18.10

28.9 Financial Instruments

28.9A Capital management

The Company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Gearing ratio			
Debt (A)	**2,236.08**	1,855.95	3,452.35
Cash and bank Balances (B)	**1,805.64**	832.10	3,226.63
Net Debt (A-B)	**430.44**	1,023.85	225.72
Total Equity	**19,801.92**	18,826.53	17,863.90
Net debt to Equity Ratio (%)	**2.17**	5.44	1.26
28.9B Categories of financial instruments			
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investments designated at fair value through profit or loss (FVTPL)			
Measured at amortised cost			
(a) Cash and bank Balances	**1,805.64**	832.10	3,226.63
(b) Other financial assets at amortised cost	**277.67**	216.54	184.58
Measured at deemed cost			
Investments in subsidiaries			
Equity	**5.00**	5.00	5.00
Debentures	**4,646.52**	3,841.52	3,176.52
Financial liabilities			
Measured at amortised cost			
Financial liabilities measured at amortised cost	**3,904.03**	2,980.32	4,301.53

28.10 Risk Management framework

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The board has constituted the risk management committee which carries on the following functions:

1. The implementation of Risk management systems and framework;
2. Reviewing the Company's financial and risk management policies;
3. Assessing risk and minimizing the procedures;
4. Framing, implementing and monitoring the risk management plan.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Risk management Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.10 Risk Management framework (Contd.)

relation to the risks faced by the Company. The Risk management Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The company has exposure to the following risks arising from its financial risk management:

Credit risk

Liquidity risk

Commodity price risk

Foreign currency risk

The Company manages its financial operations with its own accruals and hence is not subject to interest rate risk. The company manages its working capital with its own stock and debtors. However, the overdraft/ cash credit facility from our bankers are utilised to manage the working capital gap as and when required. The company does not forsee any requirement for long term funding in the near future.

Credit risk management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, deposits and other financial assets.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The company has established a strong liquidity damage agreement with its customers. The normal credit period for trade receivable is 15 days and any settlement beyond 15 to 90 days and thereafter is compensated as per the LD agreement.

The company based on internal assessment which is driven by the historical experience and current facts available in relation to default and delays in collection thereof has decided not to make any expected credit loss of trade receivables. The company does not forsee any requirement to create the allowance matrix considering the past trend, future operations and materiality of doubtful/bad debts incurred till now. Refer Note. 8A

Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The average credit period for purchase of materials and traded products ranges from 30 to 60 days and the company settles the significant portion of the obligation within the aforesaid credit period. The company's working capital is adequately supported by Stock, Book debts and Bank overdraft/ CC facilities.

Commodity price risk management

The Company is exposed to commodity price risk, mainly in respect of Zinc, which is a key raw material in the manufacture of batteries. The price risk is linked to fluctuations in London Metal Exchange (LME). The Company manages the price risk by entering into a average price agreeement with the vendor.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The company has the policy of settling the foreign exchange exposure within 5 to 10 days to mitigate the foreign currency risk.

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.11 Financing facilities

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Secured bank loan facilities			
- amount used	**2,236.08**	1,855.95	3,452.35
- amount unused	**763.92**	1,144.05	1,747.65
Secured letter of credit / bank guarantee	**20.00**	40.00	40.00

28.12 Fair value measurements

The company has not recognised any financial asset / liability at fair value. The directors consider that the carrying amounts of financial assets and financial liabilities that are recognised at fair value in the financial statements approximate their fair values.

28.13 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 23, 2018.

As per our Report attached

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

Place : Chennai
Date : 23rd May, 2018

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

J. SRINIVASAN
Secretary

N. RAMESH RAJAN
Chairman

R.P. KHAITAN
Joint Managing Director

INDEPENDENT AUDITORS REPORT

To

The Members of
Indo National Limited

Report on the Consolidated Indian Accounting Standard (Ind AS) Financial Statements:

We have audited the accompanying Consolidated Ind AS financial statements of Indo National Limited ("the holding Company") and its subsidiaries (the holding company and its subsidiaries together referred to as "the group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements:

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

Auditor's Responsibility

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

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the standards on auditing specified under Section 143(10) of the Act and the other applicable authoritative pronouncements issued by the Institute of Chartered accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in the Other Matter paragraphs below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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

Other Matter

We did not audit the consolidated financial statements/information of one wholly owned subsidiary and its subsidiaries, whose consolidated financial statements reflect the total assets of Rs.21,226.04 lakhs and net assets of Rs.7,589.17 lakhs as at March 31, 2018, total revenue of Rs.11,916.00 lakhs, total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs.1,006.50 lakhs and net cash flows amounting to Rs.2,747.26 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These consolidated financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors..

Our opinion on the consolidated Ind AS financial statements and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that:

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

   b) In our opinion, proper books of account as required by law maintained by the holding Company and its subsidiaries including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the holding company and reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained by the holding company and its subsidiaries (as it appears from the reports of the other auditors).

d) In our opinion, the aforesaid consolidated Ind AS 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 Holding Company taken on record by the Board of directors of the holding company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the group companies 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 group, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements - Refer Note 32.1(i) to the consolidated Ind AS financial statements.

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

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

iv. The reporting on disclosures relating to specified bank notes is not applicable to the group for the year ended March 31, 2018.

For G Balu Associates LLP
Firm No. 000376S/S200073
Chartered Accountants

Rajagopalan B
Partner
M.No. 217187

Place: Chennai
Date: 23rd May, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 1(f) of report on other legal and regulatory requirements of the Independent Auditors' Report of even date to the members of Indo National Limited on the Ind AS consolidated financial statements for the year ended March 31, 2018.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act:

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statements of Indo National Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control systems with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements:

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements:

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures.

Opinion

In our opinion, the holding company and its subsidiary companies which is a Company incorporated in India have in all material aspects, an adequate internal financial controls with reference to financial statements 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 controls stated in the Guidance note on Audit of Internal financial controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to subsidiary companies (incorporated in India) is based on the corresponding report of the auditor of such Companies incorporated in India. Our opinion is not qualified in this matter.

For G Balu Associates LLP
Firm No. 000376S/S200073
Chartered Accountants

Rajagopalan B
Partner
M.No. 217187

Place: Chennai
Date: 23rd May, 2018

CONSOLIDATED BALANCE SHEET

for the year ended March 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	Balance as at 31.03.2018	Balance as at 31.03.2017	Balance as at 31.03.2016
I. ASSETS				
1 Non-Current Assets				
(a) Property plant and equipment	3	10,858.13	10,410.45	9,141.20
(b) Capital work in progress	4	1,424.70	211.93	61.10
(c) Intangible assets	5	462.07	453.75	443.13
(d) Goodwill on consolidation	6	4,940.90	4,940.90	3,747.71
(e) Financial assets				
Investments	7A	0.71	0.86	0.74
Loans	7B	47.93	47.24	45.52
(f) Non-current assets	8	597.74	319.93	210.06
(g) Other Non-current assets	9	933.09	564.87	206.61
Non-current Assets		19,265.27	16,949.93	13,856.07
2 Current Assets				
(a) Inventerios	10	4,926.87	5,157.24	4,456.73
(b) Financial assets				
(i) Trade receivables	11A	12,515.56	8,505.01	7,998.15
(ii) Cash and cash equivalents	11B	1,988.10	869.24	1,450.10
(iii) Bank balances other than above	11B	3,038.88	436.94	2,113.01
(iv) Loans	11C	274.88	173.70	150.54
(c) Current Tax Assets	12	474.65	269.76	355.56
(d) Non-current assets held for sale		7.00	-	-
(e) Other current assets	13	1,038.06	555.75	892.62
Current assets		24,264.00	15,967.64	17,416.71
TOTAL ASSETS		43,529.27	32,917.57	31,272.78
II. EQUITY & LIABILITIES				
1 Equity				
(a) Equity share capital	14	375.00	375.00	375.00
(b) Other equity	15	20,949.45	19,842.30	18,805.54
Equity attributable to owners of the Company		21,324.45	20,217.30	19,180.54
2 Non controlling interest		1,415.69	546.89	(323.09)
Total Equity		22,740.14	20,764.19	18,857.45
3 Non-Current Liabilties				
Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	16A	1,083.07	1,072.86	3,082.24
(ii) Other financial liabilities	16B	5.18	17.23	1.94
(b) Provisions	17	442.02	315.00	274.98
(c) Deferred tax liabilities (Net)	18	1,489.67	1,549.01	1,159.97
(d) Other Non-current liabilities	19	18.45	14.73	-
Non-Current Liabilities		3,038.39	2,968.83	4,519.13
4 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	20A	3,427.06	3,438.00	2,738.54
(ii) Trade payables	20B	5,724.11	2,573.70	2,060.49
(b) Other financial liabilities	20C	3,008.83	908.21	850.72
(c) Other current liabilities	21	5,223.60	1,963.99	2,047.27
(d) Provisions	17	367.14	300.65	199.18
Current liabilities		17,750.74	9,184.55	7,896.20
TOTAL EQUITY AND LIABILITIES		43,529.27	32,917.57	31,272.78

See accompanying notes forming part of the consolidated financial statements

As per our Report attached

For and on behalf of the Board of Directors

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

M. SANKARA REDDY
Chief Financial Officer

N. RAMESH RAJAN
Chairman

RAJA GOPALAN B
Partner (M No.217187)

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

(Rs. in Lakhs)

	Particulars	Note No.	For the Year ended March 31, 2018	For the Year ended March 31, 2017
I.	**Revenue from Operations (Gross)**	22	40,346.71	41,947.37
II.	**Other Income**	23	1,529.43	1,520.77
III.	**Total Income (I+II)**		41,876.14	43,468.14
IV.	**Expenses**			
	(a) Cost of materials consumed	24	17,304.29	16,029.88
	(b) Excise Duty expenses		932.63	4,180.40
	(c) Purchase of stock-in-trade - Traded goods	25	5,131.88	7,139.83
	(d) Changes in inventories of raw material	26	299.24	(285.75)
	(e) Employee benefit expenses	27	5,645.22	4,939.68
	(f) Finance Costs	28	494.48	515.00
	(g) Depreciation and amortization expense	29	935.80	791.97
	(h) Other expenses	30	6,795.39	6,877.73
	Total Expenses		37,538.93	40,188.74
V.	**Profit before tax (III-IV)**		4,337.21	3,279.40
VI.	**Tax expense**			
	(a) Current Tax	31	1,297.17	644.50
	(b) Deferred Tax	31	(59.33)	522.63
	Total Tax (a+b)		1,237.84	1,167.13
VII.	**Profit for the year (V-VI)**		3,099.37	2,112.27
VIII.	**Other Comprehensive Income**			
	I) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		10.49	(4.00)
	(b) Equity instruments through other comprehensive income		(0.15)	0.13
	Total Comprehensive Income		10.34	(3.87)
IX.	**Total Comprehensive Income for the year (VII+VIII)**		3,109.71	2,108.40
	Profit for the year attributable to			
	- Owners of the company		2,234.10	1,917.79
	- Non-controlling interest		865.27	194.48
			3,099.37	2,112.27
	Other Comprehensive Income for the year attributable to			
	- Owners of the company		5.19	(1.29)
	- Non-controlling interest		5.15	(2.58)
	Total Comprehensive Income for the year attributable to			
	- Owners of the company		2,239.29	1,916.50
	- Non-controlling interest		870.42	191.90
			3,109.71	2,108.40
X.	**Earnings Per Share (EPS) of Rs.10/- each**			
	(1) Basic		59.58	51.14
	(2) Diluted		59.58	51.14

See accompanying notes forming part of the consolidated financial statements

As per our Report attached

For and on behalf of the Board of Directors

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

M. SANKARA REDDY
Chief Financial Officer

N. RAMESH RAJAN
Chairman

RAJA GOPALAN B
Partner (M No.217187)

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2018

(Rs. in Lakhs)

Particulars			For the Year ended March 31, 2018	For the Year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before tax		**4,347.55**	3,275.53
	Adjustment for :			
	(a)	Depreciation	**935.80**	791.97
	(b)	Interest on Borrowings	**601.37**	564.79
	(c)	Assets Written Off	**27.14**	(15.84)
	(d)	Interest Income	**(1,319.35)**	(1,299.66)
	(e)	Sale of Fixed Asset	**(1.81)**	(0.90)
	(f)	Net unrealised foreign exchange gain	**(106.89)**	(49.79)
	Changes in operating assets and liabilities		**4,483.81**	3,266.10
	Increase / (Decrease) in Current Liabilities			
	(a)	Trade payables	**3,150.41**	513.21
	(b)	Other financial Liabilities (Current and Non-Current)	**2,088.57**	73.78
	(c)	Other Liabilities (Current and Non-Current)	**3,263.33**	930.87
	(d)	Provisions (Current and Non-Current)	**134.17**	530.53
	(Increase) / Decrease in Current Assets			
	(a)	Inventories	**230.38**	(700.52)
	(b)	Trade receivables	**(4,010.39)**	(507.02)
	(c)	Loans (Current and Non-Current)	**(122.20)**	1.51
	(d)	Other assests (Current and Non-Current)	**(3,903.35)**	1,460.83
	Changes in Working Capital		**830.92**	2,303.19
	(i)	Cash generated from Operations	**5,314.73**	5,569.29
		Less: Income tax paid	**(1,237.84)**	(1,167.13)
	Net Cash from operating activities (A)		**4,076.89**	4,402.16
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	(a)	Purchase of Fixed Assets	**(2,658.96)**	(3,361.96)
	(b)	Purchase of Non-current investment	**0.15**	(0.12)
	(c)	Interest Income	**1,319.35**	1,299.66
	(d)	Proceeds from sale of Fixed assets	**25.41**	17.24
	Net Cash used in investing activities (B)		**(1,314.05)**	(2,045.18)

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2018 (Contd.)

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
C. CASH FLOWS FROM FINANCING ACTIVITIES		
(a) (Repayment) of Long Term Borrowing	**(10.21)**	(2,009.38)
(b) (Repayment) / Proceeds of Short Term Borrowing	**(10.94)**	699.60
(c) Loan term debt under Current Liabilities	**-**	15.29
(d) Interest expenses	**(601.37)**	(564.79)
(e) Dividend and Tax thereon paid	**(1,128.35)**	(1,128.35)
Net Cash used in financing activities (C)	**(1,750.87)**	(2,987.63)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**1,011.97**	(630.65)
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**106.89**	49.79
Cash and Cash equivalents at the begining of the year	**869.24**	1,450.10
Cash and Cash equivalents at the end of the year	**1,988.10**	869.24

See accompanying notes forming part of the financial statements

As per our Report attached

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

Place : Chennai
Date : 23rd May, 2018

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

J. SRINIVASAN
Secretary

N. RAMESH RAJAN
Chairman

R.P. KHAITAN
Joint Managing Director

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

(Rs. in lakhs)

a) EQUITY SHARE CAPITAL	
Balance as at April 1, 2016	375.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2017	375.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2018	375.00

b) OTHER EQUITY

PARTICULARS	RESERVES & SURPLUS			Items of other comprehensive income	Total
	GENERAL RESERVE	SECURITIES PREMIUM	RETAINED EARNINGS		
Balance as at April 1, 2016	15,857.82	712.48	2,235.24	-	18,805.54
Profit for the year	-	-	1,917.79	-	1,917.79
Addition for the year	-	268.73	-	-	268.73
Transfer to General reserve	700.00	-	(700.00)	-	-
Other comprehensive Income			(1.29)	-	(1.29)
Payment of Dividend and dividend distribution tax FY 2015-16			(1,128.35)	-	(1,128.35)
Promoters' contribution	-	-	(20.12)	-	(20.12)
Balance as at March 31, 2017	16,557.82	981.21	2,303.27	-	19,842.30
Profit for the year	-	-	2,234.10	-	2,234.10
Transfer to General reserve	1,500.00	-	(1,500.00)	-	-
Other comprehensive Income			5.19	-	5.19
Payment of Dividend and dividend distribution tax FY 2016-17	-	-	(1,128.35)	-	(1,128.35)
Promoters' contribution	-	-	(3.79)	-	(3.79)
Balance as at March 31, 2018	18,057.82	981.21	1,910.42	-	**20,949.45**

As per our Report attached

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

RAJA GOPALAN B
Partner (M No.217187)

Place : Chennai
Date : 23rd May, 2018

For and on behalf of the Board of Directors

M. SANKARA REDDY
Chief Financial Officer

J. SRINIVASAN
Secretary

N. RAMESH RAJAN
Chairman

R.P. KHAITAN
Joint Managing Director

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Indo National Limited ("the parent company") is is a public limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 and has its registered office in Chennai. The parent company has wholly owned subsidiary and its stepdown subsidiaries. The parent company is in the business of manufacture of batteries and Trading Torches, LED & emergency power. The Parent Company together with its subsidiaries is hereinafter referred to as the "Group".

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the following: (i) certain financial instruments that are measured at fair value and (ii) defined benefit plans- plan assets measured at fair value. 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 Group 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 consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date; (ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and (iii) Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements were approved for issue by board of directors on 23rd May, 2018.

2.2A Recent Accounting pronouncements

The Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers is applicable from FY 2018-19, the management believes that the adoption of Ind AS 115 does not have any significant impact on the consolidated financial statements of the Group.

The management believes that the adoption of amendment to Ind AS 21, Foreign currency transactions and advance consideration and amendment to Ind AS 12 Income Taxes does not have any significant impact on the consolidated financial statements of the Group.

The amendment to Ind AS 40, Investment Property is not applicable to the Group.

2.3 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries drawn upto the same reporting date as that of the Group i.e. March 31,2018. Control is achieved when the

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Company has power over the investee, is exposed or has right to variable return from itsinvestment with the investee and has the ability to use its power to affect its returns. Consolidation of subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Company gains controls until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expense, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Managementbelieves that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are:

i) **Useful lives of property, plant and equipment and intangible assets:** The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation or amortisation expense in future periods.

ii) **Valuation of deferred tax assets:** The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note.2.10B below.

iii) **Actuarial Valuation:** The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the notes to the financial statements.

iv) **Provisions and Contingent Liabilities:** The policy for the same has been explained under Note 2.15 below.

2.5 Revenue recognition

Revenue is recognised when the following four criteria for revenue recognition are met:

a) persuasive evidence of an arrangement exists;

b) shipment on delivery has occurred;

c) the price is fixed or determinable; and

d) collectability is reasonably assured.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

During the year the Group earned revenue from the following sources which was recognised on the basis stated against each source:

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales is net of Goods and Service Tax (GST).

Sale of services

Revenues from services are recognised when services are rendered and related costs are incurred.

Other income

Interest income is accounted for using the effective interest rate method.

Revenue from the sale of goods is recognised, net of returns and trade discount, when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group 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 Group and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

  Revenue includes excise duty but exclude sales tax and value added tax upto the period ended June 30, 2017. The Government of India introduced Goodsand Service Tax (GST) with effect from July 1, 2017 which subsumed Excise Duty and other indirect taxes. Consequently, revenue for the period post July 1,2017 excludes GST.

Interest Income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

2.6 Foreign currency transactions and translations

Transactions in currencies other than the functional currency are translated into functional currency at the exchange rates prevailing on the date of the transaction or at rates that closely approximates the rate at the date of the transaction. Monetary items denominated in other currencies outstanding at the reporting date are translated into functional currency at the year end rates. Non-monetary items denominated in other currencies and that are measured in terms of historical cost are translated at the exchange rates prevailing on the dates on which such values are determined. Exchange differences arising on restatement or settlement of foreign currency transactions is charged to the Statement of Profit and Loss.

The functional currency of the Group is Indian Rupee (Rs.). Foreign currency transactions are initially recorded at the spot rates on the date of the transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. Thedifference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the consolidatedStatement of Profit and Loss.

2.7 Borrowings and borrowing costs

The Group borrows funds in Indian Rupees and in Foreign Currency. These borrowings carry a fixed rate or floating rate of interest. The liabilities are initially measured at the amount borrowed and subsequently stated at the outstanding amounts. Interest accrued but not due which is in the nature of current liability is classified as part of 'Other current financial liabilities'. Amount outstanding in respect of foreign currency

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

borrowings are stated at the exchange rate at the Balance Sheet date. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense as per Effective Interest Rate (EIR). The borrowing costs in respect of foreign currency borrowings are adjusted for exchange differences, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisitionof qualifying assets are charged to the consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date ofcapitalisation of such asset are added to the cost of the assets.

2.8 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and the group will comply with the conditions attached to them.Where the grant relates to an asset the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.Revenue grants are recognised in the Statement of Profit and Loss in the same period as the related cost which they are intended to compensate are accounted for.

2.9 Employee benefits

i) Short term

Short term employee benefits include salaries, allowances and performance incentives. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense in the Statement of Profit and Loss during the year when the employees render the service to the Group.

ii) Long term

The Group has defined contribution and defined benefit plans. The plans are financed by the Group and in the case of some defined contribution plans by the Group along with its employees.

Defined contribution plans

The Group's contribution to provident fund and family pension fund made to regulatory authorities and where the Group has no further obligation are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss as they fall due based on the amount of contribution required to be made.

Defined benefit plans

Expenses for defined-benefit gratuity plans are calculated as at the balance sheet date by independent actuaries (using the projected unit credit method) in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial gains/losses are recognised, in full in the other comprehensive income in the year in which they arise.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Other employee benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.10 Taxes on income

Tax expenses for the year, comprising of current tax and deferred tax, are included in the determination of net profit or loss for the period.Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing tax laws and includes any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.Deferred tax is provided / recognised using the balance sheet method, on all deductible temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credit and unused tax losses. Deferred tax assets and liabilities are measured using tax rates that are substantively enacted at the balance sheet date. At each balance sheet date the Group evaluates the carrying amount of deferred tax assets and reduces the value of such deferred tax assets to the extent it is no longer probable that sufficient taxable profit will be available to allow all or a part of deferred tax asset to be utilised/ recovered.Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing tax laws and the Group intends to settle its current tax assets and liabilities on a net basis.Current and deferred tax are recognised in the Statement of Profit and 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.

2.10A Current Tax : Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

2.10B Deferred tax : Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantivelyenacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each consolidated Balance Sheet date for their realisability.

2.10C 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.11 Property, plant and equipment

Property, plant and equipment are carried at acquisition cost (net of refundable taxes - primarily input credit relating to Central Excise, State VAT and Goods and Service Tax) less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment include purchase price, expenses incidental to making the assets ready for its intended use, attributable borrowing costs and net of any trade discounts and rebates. Subsequent expenditure on property, plant and equipment, after its purchase / completion, is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

On transition to Ind AS, the Group has elected to use the carrying value of property, plant and equipment measured as per the Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016 as the deemed cost.

Depreciation on property, plant and equipment is provided on a pro-rata basis using the straight line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

All items of property, plant and equipment costing less than Rs. 5,000 each are fully depreciated in the year of acquisition.

Property, Plant and equipment has been provided on the straight-line method on imported body maker and bag makers, other projects under plant and equipments on assets relating to 3D Project (I line), 3U Unit (New line), 4U Units (New lines) and solar plant and written down value method on all other tangible assets as per the useful life prescribed in Schedule II to the Companies Act, 2013. Motor car purchased under new block is depreciated over 4 years. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Capital work in progress

Projects under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.

2.12 Intangible assets

2.12A Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Group amortised computer software licenses over their estimated useful life. Patent and trademark are amortised over their legal term or working life, whichever is shorter.

On transition to Ind AS, the Group has elected to use the carrying value of Intangible assets measured as per the Previous GAAP less accumulated amortisation and cumulative impairment on the transition date of April 1, 2016 as the deemed cost.

2.12B Intangible assets under development : Expenditure on research and development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use. An intangible asset is derecognized 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, are recognized in profit or loss when the asset is derecognized.

2.13 Impairment of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment and intangible assets is reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. When there is indication that an

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment in each financial year even if there is no indication that the asset is impaired: (a) an intangible asset that is not yet available for use and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risksspecific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the consolidated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.14 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale including octroi and other levies, transit insurance and receiving charges. Finished goods and work in progress include apportionment of overheads. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Raw materials including components, finished goods, work in process, stock in trade, material in transit, packing materials and stores & spares have been valued at lower of cost and estimated net realizable value. Cost is computed under FIFO method. Excise duty payable on manufactured finished goods held in the factory is included in the value of closing stock wherever applicable. Moulds, dies and tools, developed in house for specific customer application are classified as 'Composite tooling' based on technical consideration. These are shown in balance sheet based upon technical and economic evaluation carried out by independent valuers but not exceeding the cost thereof. In case the technical or economic factors underlying the valuation undergo material or adverse changes, appropriate write down is made in the year of such adverse change. Material in transit is valued at cost.

2.15 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.A contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and a present obligation arising from past events, when no reliable estimate is possible.Contingent assets are disclosed when an inflow of economic benefits is probable.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Provisions for the expected cost of warranty obligations under the terms of contract with the customers are recognised at the managements best estimate of the expenditure required to settle the warranty obligation.

Provisions for service warranties and returns are recognised when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

2.16 Leases

Rentals payable towards leases of land under an operating lease arrangement, where risk and rewards incidental to ownership of an asset substantially vest with the lessor are charged to the Statement of Profit and Loss on a straight-line basis over the period of the relevant lease.

2.17 Statement of cash flows

Statement of cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Cash comprises of cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of Statement of Cash Flows.

2.18 Earning per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.19 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.20 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated Statement of Profit and Loss.

Effective Interest Rate method: The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

i) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

Financial assets as fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has elected to present subsequent changes in fair value in other comprehensive income in case of investments based on its business model.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Gains or losses arising on remeasurement are recognised in the Statement of Profit or Loss.

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

Impairment of financial assets

The Group recognises loss allowance using the Expected Credit Loss (ECL) model for the financial assets which are not valued through profit or loss. Loss allowance for all financial assets is measured at an amount equal to 12 months expected credit losses or lifetime Expected Credit Loss. The Group had used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration historical credit loss experience and adjusted for forward looking information. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

Derecognition of financial assets

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The Group derecognises an financial asset when (i) the contractual rights to receive cash flows from the asset expire, or (ii) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Group has transferred substantially all the risks and rewards of ownership of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of the financial asset in its entirety, the difference between the assets carrying amount measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire.

ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net off direct issue costs.

Financial Liabilities

All financial liabilities that are not held-for-trading and are not designated as at FVTPL are subsequently measured at amortised cost using the effective interest method. The interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(i) Trade and other payables are initially measured at fair value,net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.(ii) Interest-bearing bank loans and overdrafts are measured initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender or debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is current enforceable legal right to offset the recognised amounts and it is intended to either settle on a net basis or to realise the assets and settle the liabilities simultaneously.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iii) Derivative financial instruments

The Group enters into derivative financial instruments in the nature of forward exchange contracts to manage its exposure to foreign exchange rate risks on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are marked to market and gain/ loss on such contracts is recognised in the Statement of Profit and Loss at the end of each reporting period. The derivatives are carried as financial assets when the fair value is positive and financial liabilities when the fair value is negative.

The hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked to market at the end of each reporting period.The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss. The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Statement of Profit and Loss when the related hedged items affect profit or loss.Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
	Carrying amounts of:			
	Freehold land	**363.35**	363.35	282.41
	Buildings	**1,978.16**	1,945.80	1,726.71
	Plant and equipment	**7,995.56**	7,688.59	6,863.45
	Furniture and Fixture	**259.48**	143.28	111.80
	Vehicles	**114.64**	155.42	54.29
	Office equipment	**89.42**	62.47	40.43
	Computer Systems	**47.19**	37.69	41.98
	Airconditioners and refrigirators	**10.33**	13.85	20.13
	Sub-total	**10,858.13**	10,410.45	9,141.20
4.	Capital work-in -progress	**1,424.70**	211.93	61.10
	Total	**12,282.83**	10,622.38	9,202.30

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

(Rs.in lakhs)

Particulars	Freehold Land	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computer Systems	Electrical Equipment Air Conditioners and Refrigerators	Total
Cost or deemed cost									
Balance as at March 31, 2016	282.41	3,319.99	17,118.31	318.77	254.67	235.94	495.00	248.01	22,273.10
Additions	80.94	329.59	1,351.09	65.39	129.80	41.96	22.52	-	2,021.29
Disposals	-	-	15.13	6.05	22.18	5.40	2.94	0.52	52.22
Balance as at March 31, 2017	363.35	3,649.58	18,454.27	378.11	362.29	272.50	514.58	247.49	24,242.17
Additions	-	163.54	956.52	156.65	-	54.72	37.50	-	1,368.93
Disposals	-	-	92.92	0.02	25.77	0.44	37.16	10.81	167.12
Balance as at March 31, 2018	363.35	3,813.12	19,317.87	534.74	336.52	326.78	514.92	236.68	25,443.98
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016	-	1,593.28	10,254.86	206.97	200.38	195.51	453.02	227.88	13,131.90
Elimination on disposal	-	-	4.36	2.32	20.88	4.23	2.70	0.49	34.98
Depreciation expenses	-	110.50	515.18	30.18	27.37	18.75	26.57	6.25	734.80
Balance as at March 31, 2017	-	1,703.78	10,765.68	234.83	206.87	210.03	476.89	233.64	13,831.72
Elimination on disposal	-	-	43.48	0.01	24.58	0.39	37.10	10.81	116.37
Depreciation expenses	-	131.18	600.11	40.44	39.59	27.72	27.94	3.52	870.50
Balance as at March 31, 2018	-	1,834.96	11,322.31	275.26	221.88	237.36	467.73	226.35	14,585.85
Carrying amount	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016	282.41	1,726.71	6,863.45	111.80	54.29	40.43	41.98	20.13	9,141.20
Additions	80.94	329.59	1,351.09	65.39	129.80	41.96	22.52	-	2,021.29
Disposals	-	-	10.77	3.73	1.30	1.17	0.24	0.03	17.24
Depreciation expenses	-	110.50	515.18	30.18	27.37	18.75	26.57	6.25	734.80
Balance as at March 31, 2017	363.35	1,945.80	7,688.59	143.28	155.42	62.47	37.69	13.85	10,410.45
Additions	-	163.54	956.52	156.65	-	54.72	37.50	-	1,368.93
Disposals	-	-	49.44	0.01	1.19	0.05	0.06	-	50.74
Depreciation expenses	-	131.18	600.11	40.44	39.59	27.72	27.94	3.52	870.50
Balance as at March 31, 2018	363.35	1,978.16	7,995.56	259.48	114.64	89.42	47.19	10.33	10,858.13

Note:

The aggregate working capital limits of Rs.3000 (Rs.3000) sanctioned by banks are secured against equitable mortgage by deposit of title deed of factory property situated at Nellore, Andhra Pradesh and hypothecation of imported and indigenous raw materials, components, spares, goods in process and finished goods and the loan of Rs.118 (Rs.114) availed from banks is secured against fixed deposits

Moulds, Dies & Tools developed in house for specific customer application are classified as "Composite Tooling" based on technical consideration. These are reflected in the Balance Sheet based upon technical and economic evaluation (including ware and tear) carried out by independent valuers but not exceeding the cost thereof. Further in case of economic factors underlying the valuation undergoing material or adverse changes, appropriate impairment adjustment will be carried out in the year of such adverse change. Based upno such policy the company has decided to write off an amount of Rs. 68.65, (Rs 31.17)

The Group has made centain in house Moulds amounting to Rs 59.55 lakhs during the year by way of capitalising material of Rs 41.51 lakhs, labour of Rs 8.06 lakhs and design and engineering Rs 9.98 lakhs.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

5. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Carrying amounts of:			
Computer Software	**118.38**	95.58	48.30
Others	**343.69**	358.17	394.83
Sub-Total	**462.07**	453.75	443.13
Intangible assets under development	**-**	-	-
Total	**462.07**	453.75	443.13

	Computer Software	Other	Total
Cost or deemed cost			
Balance as at April 1, 2016	107.30	633.70	741.00
Additions	71.42	-	71.42
Balance as at March 31,2017	178.72	633.70	812.42
Additions	55.09	22.18	77.27
Disposals	-	-	-
Balance as at March 31,2018	233.81	655.88	889.69
Accumulated depreciation and impairment			
Balance as at April 1, 2016	59.00	238.88	297.88
Amortization expense	24.14	36.66	60.80
Balance as at March 31,2017	83.14	275.54	358.68
Disposals	-	-	-
Amortization expense	32.29	36.66	68.95
Balance as at March 31,2018	115.43	312.20	427.63
Carrying amount			-
Balance as at April 1, 2016	48.30	394.83	443.13
Additions	71.42	-	71.42
Amortization expense	24.14	36.66	60.80
Balance as at March 31,2017	95.58	358.17	453.75
Additions	55.09	22.18	77.27
Disposals	-	-	-
Amortization expenses	32.29	36.66	68.95
Balance as at March 31,2018	118.38	343.69	462.07

6. GOODWILL

Goodwill on consolidation	**4,940.90**	4,940.90	3,747.71
Total	**4,940.90**	4,940.90	3,747.71

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
7A	**FINANCIAL ASSETS**			
	NON CURRENT INVESTMENTS			
	Quoted - Investment carried at fair value through other comprehensive income	**0.71**	0.86	0.74
	Aggregate book value of quoted investment	**0.09**	0.09	0.09
	Aggregate market value of listed and quoted investment	**0.71**	0.86	0.74
	Total	**0.71**	0.86	0.74
7B	**LOANS**			
	Security Deposits	**47.93**	47.24	45.52
	Total	**47.93**	47.24	45.52
8.	**NON-CURRENT TAX ASSETS**			
	Receivable from revenue authorities	**597.48**	319.93	209.49
	Income tax and TDS (Net of liability)	**0.26**	-	0.57
	Total	**597.74**	319.93	210.06
9.	**OTHER NON-CURRENT ASSETS**			
	Unsecured considered good			
	Prepaid expenses	**46.15**	51.18	35.85
	Capital advances	**100.34**	11.17	51.84
	Deposit with Port authority	**24.85**	87.66	2.15
	Interest Receivable	**761.75**	414.86	116.77
	Total	**933.09**	564.87	206.61
10.	**INVENTORIES**			
	(at lower of Cost and NET Realizable Value) (as taken,valued & certified by the management)			
	Raw materials	**1,680.33**	1,666.41	1,315.99
	Work in process	**763.18**	876.71	755.55
	Finished goods	**1,371.75**	1,491.77	1,209.92
	Stock-in-trade	**681.48**	739.43	856.69
	Stores and spares	**430.13**	382.92	318.58
	Total	**4,926.87**	5,157.24	4,456.73
	Note : Details of inventory of work-in-progress			
	Batteries	**343.61**	412.53	313.76
	Others	**419.57**	464.18	441.79

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
11.	**FINANCIAL ASSETS**			
11A	**TRADE RECEIVABLE**			
	Unsecured and considered good	**12,515.56**	8,505.01	7,998.15
	Doubtful	**49.68**	0.68	8.76
	Less: Allowance for doubtful trade receivables (expected credit loss allowance)	**49.68**	0.68	8.76
	Total	**12,515.56**	8,505.01	7,998.15
	Ageing of Holding Company			
	Within the credit period (0-15)	**1,422.95**	1,237.44	1,117.62
	16-90 days past due	**3,179.95**	1,697.07	1,672.13
	More than 90 past due	**2,997.77**	4,342.99	4,117.04
	Total	**7,600.67**	7,277.50	6,906.79
	The management has not provided for any expected credit loss allowance considering the past trend and customers credit worthiness			
	Ageing of Group Company			
	Within the credit period	**3,554.48**	626.06	395.49
	0-90 days	**835.68**	339.86	310.14
	91-180 days	**331.61**	61.66	85.24
	More than 180 days	**193.12**	199.93	300.49
	Total	**4,914.89**	1,227.51	1,091.36
	Movement in the allowances for doubtful trade receivables (expected credit loss allowance):			
	Balance at the beginning	**0.68**	8.76	
	Movement in expected credit loss allowance on trade receivables			
	Created during the year	**49.68**	0.68	
	Released during the year	**0.68**	8.76	
	Balance at the end	**49.68**	0.68	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
11B	**CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANKS**			
	(i) Cash & cash equivalents :			
	(a) Cash in hand	**2.83**	4.05	2.61
	(b) Cheques and drafts on hand	**1,500.87**	501.36	1,260.21
	(c) Balance with banks			
	In Current accounts	**182.96**	363.83	187.28
	(d) Deposit(Fixed)	**301.44**	-	-
	Total - Cash and cash equivalents (as per Balance sheet) (i)	**1,988.10**	869.24	1,450.10
	(ii) Other Balance with banks			
	(a) In earmarked accounts			
	Held as fixed deposits (Less than 12 months)	**243.40**	240.89	1,830.67
	Unpaid dividend accounts	**36.85**	37.97	40.98
	And other commitments	**2,758.63**	158.08	241.36
	(b) Deposit accounts with maturity of more than three months			
	Total - Other balances with bank (ii)	**3,038.88**	436.94	2,113.01
	Total cash and bank balances (i+ii)	**5,026.98**	1,306.18	3,563.11
11C	**LOANS**			
	Security Deposits	**207.41**	129.06	109.98
	Loan to Employee	**22.33**	40.24	29.08
	Derivative assets on marked-to-market	**1.20**	-	-
	Interest accrued on bank deposit	**43.94**	4.40	11.48
	Total	**274.88**	173.70	150.54
12.	**CURRENT TAX ASSETS**			
	Receivable from Revenue authorities	**579.20**	208.93	99.16
	Income tax and TDS (Net of liability)	**(104.55)**	60.83	256.40
	Total	**474.65**	269.76	355.56
13.	**OTHER CURRENT ASSETS**			
	Insurance claims	**18.19**	25.68	25.96
	Advances recoverable in cash or kind	**337.89**	181.00	520.67
	Receivables from revenue authorities	**264.06**	2.84	2.84
	Pre-paid expenses	**77.98**	49.99	25.64
	Other advances	**339.94**	296.24	317.51
	Total	**1,038.06**	555.75	892.62

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016

14. EQUITY SHARE CAPITAL

	No.of Shares	Lakhs	No.of Shares	Lakhs	No.of Shares	Lakhs
(a) Authorised Equity shares of Rs.10 each with voting rights	**50,00,000**	**500.00**	50,00,000	500.00	50,00,000	500.00
(b) Issued Equity shares of Rs.10 each with voting rights	**37,50,000**	**375.00**	37,50,000	375.00	37,50,000	375.00

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

	Opening Balance	Additions during the year	Delitions during the year	Closing Balance
Equity shares with voting rights Year ended March 31, 2018				
- Number of shares	37,50,000	-	-	37,50,000
- Amount (Lakhs)	375.00	-	-	375.00
Year ended March 31, 2017				
- Number of shares	37,50,000	-	-	37,50,000
- Amount (Lakhs)	375.00	-	-	375.00
Year ended March 31, 2016				
- Number of shares	37,50,000	-	-	37,50,000
- Amount (Lakhs)	375.00	-	-	375.00

(ii) Terms / rights attached to equity shares: - to be given before shareholding more than 5%

The company has one class of equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

(iii) Shareholding more than 5% - Number of shares and % of Holding

(Rs. in lakhs)

Shareholders	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings	No. of Shares	% of Holdings
P. Dwaraknath Reddy	**16,53,695**	**44.10**	16,53,695	44.10	16,53,695	44.10
Laxmi Devi Jiwarajka	**3,44,512**	**9.19**	3,22,284	8.59	3,22,284	8.59
Sarla Devi Khaitan	**2,60,398**	**6.94**	2,60,398	6.94	2,60,398	6.94

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
15.	**OTHER EQUITY**			
	(i) General Reserve	18,057.82	16,557.82	15,857.82
	(ii) Retained Earnings	1,910.42	2,303.27	2,235.24
	(iii) Securities Premium Reserve	981.21	981.21	712.48
	Total	20,949.45	19,842.30	18,805.54
	(i) General Reserve			
	Balance at beginning of year	16,557.82	15,857.82	
	Movement during the year	1,500.00	700.00	
	Balance at end of year	18,057.82	16,557.82	
	(ii) Retained Earnings			
	Balance at beginning of year	2,303.27	2,235.24	
	Profit for the year	2,234.10	1,917.79	
	Promoter's Contribution	(3.79)	(20.12)	
	Other comprehensive income	5.19	(1.29)	
	Payment of dividend	(1,128.35)	(1,128.35)	
	Transfer to General Reserve	(1,500.00)	(700.00)	
	Balance at end of year	1,910.42	2,303.27	
	(iii) Securities Premium			
	Balance at beginning of year	981.21	712.48	
	Movement during the year	-	268.73	
	Balance at end of year	981.21	981.21	
16.	**FINANCIAL LIABILITIES**			
16A	**LONG TERM BORROWINGS**			
	From Banks (Secured)			
	Working Capital Term Loan	1,052.54	59.94	2,384.00
	Term Loan - Vehicle Loan	30.53	40.34	1.74
	From Banks (Unsecured)			
	Bank of America - External Commercial Borrowings	-	972.58	696.50
	Total	1,083.07	1,072.86	3,082.24

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

16A LONG TERM BORROWINGS (CONTD.)

Details of terms of repayment for the non-current borrowings and security provided in respect of the secured non-current borrowings:

(Rs. in lakhs)

Particulars	Terms of Repayment and Security	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
Term Loans From Banks:		Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
HDFC Bank	See	1,052.54	-	59.94	-	2,384.00	-
HDFC Bank	Note	30.53	-	40.34	-	1.74	-
ECB - From Banks							
Bank of America		-	-	-	972.58	-	696.50
Total		**1,083.07**	**-**	100.28	972.58	2,385.74	696.50

Note : Secured by hypothecation of stocks of Raw Material, Stock in Process, Finished goods, Consumables and book-debts and all other current assets. Secured by mortgage of land and building and movable assets at plot no. 34, 35, 36, 41, 42, 43. Extension of charge over remaining fixed assets. Also secured by personal guarantee of Shekhar Sardessai and Ultimate Holding Company, Indao National Limited.

The cash credit facility is secured by an exclusive first charge on inventories and receivables of the Company, equitable mortgage of factory land and building and movable assets and hypothecation charge on plant and machinery of the Company and also a corporate guarantee given by the holding company i.e. Kineco Limited. The facility carries an interest in the range 11.75% to 13.60% per annum (during the year ended March 31, 2017 13.60% to 14.30% per annum; during the year ended March 31, 2016 13.05% to 14.80% per annum).

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
16B OTHER FINANCIAL LIABILTIES			
Security Deposits received	**5.18**	17.23	1.94
Total	**5.18**	17.23	1.94

17. PROVISIONS

	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provision for employee benefits:	**442.02**	**367.14**	315.00	300.65	274.98	199.18
Total	**442.02**	**367.14**	315.00	300.65	274.98	199.18

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
18. DEFERRED TAX (LIABILITIES)/ASSETS			
Deferred Tax Assets	**752.36**	758.02	735.16
Deferred Tax Liabilities	**2,242.03**	2,307.03	1,895.13
Total	**1,489.67**	1,549.01	1,159.97

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	As at March 31, 2017	Recognised in Profit & Loss	Recognised in other comprehensive income	As at March 31, 2018
18. DEFERRED TAX (LIABILITIES)/ASSETS (CONTD.)				
A. DEFERRED TAX ASSETS				
Provision for compensated absences	158.73	(0.99)	-	**157.74**
Mat credit entitlement	-	-	-	**-**
Others	599.29	(4.67)	-	**594.62**
Total (A)	758.02	(5.66)	-	**752.36**
B. DEFERRED TAX LIABILITIES				
Difference between book balance and tax balance of property, plant and equipment	2,096.83	(26.65)	-	**2,070.18**
Others	210.20	(38.35)	-	**171.85**
Total (B)	2,307.03	(65.00)	-	**2,242.03**

	As at March 31, 2016	Recognised in Profit & Loss	Recognised in other comprehensive income	As at March 31, 2017
A. DEFERRED TAX ASSETS				
Provision for compensated absences	142.33	16.40	-	158.73
Expenditures falling under section 43B of Mat credit entitlement	-	-	-	-
Others	592.83	6.46	-	599.29
Total (A)	735.16	22.86	-	758.02
B. DEFERRED TAX LIABILITIES				
Difference between book balance and tax balance of property, plant and equipment	1,700.83	396.00	-	2,096.83
Others	194.30	15.90	-	210.20
Total (B)	1,895.13	411.90	-	2,307.03

Note:The recognition of deferred tax asset on unabsorbed depreciation has been restricted to the extent of deferred tax liability on account of timing difference in respect of depreciation, the reversal of which is virtually certain. As at the year end, the Group also had other deferred tax assets, on other timing differences, unabsorbed depreciation and business losses which have not been recognised.

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
19. OTHER NON-CURRENT LIABILITIES			
Deferred Government Grant	**18.45**	14.73	-
Total	**18.45**	14.73	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	Nature of Security	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
20.	**FINANCIAL LIABILITIES**				
20A	**BORROWINGS**				
	Secured at amortised cost from Bank		**3,427.06**	2,862.83	2,281.98
	Unsecured at amortised cost- Loan from Bank		**-**	575.17	456.56
	Total		**3,427.06**	3,438.00	2,738.54
	Details of Security				
	Loans repayable on demand (Secured)				
	Bank of Tokyo	see	**728.36**	35.78	-
	Canara Bank	note	**782.21**	107.76	1,214.33
	DBS Bank		**607.95**	1,598.76	-
	Kotak Mahindara Bank		**117.56**	113.65	-
	HDFC Bank		**-**	-	38.02
	Cash Credit		**1,190.98**	1,006.88	1,029.63
	Total		**3,427.06**	2,862.83	2,281.98
	Unsecured				
	Cash credit		**-**	550.00	-
	Overdraft		**-**	25.17	456.56
	Total		**3,427.06**	3,438.00	2,738.54

Note: (a) The aggregate working capital limits of Rs.3,000 (Rs.3,000) sanctioned by Banks are secured against equitable mortgage by deposit of title deed of factory property situtated at Nellore, Andhra Pradesh and hypothecation of imported and indigenous raw materials, components, spares, goods in process and finished goods and the loan of Rs.118 (Rs.114) availed from banks is secured against fixed deposits.

(b) Secured by hypothecation of stocks of Raw Material, Stock in Process, Finished goods, Consumables and book-debts and all other current assets. Secured by mortgage of land and building and movable assets at plot no. 34, 35, 36, 41, 42, 43. Extension of charge over remaining fixed assets. Also secured by personal guarantee of Shekhar Sardessai and Ultimate Holding Company, Indao National Limited.

(c) The bank overdraft facility is unsecured and payable on demand. The facility carries an interest @13% per annum. The above facility is guaranteed by the Kaman Aerospace Group Inc ("Joint Venturer").

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
20B	**TRADE PAYABLES**			
	Total outstanding dues of micro enterprises and small enterprises	**4.92**	51.33	22.32
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**5,719.19**	2,522.37	2,038.17
	Total	**5,724.11**	2,573.70	2,060.49

The average credit period for purchase of materials and traded products to be mentioned - 15 to 45 days.

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2018 as per information available with the Group. The Group has not provided the interest within the meaning of section 23 of small & medium enterprises.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017
20B	**TRADE PAYABLES (CONTD.)**		
	Outstanding principal Amount and Interest as on March 31, 2018		
	- Principal amount	**0.04**	0.51
	- Interest due thereon	**-**	-

The above information pertaining to micro and small enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Group. This has been relied upon by the auditors.

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
20C	**OTHER FINANCIAL LIABILITIES:**			
	Current maturities of long-term debt	**975.66**	169.31	465.02
	Term loans from bank and others (secured)	**386.25**	-	-
	Secured Loans	**300.00**	-	-
	Loans and advances from Shareholders & Directors	**190.00**	240.00	305.59
	Loans from Helios	**150.00**	-	-
	Interest accrued and due on borrowings	**704.69**	7.21	9.20
	Statutory liabilities payable (Net)	**66.48**	-	-
	Inter corporate Deposit	**150.00**	-	-
	Interest accrued but not due on borrowings	**4.20**	430.37	66.98
	Payables on purchase of fixed assets	**81.55**	61.32	3.93
	Total	**3,008.83**	908.21	850.72

The loan from holding company extended to meet the working capital and other requirements and is unsecured as per the terms of operating agreement between Kineco Limited ("Holding company") and Kaman Aerospace Group Inc. ("Joint venturer"). The loan carried an interest of 2% per annum and the entire loan amount paid during the year 2016-17.

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
21.	**OTHER CURRENT LIABILITIES**			
	(i) Statutory remittances	**715.97**	558.85	339.74
	(ii) Advances from customer	**3,901.08**	969.55	1,199.35
	(a) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:			
	(i) Unpaid/Unclaimed Dividends	**36.85**	37.97	40.97

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
21	**OTHER CURRENT LIABILITIES (CONTD.)**			
	(b) Other payables			
	(i) Interest accrued but not due on borrowings	2.14	0.39	143.80
	(ii) Inter corporate Deposit	0.47	0.47	0.47
	(iii) Other Payables	567.09	396.76	322.94
	Total	5,223.60	1,963.99	2,047.27

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
22.	**REVENUE FROM OPERATIONS**		
	Sale of products- [including excise duty] for the year ended March 31, 2018, Refer Note (i) below	40,346.71	41,947.37
	Total	40,346.71	41,947.37
	Sale of product comprises:		
	A. Manufactured Goods		
	Dry Batteries	20,963.76	25,976.57
	Aerospace	11,848.27	6,133.98
	Total - Sale of Manufactured goods (A)	32,812.03	32,110.55
	B. Traded goods		
	Batteries	5,180.89	6,991.07
	Torches	1,786.12	2,524.93
	Others	567.67	320.82
	Total - Sale of Traded goods (B)	7,534.68	9,836.82
	Total - Sale of Products (A+B)	40,346.71	41,947.37
23.	**OTHER INCOME**		
	(a) Interest Income Refer Note (i) below	1,319.35	1,299.66
	(b) Other non-operating income, Refer Note (ii) below	210.08	221.11
	Total	1,529.43	1,520.77
	(i) Interest income comprises:		
	- Deposits	69.06	92.85
	- Over due bills	1,240.04	1,180.82
	- Others	10.25	25.99
	Total - Interest Income	1,319.35	1,299.66

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
23.	**OTHER INCOME (CONTD.)**		
	(ii) Other non-operating income comprises:		
	Net gain on sale of fixed assets	**1.81**	0.90
	Others	**208.27**	220.21
	Total - Other Non-Operating Income	**210.08**	221.11
24.	**COST OF MATERIALS CONSUMED**		
	Opening Stock	**1,666.05**	1,315.61
	Add: Purchases	**17,318.57**	16,380.32
	Less: Closing Stock	**1,680.33**	1,666.05
	Total Cost of Material Consumed	**17,304.29**	16,029.88
	Material Consumed Comprises of:		
	Zinc	**4,245.21**	4,101.42
	Electrolytic Manganese Dioxide	**1,727.01**	1,704.31
	Others	**11,332.07**	10,224.15
	Total	**17,304.29**	16,029.88
25.	**PURCHASE OF STOCK IN TRADE (TRADED GOODS)**		
	Batteries	**3,371.96**	4,963.89
	Flashlights	**1,520.07**	2,021.16
	Electrical products	**-**	-
	Others	**239.85**	154.78
	Total	**5,131.88**	7,139.83
26.	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	A. At the begining of the year		
	Finished goods	**1,491.77**	1,209.92
	Goods-in-process	**876.71**	755.55
	Stock-in-trade	**739.43**	856.69
		3,107.91	2,822.16
	B. At the end of the year		
	Finished goods	**1,371.75**	1,491.77
	Goods-in- process	**763.17**	876.71
	Stock-in-trade	**673.75**	739.43
		2,808.67	3,107.91
	C. Decrease/(Increase) in Inventories	**299.24**	(285.75)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
27.	**EMPLOYEE BENEFIT EXPENSE**		
	Salary, Wages and Allowances	4,187.95	3,606.43
	Directors' Remuneration	372.25	369.99
	Contribution to Provident and other funds	330.94	298.64
	Staff welfare expenses (Including Compensated Absences)	754.08	664.62
	Total	5,645.22	4,939.68
28.	**FINANCE COSTS**		
	Interest expense on borrowings	447.10	468.05
	Other borrowing costs	154.27	96.74
	Net loss on foreign currency transactions and translation (considered as finance cost)	(106.89)	(49.79)
	Total	494.48	515.00
29.	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation for the year on property, plant and equipment	866.85	731.17
	Amortisation for the year on intangible assets	68.95	60.80
	Total	935.80	791.97
30.	**OTHER EXPENSES**		
	Consumption of stores and spare parts	556.33	380.13
	Power, Gas and Water	464.66	498.89
	Repairs to:		
	Machinery	46.05	41.28
	Buildings	75.90	99.44
	General	293.16	419.47
	Insurance	72.04	68.76
	Research & Development Expenses	15.97	18.35
	Rent	314.75	297.20
	Travelling & Conveyance	667.98	646.29
	Communication Expenses	86.35	91.71
	Printing and Stationery	28.24	30.34
	Vehicle Maintenance	58.19	50.37
	Auditors' Remuneration	33.40	28.71
	Professional charges	857.77	921.37
	Additional Sales Tax, etc	13.68	60.06
	Rates and taxes	133.45	151.78
	Advertisement expenses	388.67	901.13

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
30.	**OTHER EXPENSES (CONTD.)**		
	Freight Expense	**1,141.02**	1,208.04
	Sales promotion, Selling and Distribution expenses	**1,146.96**	648.47
	Loss on sale of fixed assets	**0.25**	-
	CorporateSocial Responsibility	**73.24**	64.38
	Miscellaneous expenses	**327.33**	251.56
	Total	**6,795.39**	6,877.73
	Payments to the auditors comprises fees for (net of service tax input credit, where applicable):		
	For Statutory audit	**24.72**	22.35
	For Taxation and Certification	**5.10**	3.50
	For Tax Audit	**2.00**	1.75
	For Out of pocket expenses	**1.58**	1.11
	Total	**33.40**	28.71
31.	**INCOME TAX**		
	Income tax recognised in profit and loss		
	Current tax		
	In respect of current year	**1,297.17**	644.50
	Deferred tax		
	In respect of current year	**(59.33)**	522.63
	Total	**1,237.84**	1,167.13
	Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below.		
	Reconciliation of the accounting profit to the Income-Tax expense for the year is summarised below :		
	Profit before tax	**4,337.21**	3,279.40
	Income-Tax expense calculated at 34.608%	**1,501.02**	1,134.93
	Effect of expenses that are not deductable in determining taxable profit	**(263.18)**	32.20
	Income-Tax expense	**1,237.84**	1,167.13

32. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS

32.1 Contingent liabilities & commitments (to the extent not provided for)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Contingent Liability		
(a) Penalty imposed by Competition Commission of India ("CCI") on the company and on certain officers of the Company (Refer note below)	4226.00	-
(b) Claims against the Group not acknowledged as debts*	2,688.00	1,902.32
Income Tax disputed in Appeals	29.48	29.48
Sales Tax disputed in Appeals	2.15	2.15
(c) Claims against the group for pending casesof the group	2.18	2.18
EPCG Scheme *	243.74	767.42
Foreign Currency *	3,427.20	3,312.66
(d) Guarantees		
Bank Guarantee	1,151.63	863.88
(e) Letter of Credit	1,198.26	115.62
(f) Commitments		
Estimated amount of contracts remaining to be executed on capital account	713.55	909.18

Note: The Group has imported capital goods/ raw materials under the Export Promotion Capital Goods Scheme ("EPCG Scheme") / Advance licence ("Advance Licence scheme") and executed bonds aggregating Rs.243.74 lakhs (March 31, 2017 Rs.767.42 lakhs; April 1, 2016 Rs.66.61 lakhs) in favour of Customs authorities. The Company is liable to pay the whole of the customs duty saved on such imported goods, along with interest at 18% per annum from the date of clearance of goods till the date of payment of duty, if it fails to discharge its export obligations as prescribed under the Schemes. Under the Schemes, the Company has to earn foreign currency worth Rs.3,427.20 lakhs (March 31, 2017 Rs.3,312.66 lakhs; April 1, 2016, Rs.1,268.51 lakhs) in aggregate. The obligations are to be fulfilled within a period of 1.5-6 years from the date of issue of import licences. Import licenses have been issued at various points in time and the time limit of 1.5-6 years for licenses for which such obligation is pending to be fulfilled ends on April 10, 2019. As, at the year end, the balance export obligation is Rs. 2,688.00 lakhs (March 31, 2017 Rs.1,902.32 lakhs; April 1, 2016 Rs.1,268.51 lakhs) which is to be fulfilled by earning foreign exchange from Company's operations.

Based on its business plans the Group does not expect any liability to devolve in respect of the above and therefore no provision has been held in the accounts.

Note: In terms of order dated 25th April, 2018 received on 2nd May, 2018, the Competition Commission of India (CCI) has imposed penalty of Rs. 4,226.00 lakhs for alleged cartelisation in respect of Zinc carbon dry cell batteries market in india. The Group's had filed an appeal against order of CCI before the National Company Law Appellate Tribunal (NCLAT) . NCLAT has granted stay on the CCI order on the condition that the Group's should deposit 10% of the penalty amounting to Rs.422.00 lakhs. The Group's based on the legal opinion and considering the uncertainty relating to outcome of this matter, no provision has been considered in the books of account.

32.2 LEASES

The Group has entered into a long term lease agreements for land with Goa Industrial Development Corporation. The lease term is for a definite period with no unconditional right with the Company to extend the lease period. The lease term also does not cover a major part of the economic life fo the asset, hence the same is being treated as an operating lease. The unamortised lease prepayments as at March 31, 2018 aggregating Rs. 43.52 lakhs (as at March 31, 2017 Rs. 44.22 lakhs) is included in 'Other non financial assets (current and non current)'.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

32. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

DISCLOSURES UNDER INDIAN ACCOUNTING STANDARDS (CONTD.)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Lease payments recognised in the Statement of Profit and Loss for the year	**2.29**	3.32
Further minimum lease payments under the agreements, which are non cancellable are as follows:		
a. Not later than one year	**2.47**	2.30
b. Later than one year and not later than five years	**10.80**	10.58
c. Later than five years	**35.93**	40.54

Terms and Conditions of the lease:

a. The lease agreements provide for a 10% increase in lease rent every 3 years.

b. The agreements provide for a subleasing of the leased land with prior approval of the lessor.

c. The agreements provide for renewal option of the lease period. The option to be excercised within the time stipulated in the lease agreements.

Disclosure as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

32.3 Particulars of Loans, guarantees or investments covered under Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2018	March 31, 2017	Purpose
(a) Loan outstanding	**150.00**	-	Working capital requirement
(c) Guarantees	**3,690.00**	2,000.00	In connection with the bank facilities obtained by Kineco Ltd. from HDFC Bank Ltd. (Kotak Mahindra Bank Ltd.)

32.4 EMPLOYEE BENEFIT PLANS

32.4.1 Defined contribution plans / Benefit Plan

Defined contribution plans:

In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident Fund.

The total expense recognised in profit or loss of Rs. 233.04 Lakhs (for the year ended March 31, 2017: Rs.216.39 Lakhs) represents contribution paid to these plans by the Group at rates specified in the rules of the plan.

Defined benefit plans:

The Group offers benefits under a defined-benefit plan in the form of a gratuity scheme to its eligible employees. The gratuity scheme covers substantially all regular employees. The plan provides for a lumpsum payment to its vested employees at retirement, death while in employment or on termination of employment

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

33. EMPLOYEE BENEFIT PLANS (CONTD.)

of an amount equivalent to fifteen days/ one month salary drawn at the time of the incident occasioning such payment, as applicable, payable for each completed year of service or part there of in excess of six months. Vesting occurs up on completion of five years of service calculated as per the Payment of Gratuity Act, 1972.

The employees' gratuity fund scheme is managed by Life Insurance Corporation of India (LIC). The Group makes annual contributions to the plan. Commitments are actuarially determined at year-end. Actuarial valuation is based on "Projected Unit Credit" method.

32.4.2 The Group offers the following employee benefit schemes to its employees:

Defined benefit plans

i. Gratuity

ii. Leave encashment

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

(Rs. in lakhs)

Particulars	Year ended 31st March , 2018		Year ended 31st March , 2017	
	Gratuity Funded	Leave Encashment Unfunded	Gratuity Funded	Leave Encashment Unfunded
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:				
Current service cost	71.45	14.02	108.45	13.04
Interest cost	32.69	1.59	114.79	0.88
Mortality charges and taxes	1.12	-	1.07	-
Past service cost	13.89	-	-	-
Interest Income	-	-	(69.98)	-
Return on Plan Assets (Excluding Interest Income)	-	-	(12.03)	-
Components of defined benefit costs recognised in profit or loss	119.15	15.61	142.30	13.92
Amount recognised in Other Comprehensive Income (OCI) for the Year:				
Remeasurement on the net defined benefit liability comprising:				
Actuarial (gains)/losses recognised during the period	(16.59)	(3.64)	22.98	(3.52)
Components of defined benefit costs recognised in other comprehensive income	(16.59)	(3.64)	22.98	(3.52)
Total expense / (income) recognised in the Consolidated Statement of Profit and Loss	102.56	11.97	165.28	10.40

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

32.4 EMPLOYEE BENEFIT PLANS (CONTD.)

(Rs. in lakhs)

	Year ended 31st March , 2018		Year ended 31st March , 2017	
	Funded	Unfunded	Funded	Unfunded
Change in defined benefit obligations (DBO) during the year				
Opening defined benefit obligation	1,199.08	21.23	1,007.42	11.17
Current service cost	71.45	14.02	108.45	13.05
Interest cost	34.24	1.59	115.33	0.88
Past service cost	13.88	-	-	-
Benefit Paid	(6.10)	-	(55.10)	(0.35)
Actuarial losses / (gains)	(16.59)	(3.64)	22.98	(3.52)
Closing defined benefit obligation	1,295.96	33.20	1,199.08	21.23
Change in fair value of assets during the year				
Opening fair value of plan assets	1,128.77	-	977.85	-
Interest Income	84.52	-	70.95	-
Actual Group contributions	39.69	-	119.85	(0.35)
Mortality charges and taxes	(1.13)	-	(1.07)	-
Benefits paid	(4.85)	-	(50.76)	(0.35)
Return on plant of assets (excluding interest income)	(0.58)	-	11.95	-
Plan Assets at the end of the year	1,246.42	-	1,128.77	(0.70)
Net asset/ (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	1,295.96	(33.20)	1,199.08	(21.23)
Fair value of plan of assets	1,246.42	-	1,128.77	(0.70)
Net asset/ (liability) recognised in the Balance Sheet	49.55	(33.20)	70.32	(21.92)

ACTUARIAL ASSUMPTIONS

Controlling Interest

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.40% p.a.	7.05% p.a.
Salary Escalation	10.00% p.a.	10.00% p.a.
Expected return on assets	7.40% p.a.	7.05% p.a.
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ACTUARIAL ASSUMPTIONS (CONTD.)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-controlling Interest		
Discount Rate	8.50% p.a.	8.50% p.a.
Expected return on plan assets	6.90% p.a.	7.80% p.a.
Salary Escalation	7.00% p.a.	7.00% p.a.
Mortality Tables	Indian Assured Lives Mortality (2006-08) Ultimate table	Indian Assured Lives Mortality (2006-08) Ultimate table
Attrition rate	1% - 7.5% p.a.	1% - 7.5% p.a.

In the absence of detailed information regarding Plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

These plans typically expose the Group to actuarial risks are as follows:

Investment risk: All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

Salary Risk: The present value of the defined benefit obligation calculated by reference to the future salaries of the plan participants. An increase in the salary of the plan participants will increase the plan liability.

Discount rate risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Decrease in the bond rate will increase the plan liability; this will partially be offset by the increase in the interest on plan assets.

Longevity Risk: The present value of the defined benefit obligation calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plans liability.

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's debt investments.

Sensitivity Analysis

The increase/ (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

Particulars	Unfunded	
	2017-18	2016-17
DISCOUNT RATE +100 basis points	31.92	20.27
DISCOUNT RATE -100 basis points	34.69	22.37
SALARY GROWTH +100 basis points	34.64	22.33
SALARY GROWTH -100 basis points	31.94	20.28

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Funded	
	2017-18	2016-17
DISCOUNT RATE +100 basis points	47.07	38.35
DISCOUNT RATE -100 basis points	52.79	42.42
SALARY GROWTH +100 basis points	50.78	41.68
SALARY GROWTH -100 basis points	44.15	38.50
ATTRITION RATE +100 basis points	9.80	6.95
ATTRITION RATE-100 basis points	10.79	7.58
MORTALITY RATE 10% UP	0.32	0.24

Segment Information

The business of the Group currently is manufacture and sale of dry batteries, trading lighting products and other home appliances which comes under a single business segment known as consumer goods. This classification is based on the nature of products, risks, returns and the internal business reporting system and accordingly there is no other reportable segment in terms of Ind AS "Operating Segment".

M/s. Kineco Limited along with its subsidiaries which is a step down subsidiary of Indo National Limited is engaged in the business of composites and aerospaces. M/s. Kineco Limited has achieved the revenue of INR 118.48 Crores which amounts to more than 10% of the consolidated revenue of the Group. Considering the same and in accordance with IND AS 108 " Segment Reporting " becomes applicable for consolidated financial statements and the same is given herewith.

32.5 SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Revenue		
a) Consumer Goods	28,498.00	35,813.00
b) Composite & Aerospace	11,849.00	6,134.00
Total	40,347.00	41,947.00
Less: Inter-segment revenue	-	-
Revenue from operations	40,347.00	41,947.00
Results		
Profit before tax and interest		
a) Consumer Goods	3,306.00	3,601.00
b) Composite & Aerospace	1,525.00	193.00
Total	4,831.00	3,794.00
Less: i) Interest	494.00	515.00
Profit before tax	4,337.00	3,279.00
Tax	1,238.00	1,167.00
Profit After Tax(Including share of profit/ loss subsidiaries)	3,099.00	2,112.00
Segment Assets		
a) Consumer Goods	22,936.00	21,510.00
b) Composite & Aerospace	20,593.00	11,408.00
Total Segment Assets	43,529.00	32,918.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Liabilities		
a) Consumer Goods	**22,941.00**	21,515.00
b) Composite & Aerospace	**20,588.00**	11,403.00
Total Segment Liabilities	**43,529.00**	32,918.00

32.6 RELATED PARTY TRANSACTIONS

Kineco Limited has the following investments in subsidaries

1. Kineco Alte Train Technologies Pvt Ltd wherein the company holds 16,02,587 (as at March 31, 2017 13,79,667; as at April 01, 2016 1,79,667) fully paid up Equity shares of Rs. 10/- each
2. Kineco Kaman Composites India Pvt. Ltd wherein company holds 58,73,350 (as at March 31, 2017 58,73,350; as at April 01, 2016 33,13,350) fully paid up Equity shares of Rs. 10/- each
3. Conley Kineco Pipe System Pvt Ltd wherein the company holds 32,980 fully paid up Equity shares of Rs. 100/- each (49% (previous year 49%)
4 Conley Kineco Pipe System Pvt Ltd wherein the company holds 70,000 fully paid up Preference shares of Rs. 100/- each

With regard to treatment of the following entities:

1. Kineco Alte Train Technologies Pvt Ltd (KATT) \

   Kineco Limited holds 89.55% of the Equity of KATT. However, as per the records of the KATT all the three directors have been appointed by kineco Limited. Hence Kineco Limited has treated KATT as a Subsidiary considering para 10 of Accounting Standard 21, whereby control exists when an enterprise controls the compositions of the board of directors so as to obtain economics benefits from its activities.
2. Kineco Kaman Composites- India Pvt. Ltd (KKC)

   Kineco Limited holds 51% of the Equity of KKC. Kineco Limited has treated KKC as a Subsidiary considering para 10 of Accounting standard 21, whereby control exists when the parent owns, directly or indirectly through subsidiary, more than one-half of the votong power of the enterprise.
3. Conley Kineco Pipe System Pvt Ltd (CKP)

   Kineco Limited holds 49% of the Equity of CKP. However, as per the records of the CKP both directors have been appointed by Kineco Limited. Hence Kineco Limited has treated CKP as a Subsidiary considering para 10 of Accounting Standard 21, whereby control exists when an enterprises 07th May 2018 vide order issued by register of the company informed STK-7.

32.6.1 (a) Details of related parties:

Description of relationship	Names of related parties
SUBSIDIARIES	Helios Strategic Systems Ltd. Kineco Limited
Joint Venturer of Subsidiary with 49% ownership	Kaman Aerospace Group Inc
Associates Of Subsidiary (with whom transactions have taken place during the year)	Kineco Alte Train Technologies Pvt Ltd Kineco Kaman Composites India Private Limited Kaman Composites - Vermont, Inc Kaman Aerosystems - Kaman Composites CT

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

Description of relationship	Names of related parties
ENTERPRISES WITH SIGNIFICANT INFLUENCE	Apex Agencies Associated Electrical Agencies Kalpatharu Enterprises Pvt. Ltd Radiohms Properties Pvt. Ltd Radiohms Agencies RAL Consumer Products Limited Deccan Hospitals (A Unit of Apollo Hospitals Ent. Ltd)
KEY MANAGERIAL PERSON **Executive Directors**	P. Dwaraknath Reddy R.P. Khaitan P. Aditya Reddy Mr. Vinay Jagtap
Director	Mr. Prashant Naik
Executive Vice Chairman and Managing Director	Mr. Shekhar Sardessai

32.6.2(b) Details of related party transactions during the year ended March 31, 2018 and balances outstanding as at March 31, 2018:

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
SUBSIDIARIES		
Helios Strategic Systems Limited		
Expenses reimbursed	**0.76**	-
Interest on borrowings	**346.89**	298.08
Repayment of Loans	**-**	27.30
Outstanding as at the year end		
8% compulsorily convertible debentures	**805.00**	665.00
Trade receivables	**847.25**	414.85
Corporate guarantee	**3,090.00**	2,000.00
Kineco Limited		
Outstanding as at the year end		
Trade receivables	**0.76**	-
Kaman Aerospace Group Inc.		
Interest on borrowing	**-**	5.48
Royalty	**-**	8.73
Expenses reimbursed	**-**	0.22
Outstanding at the year end		
- Trade payables	**(6.93)**	(6.91)
- Borrowings including interest accrued thereon	**-**	(5.40)
Issue of Equity Share Capital	**-**	447.89
Corporate guarantee	**975.66**	1,547.90

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Kaman Composites - Vermont, Inc		
Purchase of raw material	**5.48**	29.64
Purchase of services	**3.25**	-
Kaman Composites - UK Limited		
Recovery of expenses	**1.73**	-
Outstanding at the year end		
Purchase of Fixed Assets	**31.86**	0.47
- Trade payables	**(0.46)**	(0.46)
- Expenses recoverable	**1.80**	-
Apex Agencies		
Sales	**4,873.00**	4,318.31
Services Received	**74.36**	109.47
Services Rendered	**522.95**	326.32
Outstanding as at the year end		
Trade receivables	**2,577.86**	2,317.40
Associated Electrical Agencies		
Sales	**3,557.67**	5,671.90
Services Received	**27.29**	50.18
Services Rendered	**467.63**	414.42
Outstanding as at the year end		
Trade receivables	**2,386.29**	1,968.08
Kalpatharu Enterprises Pvt Ltd		
Services Received	**62.54**	118.08
Outstanding as at the year end		
Trade Payable	**-**	10.41
Deccan Hospitals		
Sales	**270.37**	75.01
Services Received	**8.57**	2.49
Radiohms Properties Pvt Ltd		
Services Received	**15.42**	18.38
Radiohms Agencies		
Sales	**2,753.16**	3214.54
Services Received	**45.76**	27.48
Services Rendered	**12.09**	17.08
Outstanding as at the year end		
Trade receivables	**575.92**	427.35
RAL Consumer Products Limited		
Sales	**2,396.20**	3,730.56
Services Received	**94.83**	34.20
Services Rendered	**25.06**	29.18

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Outstanding as at the year end		
Trade receivables	**597.32**	382.03
Key Managerial Person		
(i) P. Dwaraknath Reddy		
Remuneration & Perquisites	**80.19**	72.08
Commission	**31.00**	32.49
(ii) R.P. Khaitan		
Remuneration & Perquisites	**82.34**	68.96
Commission	**31.00**	32.49
(iii) P. Aditya Reddy		
Remuneration & Perquisites	**86.72**	67.89
Commission	**31.00**	27.08
(iv) Shekhar Sardessai		
Remuneration	**73.79**	73.91
Repayment of Loan	**117.02**	10.41
Outstanding Payable	**(203.14)**	(310.95)
Finance Cost	**-**	7.81
v) Vinay Jagtap		
Finance Cost	**-**	0.73
Repayment of Loan	**-**	10.29

32.7 EARNINGS PER SHARE

32.7.1 Basic

Profit for the year in Rs. Lakhs	**2,234.10**	1,917.79
Weighted average number of equity shares	**37.50**	37.50
Par value per share	**10.00**	10.00
Earnings per share - Basic	**59.58**	51.14

32.7.2 Diluted

The diluted earnings per share has been computed by dividing the profit for the year available for Equity Shareholders by the weighted average number of equity shares

Profit for the year	**2,234.10**	1,917.79
Weighted average number of equity shares for basic EPS	**37.50**	37.50
Weighted average number of equity shares for diluted EPS	**37.50**	37.5
Par value per share	**10.00**	10.00
Earnings per share - Diluted	**59.58**	51.14

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
32.8 CORPORATE SOCIAL RESPONSIBILITY (CSR)		
As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, gender equality,empowerment of women and promoting sports - National & Olympic. The expenditure incurred (Refer Note. 30) during the year on these activities are as specified in schedule VII on the Companies Act, 2013.		
(a) Gross amount required to be spent by the Company during the year INR 73.24 Lakhs		
(b) Amount spent during the year on:		
(i) Contribution towards charitable and cultural cause	**63.14**	48.48
(ii) Contribution towards rural development	**10.10**	15.90
Total	**73.24**	64.38
32.9 Details of research and development expenditure recognised as an expense		
Buying of equipments and lab test cylinder development charges	**15.97**	18.35

32.10 FINANCIAL INSTRUMENTS

32.10.1 Capital management

The Group's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Group also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Group to contain / reduce the cost of capital.

Gearing ratio

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Debt (A)	**4,510.13**	4,510.86	5,820.78
Cash and bank Balances (B)	**5,026.98**	1,306.18	3,563.11
Net Debt (A-B)	**(516.85)**	3,204.68	2,257.67
Total Equity	**21,324.85**	20,217.30	19,180.54
Net debt to Equity Ratio (%)	**(2.42)**	15.85	11.77
32.10.2 Categories of financial instruments			
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investments designated at fair value through profit or loss	**0.74**	0.86	71.15

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Measured at amortised cost			
(a) Cash and Bank Balances	**5,026.98**	1,306.18	3,563.11
(b) Other financial assets at amortised cost	**12,838.34**	8,725.95	8,123.80
Financial liabilities			
Financial liabilities measured at amortised cost	**13,248.25**	8,010.00	8,733.93

32.10.3 Risk Management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board has constituted the risk management committee which carries on the following functions:

1. The implementation of Risk management systems and framework;
2. Reviewing the Group's financial and risk management policies;
3. Assessing risk and minimizing the procedures;
4. Framing, implementing and monitoring the risk management plan

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Risk management Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group's. The Risk management Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to the following risks arising from its financial risk management:

Credit risk

Liquidity risk

Commodity Price risk

Foreign currency risk

The Group manages its financial operations with its own accruals and hence is not subject to interest rate risk. The Group manages its working capital with its own stock and debtors. However, the overdraft/ cash credit facility from our bankers are utilised to manage the working capital gap as and when required. The Group does not forsee any requirement for long term funding in the near future.

32.10.4 Credit risk management

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group’s trade receivables, deposits and other financial assets.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

group has established a strong liquidity damage agreement with its customers. The normal credit period for trade receivable is 15 days and any settlement beyond 15 to 90 days and thereafter is compensated as per the LD agreement.

The group based on internal assessment which is driven by the historical experience and current facts available in relation to default and delays in collection thereof has decided not to make any expected credit loss of trade receivables. The group does not forsee any requirement to create the allowance matrix considering the past trend, future operations and materiality of doubtful/bad debts incurred till now. Refer Note.(8.b)

Liquidity risk management

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The average credit period for purchase of materials and traded products ranges from 30 to 60 days and the company settles the significant portion of the obligation within the aforesaid credit period. The group's working capital is adequately supported by Stock, Book debts and Bank overdraft/ CC facilities.

Commodity price risk management

The group is exposed to commodity price risk, mainly in respect of Zinc, which is a key raw material in the manufacture of batteries. The price risk is linked to fluctuations in London Metal Exchange (LME). The group manages the price risk by entering into a average price agreeement with the vendor.

32.10.5 **Foreign currency risk management**

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Group has the policy of settling the foreign exchange exposure within 5 to 10 days to mitigate the foreign currency risk.

The Group's business activities include import of raw materials which are linked to international price in dollar terms. As a result the Group is exposed to exchange rate fluctuation on its imports. The Group also avails foreign currency funding in terms of export packing facilities for the purchase of raw materials. The impact of these fluctuations affects the Group's profitability and finance.

The Group's objective is to insure that the cost of export packing facilities availed doesn't exceed the cost of Rupee funding of a comparable nature at the time of availing. The Group's foreign currency transaction are recorded in accordance with guidelines laid down in Indian accounting standards.

The Group enters into derivative financial instruments of the nature of forward foreign exchange contracts to manage its foreign currency risk of foreign currency receivables. The Group also uses the asset liability offset of foreign currency exposures as a part of its foreign exchange fluctuation risk management policies.

Derivatives are used only for economic hedging purposes and not as speculative investments. All such transactions are carried out with the approval of the board of Directors.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

i. Amount receivable in foreign currency on account of the following:-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Foreign currency risk management (CONTD.)

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	Rupees in Lakhs	Foreign Currency Lakhs	Rupees in Lakhs	Foreign Currency Lakhs	Rupees in Lakhs	Foreign Currency Lakhs
Trade receivables and advances to suppliers						
- USD	**315.29**	**4.86**	85.82	1.32	6.09	0.09
- Euro	**77.15**	**1.01**	-	-	-	-
- GBP	**5.16**	**0.06**	-	-	-	-
Cash and Bank balances						
- USD	**110.71**	**1.70**	6.30	0.10	28.05	0.42
- SGD	**0.22**	**-**	-	-	-	-
- GBP	**-**	**-**	-	-	-	-
ii. Amount payable in foreign currency on account of the following:						
Trade payables and other Current Liablitities						
- Euro	**1.03**	**0.01**	20.07	0.29	-	-
- USD	**3,812.34**	**59.82**	887.37	13.17	1,090.50	16.07
Foreign Currency loans including interest there on						
- USD	**977.12**	**15.02**	981.09	15.13	1,033.93	15.59

Development of Composite Technology, Products and Process Know-How:

(i) Development of Composite Filament Winding Technology, products and process know- how

The group has completed and commercialized a project for Research and Development in the field of filament Winding using advanced technology at an aggregate cost of Rs.227.18 lacs, In association with Indian Institute of Tenhnology, Mumbai and Technology Information Forecasting Assessment Council, a body constituted by Govt. of India under Ministry of Science and Technology. Research and product development under this has been funded by TIFAC for Rs. 99.50 Lakhs. Out of Rs. 227.18 lacs, Rs. 33.31 lacs was expensed on Building and Rs.134.71 lacs represent capital expenditure on Research, which is capitalized under appropriate assets heads. Balance Rs. 59.10 lacs represent expenditure on personnel, consultancy fees to IIT Mumbai and other consultant, premium payable to bridge TIFAC as per agreement, travelling, depreciation, interest on finance etc. These being incurred for "Development of Composite development process, are classified as Intangible Asset under Technology, Products and process Know-How".

(ii) Development of Composite Sky bus Coaches Technology, products and process know- how

The group has completed R&D project for Development of composite s ky bus coaches for Konkan Railway Corporation at an aggregate cost Rs. 186.47 lacs, in association with Indian Institute of Technology, Mumbai and TIFAC. TIFAC has committed financial assistance of Rs. 99.50 lacs of which Rs. 79.60 lacs has been disbursed till 31st March 2006. The Commercialisation of the sky bus Coaches

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

Project for Konkan Railway in the project. However, during the year the Group has successfully leveraged this intangible asset in the form of Composite Technology, Products and Process Know-How Sky Bus Project. Using the technology developed under this project, the Group has manufactured and supplied substantial volume orders for seats, front end cab and interior train paneling for Indian Railways over the past 8 years.

(iii) The Development of Composite Technology, Products and Process Know-How for armature cores (for power plants), carbon fiber cycle frame and forks, Canisters for projectile launchers and Optical telescopic structures.

The Group has incurred capital expenditure for Research and Development of armature cores (for power plants), carbon fiber cycle frame and forks, Canisters for projectile launchers and Optical telescopic structures at an aggregate cost of Rs. 288.67 lacs. The Group has received initial commercial order from customers for products developed from this research and development efforts and expects revenues over years arising out of the same.

(iv) The Development of Composite Technology, Products and Process Know-How for Sonar Dome

The Group has incurred capital expenditure for Research and development of composites Sonar Dome for ships through R&DE(E),BEL at an aggragate cost of Rs.99.46 lacs. The Group has received commercial order from R&DE(E), BEL orders for manufacture and supply of sonar domes from these domes from these research and development efforts and expects revenues over years arising out of the same.

32.10.6 Interest rate risk management

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Groupby maintaining an appropriate mix between fixed and floating rate borrowings contracts.

32.10.7 Financing facilities

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Secured bank overdraft facility			
- amount used	**3,729.39**	3,438.14	4,938.70
- amount unused	**2,270.60**	2,387.17	3,003.85
Secured letter of credit/ Bank Guarantee			
- amount used	**2,163.56**	1,197.42	765.85
- amount unused	**531.44**	421.57	430.14

32.10.8 Fair value measurements

The Group has not recognised any financial asset / liability at fair value. The directors consider that the carrying amounts of financial assets and financial liabilities that are recognised at fair value in the financial statements approximate their fair values.

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Related party transactions (CONTD.)

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 (unobservable inputs)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Financial assets - at fair value through other comprehensive income:			
Non-Current Investments (other than equity instruments of subsidiaries)	**0.74**	0.86	71.15
Total	**0.74**	0.86	71.15

33. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the Board of Directors on May 23, 2018.

As per our Report attached

For and on behalf of the Board of Directors

For **G BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

M. SANKARA REDDY
Chief Financial Officer

N. RAMESH RAJAN
Chairman

RAJA GOPALAN B
Partner (M No.217187)

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018

ATTACHMENT TO THE FINANCIAL STATEMENT

FORM AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Subsidiary / Associate Companies / Joint ventures

Subsidiaries

S.No.	Name of the Subsidiary	Helios Strategic Systems Ltd	Kineco Limited and its Subsidiaries
1	Reporting period	31st March 2018	31st March 2018
2	Reporting Currency	INR in Lakhs	INR in Lakhs
3	Share Capital	5.00	626.42
4	Other Equity	3.917.38	1,583.33
5	Non controlling interest	-	540.18
6	Total Assets	5,036.11	16,281.99
7	Total Liabilities	1,113.73	13,532.06
8	Investments (except for investment in subsdiaries)	-	0.71
9	Turnover	59.16	11,848.27
10	Profit/(Loss) before taxation	(293.59)	1,514.59
11	Provision for taxation	-	224.84
	Total Comprehensive income attributable to:		
	1. Owners of the Company	(293.59)	842.65
	2. Non controlling interest	-	457.43
12	Proposed Dividend	-	-
13	% of shareholding	100%	*50.991%

*held through Helios Strategic Systems Ltd ., a wholly owned subsidary of Indo National Ltd

As per our Report attached

For and on behalf of the Board of Directors

For **G. BALU ASSOCIATES LLP**
Chartered Accountants
FRN : 000376S/S-200073

M. SANKARA REDDY
Chief Financial Officer

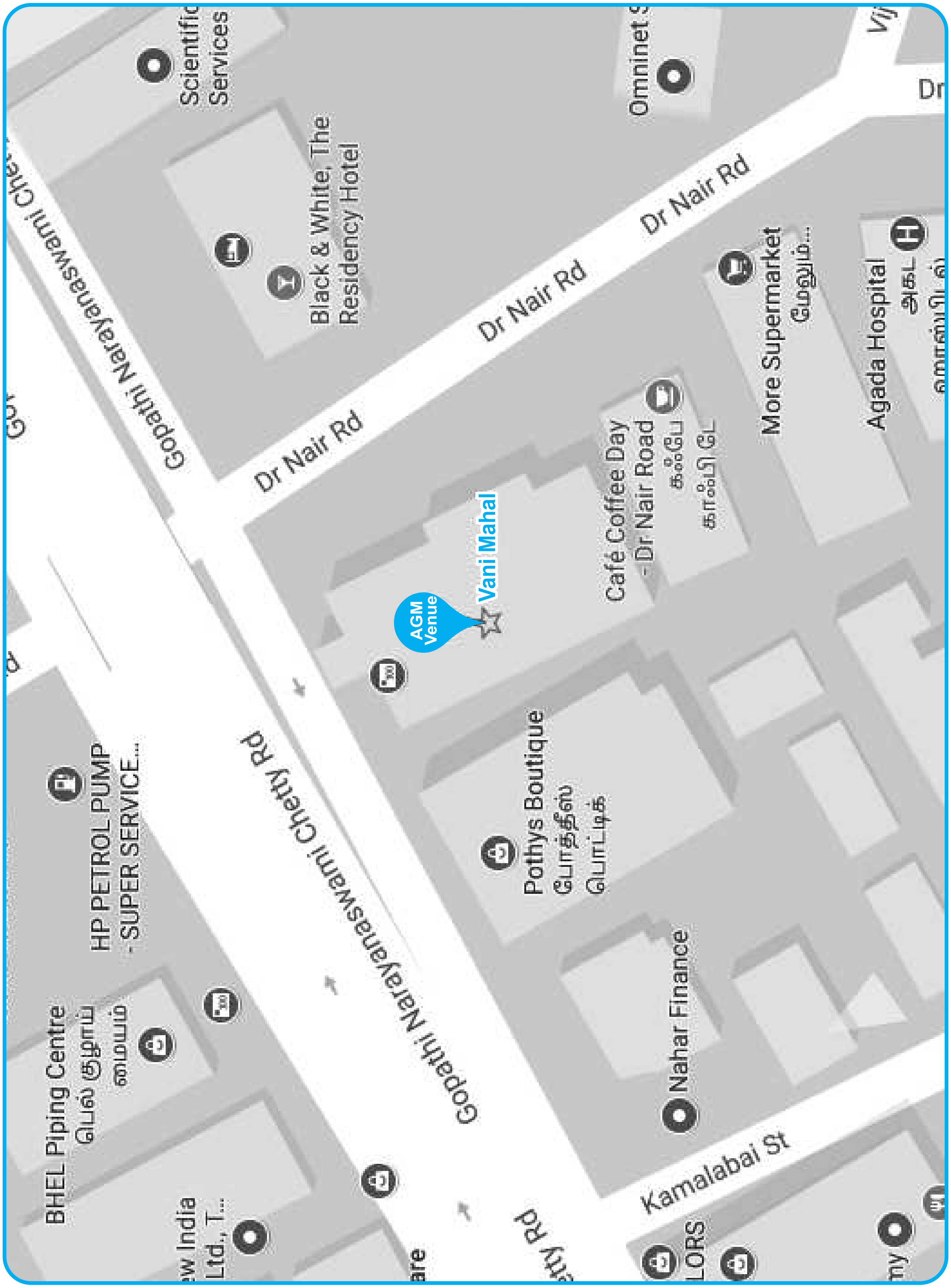
N. RAMESH RAJAN
Chairman

RAJA GOPALAN B
Partner (M No.217187)

J. SRINIVASAN
Secretary

R.P. KHAITAN
Joint Managing Director

Place : Chennai
Date : 23rd May, 2018


AGM Venue
Vani Mahal
Dr Nair Rd
Gopathi Narayanaswami Chetty Rd
Black & White, The Residency Hotel
Services
Café Coffee Day - Dr Nair Road
More Supermarket
Agada Hospital
Pothys Boutique
Nahar Finance
Kamalabai St
HP PETROL PUMP - SUPER SERVICE...
BHEL Piping Centre

INDO NATIONAL LIMITED

(CIN L31909TN1972PLC006196)

Registered Office: 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.

Corporate / Head Office : 'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street, Nungambakkam, Chennai - 600 006.

ATTENDANCE SLIP

Name & Address of the Shareholder Folio No : ___________________

___________________ DP ID : ___________________

___________________ Client ID : ___________________

Certify that I am a member / proxy appointed by the member* of the Company and record my presence at the 45th Annual General Meeting of the Company, at Sri. P. Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai - 600 017, on Monday, the 24th September 2018 at 3.00 p.m.

Name of the Shareholder / Proxy* Signature of the Shareholder / Proxy*

___________________ ___________________

* Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

INDO NATIONAL LIMITED

(CIN L31909TN1972PLC006196)

Registered Office: 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.

Corporate / Head Office : 'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street, Nungambakkam, Chennai - 600 006.

PROXY FORM (FORM NO.MGT - 11)

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

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

Registered Address : ....

E-mail ID : ....

Folio No./ DP ID : ....

I/ We, being the Member (s) holding .... shares of the above named company, hereby appoint:

1. Name : .... Address : ....
   E-mail Id : .... Signature : .... or failing him/her
2. Name : .... Address : ....
   E-mail Id : .... Signature : .... or failing him /her
3. Name : .... Address : ....
   E-mail Id : .... Signature : ....

as my/our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 45th Annual General Meeting of the Company, to be held on Monday the 24th day of September 2018 at 3.00 P.M. at Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N. Chetty Road, T.Nagar, Chennai - 600 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
	Ordinary Business
1.	Adoption of Standalone / Consolidated Financial Statements for the year ended 31st March, 2018
2.	Declaration of Dividend for the year 2017-18
3.	Appointment of Director in the place of Mr. P. Dwaraknath Reddy (DIN: 00277929), who retires by rotation and being eligible, offers himself for re-appointment.
4.	Appointment of Director in the place of Mr. R.P. Khaitan (DIN: 00015801), who retires by rotation and being eligible, offers himself for re-appointment.
5.	Appointment of Director in the place of Mr. P. Aditya Reddy (DIN: 00482051) who retires by rotation and being eligible, offers himself for re-appointment.
6.	Appointment of Director in the place of Mr. S. Obul Reddy (DIN: 00027829), who retires by rotation and being eligible, offers himself for re-appointment.
	Special Business
7.	Re-appointment of Mr. P. Dwaraknath Reddy (DIN: 00277929), as Managing Director of the Company.
8.	Re-appointment of Mr. R.P. Khaitan (DIN: 00015801), as Joint Managing Director of the Company.
9.	Re-appointment of Mr. N. Ramesh Rajan (DIN: 01628318), as Independent Director of the Company.
10.	Re-appointment of Mrs. Lakshmmi Subramanian (DIN: 00001439), as Independent Director of the Company.
11.	Approve the remuneration of the Cost Auditor for the Financial Year March 31, 2019.

Signed this .... day of................................... 2018

Signature of Shareholder ....

Signature of Proxy holder(s) ....

Affix
1 Rupee
Revenue
Stamp

Member's Signature

Note: A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing a proxy must be received at the Registered Office of the Company, not less than 48 hours before the commence of the meeting.


KINECO
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Indo National Limited

(CIN NO.L31909TN1972PLC006196)

Registered Office: 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.
Corporate / Head Office: 'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street, Nungambakkam, Chennai - 600 006.