

A large, stylized number '25' in a black, calligraphic font. The '2' has a long, sweeping tail that curves under the '5'. A small 'th' is positioned to the upper right of the '5'.

Annual Report

# **ABHISHEK CORPORATION LIMITED**

(Undergoing CIRP)

(CIN L51491PN1993PLC073706)



## BOARD OF DIRECTORS

Mr. Anasaheb R. Mohite	Chairman & Managing Director
Mrs. Rama J. Swetta	Non-Executive Director
Mr. Dhananjay S. Charane	Independent Director
Mr. Manohar V. Dudhane	Independent Director

## RESOLUTION PROFESSIONAL

Mr. Sandeep Singhal (Appointed vide Hon. NCLT order dated 17<sup>th</sup> November 2017 & replaced on 16<sup>th</sup> March 2018 vide Hon. NCLT order dated 15<sup>th</sup> March 2018)

Mr. Sameer Kakar (Appointed vide Hon. NCLT order dated 8<sup>th</sup> March 2018, Delivered on 15<sup>th</sup> March 2018)

### Company Secretary & Compliance Officer

Ms. Sawani P. Sadalage

### Statutory Auditors

Moreshwar G. Deshpande  
Chartered Accountant, Sangli

### Secretarial Auditors

M/S PPS & Associates  
Company Secretaries, Kolhapur

### Internal Auditors

Mr. Nilesh R. Kothari  
Chartered Accountant, Kolhapur

### Registrar & Share Transfer Agent

Link Intime India Private Limited  
C - 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400 083

### Registered Office

Gat No. 148, Tamgaon, Kolhapur-Hupari Road  
Taluka- Karveer, Dist. Kolhapur-416 234

### Bankers

- Axis Bank Limited
- Bank of Baroda
- Punjab National Bank
- State Bank of India
- Corporation Bank
- Asset Reconstruction Company (India) Ltd.
- Edelweiss Asset Reconstruction Company Ltd.
- ASREC (India) Ltd.
- Invent Asset Securitization & Reconstruction Tvt. Ltd.

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## NOTICE

Notice is hereby given that 25<sup>th</sup> Annual General Meeting of members of "Abhishek Corporation Limited (Undergoing CIRP)" (CIN L51491PN1993PLC073706) will be held on Friday, September 28, 2018 at 11.00 a.m. at the Registered Office of the company situated at Gat No. 148, Tamgaon, Kolhapur – Hupari Road, Tal-Karveer, Dist – Kolhapur 416 234 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Annasaheb R. Mohite (DIN 00317676), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 139, and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), the company hereby ratifies the appointment of Mr. Moreshwar G. Deshpande, (M.No:124163) Chartered Accountant, Sangli as the Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of Annual General Meeting to be held for the financial year 2018-19 on such remuneration as may be determined by the Board Of Directors.

**"RESOLVED FURTHER THAT** the Resolution Professional has all powers under the code to take such actions, and execute all such documents, as may be necessary and applicable to give effect to the above resolution."

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder;

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution.

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

By order of the Board of Directors  
For **Abhishek Corporation Limited**

**Sawani Sadalage**  
Company Secretary

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** The proxy, in order to be effective & valid, should be duly completed, stamped and signed and must be lodged at the Registered Office of the company not less than 48 hours before the commencement of the meeting. The blank proxy form is enclosed.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or share holders.

2. Corporate members intending to send their representatives to attend the meeting are requested to send to the company a certified copy of Board Resolution under section 113 of the Companies Act 2013 authorizing their representatives to attend and vote on their behalf at the meeting.
3. In case of joint holders attending the meeting the joint holders with highest, in order of names will be entitled to vote.
4. The register of members and share transfer books of the company shall remain closed from the 22<sup>nd</sup> September 2018 to 28<sup>th</sup> September 2018 (both day inclusive) for the purpose of annual book closure.
5. The Register of Directors' and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 shall be available for inspection by the members at the Annual General Meeting.
6. In support of "Green Initiative in Corporate Governance" announced by the Government of India and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 with Stock Exchange copy of Annual Report along with Notice indicating process and manner of remote e- voting are being sent by email to those members whose email address have been available to Depository Participants unless the member has requested for a hard copy of the same. For members who have not registered their email addresses physical copy of the annual report along with notice will be sent in the permitted mode.

The Company hereby requests the members holding shares in electronic mode to update their email address with Depository Participants. Members holding shares in physically mode are requested to update their email addresses or bank mandates to the Company or Registrar and Share Transfer Agent along with their Folio Number and Bank account details.

7. Shareholders desiring any information regarding to Financial Statements are requested to write to the Company's Registered Office at an early date so as to enable the management to keep the information ready.
8. Members/Proxies are requested to bring duly filled Attendance Slips and their copies of the report will not be distributed at the meeting.
9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN details to respective Depository Participants with whom they have their Demat account. Members holding shares in physically form can submit their PAN details to Link Intime India Private Limited (RTA of the Company)
10. Non Resident Indian members are requested to inform the companies Registrar and Share Transfer Agents immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
11. The members whose names appear in the register of members/list of beneficial owners as received from Central Depository Services (India) limited (CDSL) and National Securities Depository limited (NSDL) on 21<sup>st</sup> September 2018 be entitled to vote by ballot paper attending Annual General Meeting in person (s) on the resolutions set for in this notice.

**12. Voting through electronic mails**

In terms with provisions of section 108 of the Companies Act 2013 read with rule 20 of the Companies (Management and Administration) Rules 2014, as amended by the Companies (Management and Administration) Rules 2015 and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015 the Company is pleased to offer e-voting facility as an alternative mode of vote which will enable the members to cast their votes electronically on the resolutions set forth in notice of 25<sup>th</sup> Annual General Meeting of the company and business may be transacted through "remote e- voting" services provided by Central Depository Services (India) Limited. Facility for polling paper is also available for voting at 25<sup>th</sup> Annual General Meeting.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 25-09-2018 (9.00 a.m.) and ends on Thursday, 27-09-2018 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of 21<sup>st</sup> September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on 'Shareholders'.
- (v) Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

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

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

**In case of members receiving the physical copy:**

- a. Please follow all steps from sl. No. (xi) Above to cast vote.
- b. In case you have any queries or issues regarding e-voting, you may refer the frequently asked questions (“FAQS”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - i. The voting rights of shareholders shall be proportion to their shares of the paid up equity share capital of the company as on the cut-off date (record date) of 21<sup>st</sup> September, 2018.
  - ii. A copy of this notice has been placed on the website of the company and website of CDSL.
  - iii. CS Sachin Bidkar, Practicing Company Secretary has been appointed as the scrutinizer for conducting the e-voting process in a fair and transparent manner.
  - iv. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses, not in the employment of the company and make a scrutinizer’s report of the votes cast in favor or against, if any, forthwith to the chairman.
  - v. The result declared along with the scrutinizer’s report shall be placed on the company’s website [www.abhishekkorporation.com](http://www.abhishekkorporation.com) and on the website of CDSL within two (2) days of passing the resolutions at the AGM of the company and communicated to the BSE Limited and National Stock Exchange of India Limited.



**The information required to be furnished under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Details of the Directors retiring by rotation and seeking re-appointment at 25<sup>th</sup> Annual General Meeting (Pursuant to Regulation 36 of SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015.

<b>Name</b>	Mr. Annasaheb R. Mohite
<b>Date of Birth</b>	28-04-1958
<b>DIN</b>	00317676
<b>Designation</b>	Managing Director & Chief Executive Officer
<b>Nationality</b>	India
<b>Date of Appointment</b>	01-10-2015
<b>Qualification</b>	Civil Engineer
<b>Expertise in specific function area</b>	He started his professional carrier under big civil construction project independently. He has over 35 years of experience in construction industry and around 34 years in Textile Industry.
<b>No. of shares held in the Company</b>	45,09,192
<b>No. of Board Meeting attended during the Financial Year 2017-18</b>	6(Six) Board Meeting attended during the financial year 2017-18
<b>List of Directorships held in various other Companies (Listed)</b>	NIL
<b>Relationship with Director &amp; Key Managerial Personnel</b>	None
<b>List of Chairmanship &amp; Membership of various Committees of the boards of other Companies (Listed)</b>	NIL
<b>Terms &amp; Conditions of appointment</b>	Managing Director & Chief Executive Officer Liable to retire by rotation.

**Date :** 3<sup>rd</sup> September, 2018  
**Place :** Kolhapur

By order of the Board of Directors  
 For **Abhishek Corporation Limited**

**Sawani Sadalage**  
 Company Secretary

Route Map  
 Annual General Meeting



## DIRECTORS' REPORT

**To,  
The Members,  
Abhishek Corporation Limited** (Undergoing CIRP)

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report of Company along with the Audited Financial statements and Auditor's Report for the year ended on 31<sup>st</sup> March 2018.

### FINANCIAL RESULTS

The performance of the company for the financial year ended March 31, 2018 is summarized below:

SR.NO	PARTICULARS	CURRENT YEAR ENDED ON 31 <sup>ST</sup> MARCH 2018	PREVIOUS YEAR ENDED ON 31 <sup>ST</sup> MARCH 2017
1	Total Revenue (Net)	1719.83	1462.48
2	Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	(3470.45)	154.03
3	Less: Depreciation & Amortization Expenses	2879.84	1164.95
	Finance Cost	11278.69	9791.55
4	Profit before Tax	(17628.98)	(10802.47)
5	Less: Provision for Tax	-	-
6	Profit after Tax	(17628.98)	(10802.47)
7	Other Comprehensive Income	18.43	7.54
8	Balance of Profit carried to Balance Sheet	(17610.55)	(10794.93)

**Notes :** - Previous years figures have been reclassified/ regrouped wherever necessary, to correspond with those of current year.

The performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report.

### PROCEEDINGS UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS

Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 was initiated in respect of Abhishek Corporation Limited (Undergoing CIRP) vide National Company Law Tribunal order dated 17<sup>th</sup> November 2018. Mr. Sandeep Singhal was appointed as on Interim Resolution Professional (IRP) to carry out the activities relating to CIRP as per the rules, regulations, guidelines prescribed by the code.

Mr. Sandeep Singhal was subsequently replaced by Mr. Sameer Kakar vide order dated 15<sup>th</sup> March 2018 of the National Company Law Tribunal.

As per section 17 of the Insolvency and Bankruptcy Code, 2016, from the appointment of the Interim Resolution Professional -

- The management of the affairs of the company shall vest in the IRP.
- The powers of the board of directors shall stand suspended and be exercised by the IRP.
- The Officers and Managers of the company shall report to IRP and provide access to such documents and records of company as may be required by IRP.
- The financial institutions maintaining accounts of the company shall act on the instructions of the IRP in relation to such accounts, furnish all information relating to the company available with them to the IRP.

Under CIR Process, a resolution plan is to be prepared and approved by the COC. Further the resolution plan approved by the COC will also need Hon. NCLT approval. As the company is under resolution process, the financial statements have been presented on a "going concern" basis.

### REVIEW OF OPERATIONS

During the year under review the turnover has increased to ₹1703.35 Lakhs from ₹1448.83 Lakhs in previous year. Under Utilization of capacity accompanied with higher debt cost, lower margins have resulted into the loss of ₹17610.55 Lakhs as against the net loss of ₹10794.93 Lakhs in previous year. However the efforts taken by the

management to optimally utilize the available capacity is started generating fruits and the spinning unit of the company has grown multifold as compared to previous year. The Management is further actively involved in trying to utilize the idle capacities available with the company.

#### **CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year there was no change in the nature of business of the Company.

#### **DIVIDEND**

During the year under review the company has not earned profit hence Board of Directors' do not recommend any dividend for the year

#### **TRANSFER TO RESERVES**

During the year under review, the Company has not transferred any amount to reserves.

#### **TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS/ SHARES TO IEPF**

During the year, the Company was not required to transfer any unclaimed dividends / Shares to IEPF.

#### **DIRECTORS & KMP**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Annasaheb R. Mohite, Managing Director & CEO of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends for him re-appointment.

Brief resume of Director proposed to be appointed/re-appointed is given in the Notice convening 25<sup>th</sup> Annual General Meeting in pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The IRP has appointed Mr. Annasaheb Mohite, Mr. Abhishek Mohite and Miss. Sawani Sadalage as Key Managerial Persons to carry out certain responsibilities at the instruction of the IRP/RP.

#### **FIXED DEPOSITS**

During the year under review, the company has not raised any amount by way of Fixed Deposits within the meaning of Section 73 & Section 76 of Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

#### **INDUSTRIAL RELATIONS**

During the year, industrial relations have been cordial.

#### **CLOSE OF CITY OFFICE/CORPORATE OFFICE**

The company has closed its City Office/Corporate Office situated at "Shiv-Parvati" 17 E, Nagala Park, Kolhapur-416003 w.e.f 14<sup>th</sup> September 2017.

#### **CHANGE IN CFO**

The company has appointed Mr. Abhishek Annasaheb Mohite as Chief Finance Officer pursuant to provision of sec. 203 of companies act, 2013 with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 w.e.f 14<sup>th</sup> September 2017 as previous Chief Finance Officer Mrs. Anjali A Mohite resigned from the post of CFO w.e.f 14<sup>th</sup> September 2017.

#### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form MGT-9 of the Companies (Management and Administration) Rules, 2014, is annexed herewith as Annexure-I to this Directors' Report. Further the copy of extract of Annual Return in form MGT-9 is also available on company's website i.e www.abhishekccorporation.com.

#### **LISTING AGREEMENT**

In compliance with SEBI Circular No. CIR/CFD/CMD/6/2015, dated October 13, 2015, the Company has executed a Uniform Listing Agreement with BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.

## **LISTING OF EQUITY SHARES**

The Equity Shares of your Company are presently listed on BSE Limited & National Stock Exchange of India Limited (NSE). The Company has paid the listing fees to BSE Limited as well as to National Stock Exchange of India Limited for the financial year 2017-2018.

## **MEETINGS OF THE BOARD**

During the year under the review six meetings of the board were held on 26.05.2017; 16.08.2017; 14.09.2017; 27.10.2017; 11.12.2017; 14.02.2018, the details of which are given in the Report on Corporate Governance forming part of this report. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

The notice of Board meeting is given well in advance to all the Directors of the Company. The agenda of the Board / Committee meetings is circulated clear 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(3)(c) & (5) of the Companies Act, 2013 the Board hereby submit its responsibility statement:

- a) in the preparation of the annual accounts, for the Financial Year ended 31 March, 2018 the applicable accounting standards had been followed along with proper explanation relating to material departures; if any
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and Loss of the Company for the year ended on that date.
- c) the Directors had 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; and
- d) the Directors had prepared the annual accounts of the Company on a 'Going Concern' basis.
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed policy for selection and appointment of Directors, Senior Management and their remuneration in pursuant to Section 178 of Companies act 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The remuneration given is as per the remuneration policy framed.

### **• Criteria for Determining the followings:-**

#### **Qualifications for appointment of Directors (including Independent Directors)**

1. Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
2. Their financial or business literacy/skills;
3. Their textile industry experience;
4. Other appropriate qualification/experience to meet the objectives of the Company;
5. As per the applicable provisions of Companies Act, 2013, Rules made thereunder and as per provisions of SEBI (LODR) Regulations 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

**Positive attributes of Directors** (including Independent Directors):

1. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
2. Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
3. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
4. To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
5. Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
6. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
7. Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and as per provisions of SEBI (LODR) Regulations, 2015 as amended from time to time.

**Independence Review Procedures****- Annual Review**

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI (LODR) Regulations, 2015

**- Individual Director's Independence Determinations**

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI (LODR) Regulations, 2015

**- Notice of Change of Independent Status**

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

**• Criteria for appointment of KMP/Senior Management –**

1. To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
2. To practice and encourage professionalism and transparent working environment;
3. To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
4. To adhere strictly to code of conduct

**• Term –**

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Listing Regulations, as amended from time to time. Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

**• Evaluation –**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

- **Removal –**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and /or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management.

- **Remuneration of Managing / Whole-time Director, KMP and Senior Management**

The remuneration/compensation/commission, etc., as the case may be, to the Managing / Wholetime Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Wholetime Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

- **Remuneration to Non-executive Directors (Including independent Director)**

It is explained in Corporate Governance Report forming part of this report.

### **RISKS AND AREA OF CONCERN**

A Risk Management Committee has been constituted to oversee the risk management process in the Company required under Section 134 (3) (n) of the Companies Act, 2013. The Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks. The Audit Committee reviews the identified Risks and its mitigation measures annually. The details of the Risk Management Policy are available on the Company's website [www.abhishekccorporation.com/disclosure/Risk%20Management%20Policy.pdf](http://www.abhishekccorporation.com/disclosure/Risk%20Management%20Policy.pdf)

### **REPORTING OF FRAUDS**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and Rules made there under.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014, it is not mandatory for the company to form Corporate Social Responsibility (CSR) Committee and a Policy on Corporate Social Responsibility.

### **PARTICULARS OF CONTRACT AND ARRANGEMENT WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, details of the transactions are being reported in Form AOC-2 being enclosed as **Annexure VI** Complied with Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

In terms of Section 188 Companies Act and Companies (Meeting of board and its powers) Rules, 2014 and further in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 related to the corporate governance, Company has formulated related party policy of the company. The Policy on Related Party Transactions as approved by the Board is available on Company's website [www.abhishekccorporation.com](http://www.abhishekccorporation.com)

### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATED AND THE DATE OF THE REPORT**

There are no any material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not made any investments or given guarantee's or provided security falling under the provisions of Section 186 of the Companies Act, 2013.

## **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS**

Explanation or Comments on Qualification, reservations or adverse remarks or disclaimers made by Auditors in Statutory Audit Report are enclosed as **Annexure II**.

Explanation or Comments on Qualification, reservations or adverse remarks or disclaimers made by Secretarial Auditors in Secretarial Audit Report are enclosed as **Annexure II**.

## **DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors of the Company have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **SUSPENSION OF SECURITY TRADING**

Trading of Shares is suspended in National Stock Exchange of India Limited due to non submission of some quarterly compliance in time. However Company is in process to revoke the same.

## **ANNUAL PERFORMANCE EVALUATION BY THE BOARD**

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The Nomination & Remuneration has defined the evaluation criteria for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board Composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, and functioning of Board as well as Committees. Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are significant material orders passed by the Hon'ble National Company Law Tribunal {Hon. NCLT} vide order dated 17<sup>th</sup> November 2017, has ordered commencement of Corporate Insolvency Resolution Process {CIRP}, under the provisions of Insolvency and Bankruptcy Code 2016 and regulation proceeding is going on there under.

## **SHARE CAPITAL**

Companies paid up share capital as on 31 March, 2018 was ₹ 1600.84 lakhs. The Company has not issued any shares with differential voting rights, stock options and sweat equity. Hence, there is no change in the Company's Share Capital during the year under review.

## **AUDIT COMMITTEE AND ITS COMPOSITION**

The Audit Committee is duly constituted as per the provisions of Section 177 of Companies Act 2013 and Regulations 18 the of Listing Regulations.

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

## **WHISTLE BLOWER POLICY**

In terms of Section 177 of companies Act 2013 and Regulation 22 of SEBI(Listing Obligations & Disclosure Requirements)Regulations 2015 the company has established a vigil mechanism policy for the directors and employees to report genuine concern in such manner as may be prescribed and such vigil mechanism has provided for adequate safeguards against victimization of persons who use such a mechanism and make provision for direct access to the chairman of the Audit Committee in appropriate and exceptional cases, instance of unethical behaviors, actual or suspected, fraud or violation of the companies code of conduct etc.

No complaints, issues or concerns were received by the Company under Code of Conduct and Whistle Blower Policy during FY 2017-18.

## **SECRETARIAL AUDIT REPORT**

M/S PPS & Associates, Practicing Company Secretaries, Kolhapur was appointed to conduct the secretarial Audit of the Company for the Financial Year 2017- 18, as required under Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR-3 for Financial Year 2017-18 is appended which forms part of this Directors Report as **Annexure III**.

## **INTERNAL AUDIT**

Pursuant to the provisions of Section 138 of the Companies Act 2013 read with Companies (Accounts) Rules, 2014, the board on recommendation of the Audit committee, appointed Mr. Nilesh Rajendra Kothari, Chartered Accountant, Kolhapur as the Internal Auditor of the Company. The Management regularly reviews the findings of the Internal Auditor and effective steps to implement any suggestions/observations of the Internal Auditors are taken and monitored regularly. In addition, the Audit Committee of the Board regularly addresses significant issues raised by the Internal Auditor.

## **INTERNAL FINANCIAL CONTROL**

The Board of Directors has laid down Internal Financial Controls within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively.

## **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS**

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, are set out as separately, together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **COMMITTEES OF THE BOARD**

During the year, in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board constituted its Committees. There are currently four Committees of the Board, as follows:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Risk Management Committee

Pursuant to SEBI Circular Company is not required to constitute Risk Management Committee however since company have the said committee since last several years and considering the scope and necessity, Board has decided to continue with the same.

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

## **PARTICULARS OF REMUNERATION**

Pursuant to provisions of Section 197 (1) of Companies Act, 2013 read with the rule 5(1) of the Companies (Appointment & Remuneration of Managerial personnel) rules 2014, details of ratio of remuneration of director to the median employee's remunerations are appended to this report as **Annexure IV**. The Directors do not receive any remuneration from the Company.

## **AUDITORS**

The appointment of Statutory Auditors Mr. Moreswar G. Deshpande, Chartered Accountant, Sangli having (M.No:124163) is subject to ratification by the members. It is proposed to ratify the appointment of Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-19.

## **INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment and Non discrimination at Work Place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

All employees are covered under this policy. An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place. During the year ended March 31, 2018, the ICC has received no complaints pertaining to sexual harassment / discrimination at work place.



## **STATEMENT ON IMPACT OF AUDIT QUALIFICATION**

Under SEBI vide circular no. CIR/CFD/CMD/56/2016 Company has submitted Statement on impact of audit qualification with modified opinion for the year 2017-18 to respective stock exchanges. The Statement on Impact of Audit Qualification for Financial Year 2017-18 is appended which forms part of this Directors Report as **Annexure VII**.

## **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Companies Act 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules has been appended as **Annexure VIII**.

## **CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION / RESEARCH & DEVELOPMENT**

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure V** to this Directors' Report.

## **GENERAL DISCLOSURES**

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

1. Issue of equity shares with differential right as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the company under any scheme.
3. Neither Managing Director nor Whole Time Directors of the company receive any remuneration or commission from any of its subsidiary.

## **ACKNOWLEDGMENT**

Your Directors wish to place on record their appreciation of the contribution made by the employees of the Company. The Directors wish to convey their appreciation to the Banks, dealers and other business associates and the shareholders for their continuous trust and support.

**Date** : 3<sup>rd</sup> September, 2018

**Place** : Kolhapur

For and on Behalf of the Board of Directors  
For **Abhishek Corporation Limited**

**Anasaheb Mohite**

Chairman & Managing Director

**EXTRACT OF ANNUAL RETURN**

**ANNEXURE – I**

**Form No. MGT-9**

**As on the financial year ended on 31<sup>st</sup> MARCH 2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

1. CIN	L51491PN1993PLC073706
2. Registration Date	1 <sup>st</sup> September 1993
3. Name of the Company	ABHISHEK CORPORATION LIMITED (Undergoing CIRP)
4. Category / Sub-Category of the Company	Public Limited Company. Company Limited By Shares
5. Address of the Registered office and contact details	Gat No.148,Tamgaon,Kolhapur-Hupari Road, Tal: Karveer Dist-Kolhapur, Maharashtra, India 416234 Phone : +91 231 2676191 Fax : +91 231 2676194 email : admin@abhishekccorporation.com web : www.abhishekccorporation.com
6. Whether listed company	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private limited C – 101, 247 Park, LBS Marg, Vikroli west, Mumbai-400 083 Phone : 022-49186000,49486270 Fax-022-49186060 Email : rnr.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company:-

SR.NO	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Spinning, Weaving & finishing of textiles.	131	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-NIL**

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

**i) Category-wise Share Holding**

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
<b>Promoters</b>									
<b>1. Indian</b>									
Individual/ HUF	92,25,416	-	92,25,416	57.63	92,25,416	-	92,25,416	57.63	-
Central Govt.									
Govt	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Bank/FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>Sub Total of (A)(1)</b>	<b>92,25,416</b>	<b>-</b>	<b>92,25,416</b>	<b>57.63</b>	<b>92,25,416</b>	<b>-</b>	<b>92,25,416</b>	<b>57.63</b>	<b>-</b>

<b>2. Foreign</b>									
NRI Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Bank/FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>Sub Total of (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)2</b>	<b>92,25,416</b>	<b>-</b>	<b>92,25,416</b>	<b>57.63</b>	<b>92,25,416</b>	<b>-</b>	<b>92,25,416</b>	<b>57.63</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds	-	-	-	-	-	-	-	-	-
Bank/FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Venture Capital Fund	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FII	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
<b>Other (Specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-Total of (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a. Bodies Corp.</b>									
i) Indian	15,41,193	-	15,41,193	9.63	15,49,449	-	15,49,449	9.68	0.05
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b. Individual</b>									
i) Individual Shareholders holding Nominal Share Capital up to ₹ 1 Lakhs	18,22,559	550	18,23,119	11.39	17,89,107	560	17,89,667	11.18	(0.21)
ii) Individual Shareholders holding Nominal Share Capital in Excess of ₹ 1 Lakhs	30,23,670	-	30,23,670	18.89	30,65,445	-	30,65,445	19.15	0.26
<b>c. Any Other (Specify)</b>									
i) NRI(Repat)	19,317	-	19,317	0.12	16711	-	16711	0.10	(0.02)
ii) NRI(Non-Repat)	9582	-	9582	0.06	11682	-	11682	0.07	0.01
iii)OCB	-	-	-	-	-	-	-	-	-
iv)Trust	-	-	-	-	-	-	-	-	-
v) In Transit (Clearing Member)	13428	-	13428	0.08	10835	-	10835	0.07	(0.01)
vi) Hindu Undivided Family	352737	-	352737	2.20	339257	-	339257	2.12	(0.08)
<b>Sub-Total of (B)(2)</b>	<b>6782486</b>	<b>560</b>	<b>6783046</b>	<b>42.37</b>	<b>6782486</b>	<b>560</b>	<b>6783046</b>	<b>42.37</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6782486</b>	<b>560</b>	<b>6783046</b>	<b>42.37</b>	<b>6782486</b>	<b>560</b>	<b>6783046</b>	<b>42.37</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	16007902	560	16008462	100	16007902	560	16008462	100	0.00

## (ii) Shareholding of Promoters and Promoters Group

Sl. No.	Promoter's Name	Shareholding at the beginning of the year			Share holding 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	Anasaheb Ramchandra Mohite	45,09,192	28.17	24.07	45,09,192	28.17	24.07	-
2	Anjali Anasaheb Mohite	29,77,078	18.60	17.04	29,77,078	18.60	17.04	-
3	Abhishek Anasaheb Mohite	17,27,131	10.79	9.89	17,27,131	10.79	9.89	-
4	Sanjay Babaso Patil	12,015	0.08	-	12,015	0.08	-	-
	<b>Total</b>	<b>92,25,416</b>	<b>57.64</b>	<b>51.00</b>	<b>92,25,416</b>	<b>57.64</b>	<b>51.00</b>	<b>-</b>

## (iii) Change in Promoters' Shareholding (Please Specify, if there is no change): None

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

Sl. No.	Shareholder's 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
<b>1. BLUE MARK MERCANTILE PRIVATE LIMITED</b>					
•	A. At the beginning of the year	13,56,229	8.4720	-	-
•	B. Changes During The year	-	-	13,56,229	8.4720
•	C. At End of the year	13,56,229	8.4720	-	-
<b>2. NISHA S JAIN</b>					
•	A. At the beginning of the year	3,30,254	2.0630	-	-
•	B. Changes During The year				
	Date	Reason			
	15/09/2017	Market sell	(1600)	32,86,54	2.0530
	22/09/2017	Market Buy	10125	338779	2.1162
	06/10/2017	Market Buy	515	339294	2.1195
	27/10/2017	Market Buy	6376	345670	2.1593
	03/11/2017	Transfer	1700	347370	2.1699
	19/01/2018	Transfer	1000	348370	2.1762
	26/01/2018	Transfer	3501	351871	2.1980
•	C. At End of the year	351871	2.1980	-	-
<b>3. SURESH CHANDRA MAHESHWARI</b>					
•	A. At the beginning of the year	1,32,198	0.8258	-	-
•	B. Changes During The year	-	-	1,32,198	0.8258
•	C. At End of the year	1,32,198	0.8258	-	-
<b>4. GAYATRIDEVI RAJENDRAPRASAD TODI</b>					
•	A. At the beginning of the year	1,29,586	0.8095	-	-
•	B. Changes During The year	-	-	1,29,586	0.8095
•	C. At End of the year	1,29,586	0.8095	-	-

Sl. No.	Shareholder's 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
<b>5</b>	<b>DILIP KUMAR GUPTA</b>				
•	A. At the beginning of the year	1,18,047	0.7374	-	-
•	B. Changes During The year	-	-	1,18,047	0.7374
•	C. At End of the year	1,18,047	0.7374	-	-
<b>6</b>	<b>SHEFALI MEHTA</b>				
•	A. At the beginning of the year	1,11,578	0.6970	-	-
•	B. Changes During The year	-	-	1,11,578	0.6970
•	C. At End of the year	1,11,578	0.6970	-	-
<b>7</b>	<b>RAJIV MEHTA</b>				
•	A. At the beginning of the year	60,742	0.3794	-	-
•	B. Changes During The year	-	-	60,742	0.3794
•	C. At End of the year	60,742	0.3794	-	-
<b>8</b>	<b>DHYAN STOCK BROKING PRIVATE LIMITED</b>				
•	A. At the beginning of the year	46,959	0.2933	-	-
•	B. Changes During The year	-	-	46,959	0.2933
•	C. At End of the year	46,959	0.2933	-	-
<b>9</b>	<b>ABHISHEK MOHITE</b>				
•	A. At the beginning of the year	17,27,131	10.79	-	-
•	B. Changes During The year	-	-	17,27,131	10.79
•	C. At End of the year	17,27,131	10.79	-	-
<b>10</b>	<b>RAMA JAWAHAR SWETTA</b>				
•	A. At the beginning of the year	20,00,000	12.50	-	-
•	B. Changes During The year	-	-	20,00,000	12.50
•	C. At End of the year	20,00,000	12.50	-	-

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr.Anasaheb Ramchandra Mohite	45,09,192	28.17	45,09,192	28.17
2.	Mrs . Rama Jawahar Swetta	20,00,000	12.49	20,00,000	12.49
3.	Mr. Dhananjay Shripati Charane	-	-	-	-
4.	Mr. Manohar Vitthal Dudhane	-	-	-	-
5.	Mrs.Anjali Anasaheb Mohite	29,77,078	18.60	29,77,078	18.60
6.	Ms.Sawani Pradeep Sadalage	-	-	-	-

**(vi) INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment)**

Particulars	Secured Loans excluding deposits	Deposits/ Unsecured Loans	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
Principal Amount	25070.36	3367.5	28437.86
Interest due but not paid	42879.18	-	42879.18
Interest accrued but not due	-	-	-
<b>Total</b>	<b>67949.54</b>	<b>3367.5</b>	<b>71317.04</b>
<b>Change in Indebtedness during the financial year</b>			
Addition	6461.83	-	6461.83
Deletion	-	509.56	509.56
<b>Net Change</b>	<b>6461.83</b>	<b>(509.56)</b>	<b>5952.27</b>
<b>Indebtedness at the end of the financial year</b>			
Principal Amount	25071.52	2857.94	27929.46
Interest due but not paid	49339.85	-	49339.85
Interest accrued but not due	-	-	-
<b>Total</b>	<b>74411.37</b>	<b>2857.94</b>	<b>77269.31</b>
<b>At End of the year</b>	<b>74411.37</b>	<b>2857.94</b>	<b>77269.31</b>

**VI. Remuneration to Key Managerial Personnel Other Than MD /MANAGER /WTD**

1. Remuneration to Managing Director, Whole Time Directors and/or Manager – NIL
2. Remuneration to other Director – NIL
3. Remuneration To Key Managerial Personnel Other Than MD /MANAGER /WTD

Sl. No.	Particulars Of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CFO	Company Secretary	
<b>1</b>	<b>Gross Salary</b>				
	Salary As Per Provisions Contained In Section 17(1) Of The Income-Tax Act,1961	-	3,50,000	1,44,000	4,94,000
	(B) Value Of Perquisites U/S17(2) Income-Tax Act,1961	-	-	-	-
	I Profits In Lieu Of Salary Under Section 17(3) Income- Tax Act, 1961	-	-	-	-
<b>2</b>	<b>Stock Option</b>	-	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-	-
<b>4</b>	<b>Commission</b>	-	-	-	-
	- as % of profit	-	-	-	-
	- Others, specify...	-	-	-	-
<b>5</b>	<b>Others, please specify</b>	-	-	-	-
	<b>Total</b>	-	<b>3,50,000</b>	<b>1,44,000</b>	<b>4,94,000</b>
	<b>Ceiling as per the Act</b>	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	-	-	-	-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

## **ANNEXURE II**

### **I. Reply to Statutory Audits Qualifications/Observations**

- a) Due to low turnover, lower capacity utilization with higher debt cost the Company is facing financial problems and hence the company was not in a position to pay the undisputed statutory dues as well as its debt. The management is taking necessary steps to reduce the undisputed statutory liabilities
- b) Other qualifications/observations are self explanatory and necessary steps are being taken wherever required.

### **II. Reply to Secretarial Audit's Qualifications/Observations**

- a) Company has informed to Stock Exchanges regarding resignation of Mrs. Anjali Mohite w.e.f. September 14, 2017 as CFO and Appointment of Mr. Ahishek Mohite as CFO w.e.f. September 14, 2017 on 17/11/2017 which is beyond time limit specified in sub-regulation (4) of regulation (30).

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,  
**The Members,**  
**Abhishek Corporation Limited**  
**Gat No.148 Tamgaon, Kolhapur-Hupari Road, Tal- Karveer, Dist – Kolhapur -416234**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Abhishek Corporation Limited (Undergoing CIRP)(hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 according to the provisions of:
  - a. The Companies Act, 2013 and the Companies Act, 1956 ('the Act') and the rules made thereunder;
  - b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit period).;**
  - d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014. **(Not Applicable to the Company during the Audit period).**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not Applicable to the Company during the Audit period).**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client **(Not Applicable to the Company during the Audit period).**



- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit period)**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable to the Company during the Audit period)** and
- i. The Securities and Exchange Board of India ( Listing Obligation and Disclosure Requirements) Regulations, 2015

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company Stock Exchanges

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

- a. **Company has inadvertently informed to Stock Exchanges regarding resignation of Mrs. Anjali Mohite w.e.f. September 14, 2017 as CFO and Appointment of Mr. Abhishek Mohite as CFO w.e.f. September 14, 2017 on 17/11/2017 which is beyond time limit specified in sub-regulation (4) of regulation (30) of the Securities And Exchange Board Of India (Listing Obligation Disclosure Requirements) Regulations, 2015.**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under following specific laws applicable to the Company:

- a. Textile Committee Act, 1963
- b. Textile (Development & Regulation) Order, 2001
- c. Textile (Consumer Protection) Regulations, 1988
- d. The Sick Industrial Companies ( Special Provisions) Act, 1985
- f. The insolvency and Bankruptcy code 2016 and rules and related

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors 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.

Decisions at the Board Meetings and committee meetings were taken unanimously.

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

**We further report that** during the audit period there were no specific events / actions occurred which are having a major bearing on the company's affairs:

- a. **Hon. NCLT has appointed Resolution Professional under The Insolvency and Bankruptcy Code, 2016 consequent upon which procedure under respective Code and related regulations has commenced.**

**Date** : 3<sup>rd</sup> September, 2018

**Place** : Kolhapur

For, PPS & Associates  
Company Secretaries

**Shrenik Nagaonkar**

Partner  
FCS No.: 7067  
C P No.: 11682

**To,  
The Members,  
Abhishek Corporation Limited  
Gat No.148 Tamgaon ,Kolhapur-Hupari Road, Tal- Karveer, Dist – Kolhapur -416234,  
Maharashtra, India**

**Our Secretarial Audit Report of even date is to be read along with this letter.**

**Management’s Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor’s Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.
3. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

4. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**Date** : 3<sup>rd</sup> September, 2018

**Place** : Kolhapur

For, PPS & Associates  
Company Secretaries

**Shrenik Nagaonkar**

Partner  
FCS No.: 7067  
C P No.: 11682

## ANNEXURE IV

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Sr. No	Name of Director	The ratio of remuneration of each director to the median remuneration of the employees
1	Anasaheb Ramchandra Mohite	N.A.
2	Rama jawahar swetta	N.A.
3	Dhananjay Shripati Charane	N.A.
4	Manoharvithhal Dudhane	N.A.

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

1	Anasaheb Ramchandra Mohite	N.A.
2	Rama jawahar swetta	N.A.
3	Dhananjay Shripati Charane	N.A.
4	Manoharvithhal Dudhane	N.A.
5	Anjali Anasaheb Mohite	N.A.
6.	Sawani Pradeep Sadalage	N.A.

- (iii) The percentage increase in the median remuneration of employees in the financial year

1.71%

- (iv) The number of permanent employees on the rolls of company;

725

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

Increment of worker is 11.71%.the increment is commensurate the size of the company & parallel to the structure in other industry in the same nature. There is no increment in managerial remuneration.

- (vi) the key parameters for any variable component of remuneration availed by the directors;

N.A.

We hereby affirm that the remuneration is as per policy recommended by Nomination and Remuneration recommended and adopted by the Company.

Date : 3<sup>rd</sup> September, 2018  
Place : Kolhapur

**Anasaheb Mohite**  
Chairman & Managing Director

**Manohar Dudhane**  
Chairman of Nomination &  
Remuneration Committee

## ANNEXURE V

Information pursuant to rule 8 of Companies (Accounts) Rules 2014 and forming part of directors report for the year ended on 31 March 2018.

### 1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The disclosures relating to conservation of energy and technology absorption.

#### (a) Conservation of Energy

##### i) The steps taken or impact on conservation of energy:

The Company has been taking continuously steps to Conserve the energy.

##### ii) The steps taken by the company for utilizing alternate sources of energy:

The Company has been taken major steps to find out and to utilize alternate sources of energy.

##### iii) The capital investment on energy conservation equipment's:

No major investments have been made or proposed for this purpose

#### I. Total Energy consumption and energy consumption per unit.

₹ In Lakhs

Particulars	2017-18	2016-17
Total Units consumed (in lacs)	205.77	208.68
Total Amount (₹ In lacs)	1344.72	1294.31
Rate per Unit (Rupees)	6.54	6.20
Own Generation through Diesel Generator Set	N.A.	N.A.
Own Generation through Furnace Oil Generator Set	N.A.	N.A.
Coal	N.A.	N.A.
Furnace Oil	N.A.	N.A.

\* Power cost of spinning unit is borne by the Job work contractor (customer) on actual basis.

#### (b) Technology Absorption

##### i) The efforts made towards technology absorption

NIL

##### ii) The benefits derived like product improvement, cost reduction, product development or import substitution

NIL

##### iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported

NIL

(b) the year of import;

NIL

(c) I whether the technology been fully absorbed

NIL

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

NIL

##### iv) The expenditure incurred on Research and Development

Research and development in processes, methodologies continue to be of importance to us. This allows us to enhance quality, productivity, and overall efficiency and thereby ensure customer satisfaction.

#### (c) Foreign Exchange Earnings and Outgo

₹ In Lakhs

Particulars	2017-18	2016-17
Earnings	Nil	Nil
Outgo	Nil	1.16

Date : 3<sup>rd</sup> September, 2018

Place : Kolhapur

For and on Behalf of the Board of Directors  
For **Abhishek Corporation Limited**

**Anasaheb Mohite**

Chairman & Managing Director

**FORM NO. AOC -2**

**ANNEXURE VI**

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 transaction under third proviso thereto.

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

SL.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/ arrangements/ transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions'	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL.	Particulars	Details
<b>i</b> a)	Name (s) of the related party & nature of relationship	Mrs. Anjali A. Mohite(Wife of Mr. Anasaheb Mohite, CMD)
b)	Nature of contracts/arrangements/transaction	Appointment of Chief Financial Officer
c)	Duration of the contracts/arrangements/ transaction	From 30 <sup>th</sup> September, 2014 to 14 <sup>th</sup> September, 2017
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary 2017-18 ₹ 3,00,000/-
e)	Date of approval by the Board	30 <sup>th</sup> September, 2014
f)	Amount paid as advances, if any	Nil
<b>ii</b> a)	Name (s) of the related party & nature of relationship	Mr. Abhishek A. Mohite(Son of Mr. Anasaheb Mohite, CMD)
b)	Nature of contracts/arrangements/transaction	Appointment of Chief Financial Officer
c)	Duration of the contracts/arrangements/transaction	Lifetime
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary 2017-18 ₹ 50,000/-
e)	Date of approval by the Board	14 <sup>th</sup> September, 2017
f)	Amount paid as advances, if any	Nil

**Date :** 3<sup>rd</sup> September, 2018  
**Place :** Kolhapur

By order of the Board of Directors  
 For **Abhishek Corporation Limited**

**Anasaheb Mohite**  
 Chairman & Managing Director

**IMPACT OF AUDITOR'S QUALIFICATION**

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results – (Standalone)

Statement on impact of audit qualifications for the financial year ended March 31, 2018 [See Regulations 33/52 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016]

SR.NO	Particulars	Audited Figures (as reported before adjusting for qualifications) in Lakhs	Adjusted Figures (audited figures after adjusting for qualifications) in Lakhs
1	Turnover/Total Income	1719.83	1719.83
2	Total Expenditure	19348.81	19348.81
3	Net Profit/(Loss)	(17628.98)	(17628.98)
4	Earnings Per Share	(110.12)	(110.12)
5	Total Assets	14651.22	14651.22
6	Total Liabilities	83295.49	83295.49
7	Net Worth	(68644.28)	(68644.28)
8	Any other financial item(s) (as Felt appropriate by the management)	-	-

**II. Audit Qualification (each audit qualification separately):**

**a) Details of Audit Qualification :**

- i) The Company has incurred cash losses for the year 2017-18 to the extent of ₹ 14749.14 Lakhs (Previous Year ₹ 9637.52 Lakhs)
- ii) The Company has undisputed statutory dues including provident Fund, income tax, sales tax, services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which are due for more than 6 months amounting to ₹ 114.46 Lakhs. The disputed statutory dues have not been deposited and considered on account of disputed matters pending before appropriate authorities as on March 31, 2018 amounting to ₹ 1322.81 Lakhs
- iii) The Company has defaulted in repayment of its loans as mentioned in note 15 of the Balance sheet.

**b) Type of Audit Qualification : Qualified Opinion**

**c) Frequency of qualifications : The qualification are being repeated from F.Y 2009-10**

**d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

4. Quantified undisputed statutory dues which are due since more than six months ₹ 114.46 Lakhs (Quantified only to the extent of liability. Interest and penalty are not quantified). The figure of undisputed statutory dues has already been considered in audited figures. Hence there is no change in adjusted figures.

**e) For Audit Qualification(s) where the impact is not quantified by the auditor**

**i) Management's estimation on impact of audit qualification: N.A.**

**ii) if management is unable to estimate the impact, reasons for the same:**

- i) The impact of cash losses cannot be quantified as the consequences of the same are not known at this point.
- ii) The impact of nonpayment of undisputed and disputed statutory dues can only be ascertained when the same as assessed by the concerned department and hence the interest/penalties on the said dues cannot be quantified by the management.
- iii) The consequences of non repayment of the loans is a subject matter of courts and various other authorities (CIRP, DRT, BIFR etc) hence the management at this point is not in a position to quantify the impact of this qualification by the auditor.

**iii) Auditors' Comments on (i) or (ii) above : N.A**

Date : 3<sup>rd</sup> September, 2018  
Place : Kolhapur

Anasaheb R. Mohite  
CEO/Managing Director

Abhishek A. Mohite  
CFO

Dhananjay S. Charane  
Audit Committee Chairman

Moreshwar G. Deshpande  
Statutory Auditor

## ANNEXURE VIII

### Information as per Rule 5(2) & (3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

SI	Name of employee	Designation	Remuneration(P.M)	Nature of Employment (contractual or otherwise)	Qualification	Experience (in year)	Date for commencement	Age	Last Employment	% of Equity Shares held in the Company
1	Satish S. Murabatte	General Manager	85,000	Regular	DTM	26	15/1/2016	48	Mandhana Synthetics Pvt. Ltd., Inchalkaranji	0.00
2	Sambhaji L. Mulik	Head of Department (Sizing)	85,000	Regular	DTM	29	6/6/2016	52	Baldev Textile mills Pvt. Ltd., Inchalkaranji	0.00
3	Ashok M. Patil	Head of Department (Maintenance)	75,000	Regular	DTM; B.Text.	17	1/3/2016	42	Bombay Rayon Fashion Ltd, Mumbai	0.00
4	Prasanna B. Hogade	Head of Department (Production)	65,000	Regular	B.Text.	27	1/6/2016	47	Raymond Luxury Cotton Ltd, Kagal	0.00
5	Pralhad B. Dhole	Head of Department (PPC)	60,000	Regular	DTM; B.Text.	13	1/10/2016	36	Baldev Textile mills Pvt. Ltd., Inchalkaranji	0.00
6	Sunil H. Damale	General Manager (Production)	60,000	Regular	DTM	31	1/12/2015	55	DIB-Egypt, Cairo(Egypt)	0.00
7	Abhijit Kudalkar	Dyeing HOD	60,000	Regular	B.Text.	22	8/1/2018	41	Mahalaxmi Co-op yarn Processors	0.00
8	Anjali A. Mohite	Chief Finance Officer	50,000	Regular	B.A.M.S.	10	30/9/2014	56	Self Employment	18.60
9	Abhishek A. Mohite	Chief Finance Officer	50,000	Regular	M.B.A	10	14/9/2017	33	Self Employment	10.79
10	Babasaheb P. Khade	Head of Department (Human Resource)	55,000	Regular	M.A; M.S.W.	21	4/9/2016	49	Hindoostan spinning & weaving mills limited, Karad	0.00

**Notes:**

- 1) Mrs. Anjali A. Mohite, appointed as CFO w.e.f 30<sup>th</sup> September 2014, resigned w.e.f 14<sup>th</sup> September 2017.
- 2) Mrs. Anjali A. Mohite, previous CFO is wife of Mr. Annasaheb R. Mohite, Chairman and Managing Director.
- 3) Mr. Abhishek A. Mohite, current CFO is Son of Mr. Annasaheb R. Mohite, Chairman and Managing Director.
- 4) The other terms and conditions of each of above persons are as per the contract/letter of appointment/ resolution and rules of the company.

## REPORT ON CORPORATE GOVERNANCE

### 1. A brief statement on company's philosophy on code of governance.

This report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that insure that a Company meets its obligations to optimize shareholders value and fulfill its responsibilities to the community, customers, employees, government and another segments of society. The Company is committed on adopting the best practices of Corporate Governance as manifested in the companies functioning to achieve the business excellence by enhancing long term shareholders' value

As on 31 March, 2018 the Company had four Directors out of which two were Independent Directors, one Non-Executive Director and one Executive Director. Further we have Audit, Stakeholders, Nomination & remuneration and Risk Management Committees.

### 2. Board of Directors:-

The Board of the Company is well structured, in compliance with Listing Regulations, with adequate blend of professional Executives and Independent Directors'. The Board consist sufficient participation of Independent Directors .The Board actions and decisions are aligned with the Companies best interest .The Company has defined guidelines and established framework of the meetings of the Board and Committees.

#### a) Composition and category of Directors:-

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the composition of the Board. As on March 31, 2018, the Board consists of Four Directors comprises an optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors is as follows:

Category	Name
Promoter Director ( Chairman & Managing Director )	Mr. Anasaheb R. Mohite
Non Executive Director	Mrs. Rama J. Swetta
Independent Directors	Mr. Dhananjay S.Charane Mr. Manohar V. Dudhane

#### b) Number of Board Meetings:-

The Board meets at least once in a Quarter to review and discuss the Quarterly Results and other items on the Agenda .During the period under the review Six (6) Board Meetings were held on 26.05.2017; 16.08.2017; 14.09.2017; 27.10.2017; 11.12.2017; 14.02.2018

#### c) Attendance of Directors at the Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of the committee of each Director in various companies.

- i. the Attendance of the Board of Directors at the meeting held during the year, number of other Directorships & membership of Committees of the Company as on March 31, 2018 are as follows:

Name of The Director	Attendance		Committee Memberships	Committee Chairmanships	Relation With Other Directors
	Board Meetings	Last Agm			
Mr. A. R. Mohite	6	No	2	-	None
Mrs. R. J. Swetta	1	No	2	1	None
Mr. D. S. Charane	6	Yes	3	1	None
Mr. M. V. Dudhane	6	Yes	1	2	None



- ii. Other provisions as to Board or Board Committees in which they are member or Chairperson of:

Name Of The Director	Outside Directorship	Outside Committees	
		Member	Chairperson/ Chairman
Mr. A. R. Mohite	3	1	-
Mrs. R. J. Swetta	1	-	1
Mr. D. S. Charane	-	-	-
Mr. M. V. Dudhane	-	-	-

**3. Brief resume of all Directors, nature of their expertise in specific functional area and names of companies in which they hold directorship and committee membership/chairmanship are provided below.**

- Mr. Anasaheb Ramchandra Mohite**, Age 60, is a Chairman & Managing Director of the company. He is a qualified civil engineer. He started his professional career under the guidance of his father Mr. Ramchandra M. Mohite He has handled big civil construction projects independently and has travelled widely across India and abroad. He is holding Directorship in Mohite Builders Private Limited, Mohite Aviation Private Limited & Shri Devchand Sugars Limited.
- Mrs. Rama Jawahar Swetta**, Age 69, is Non-Executive Director of Company. She is a fashion designer by profession and owns a boutique at Bandra (West), Mumbai.
- Mr. Dhananjay Shripati Charane**, Age 65, is the independent director of our Company. He is businessman by profession. He is having experience of around 40 years in the field of Machine tool shop. Presently, he is proprietor of Charane Engineering & Welding Works, Kolhapur and partner of M/s Vijayendra Industries, Kolhapur. Further Mr. Charane was a director in the Board of Director in our Company in the financial year 2000-2001
- Mr. Manohar Vitthal Dudhane**, Age 64, is the independent director of our Company. He is businessman by profession. He is having experience of around 32 years in the field of construction business. Presently, he is proprietor of M/s Kalpana Construction co., Kolhapur

**4. Code of Conduct:-**

In terms of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on Company's website at the following Link <http://www.abhishekccorporation.com/code-of-conduct.pdf>. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code as on 31 March, 2018.

**5. Prevention of Insider Trading:-**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for Prohibition of Insider Trading. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Directors, designated employees and connected persons have affirmed compliance with the code.

**6. Maintenance of Website:-**

In order to ensure / enhance public dissemination of all basic information about the Company, we have been maintaining functional website containing basic information about the Company with duly updated all statutory filings. The Website of the Company is [www.abhishekccorporation.com](http://www.abhishekccorporation.com).

**7. Board Committee:-**

The Company follows the procedures and practices in conformity with the code of Corporate Governance. In keeping with the spirit of the code the Board had constituted the following Committees :-

**A. Audit Committee :-**

- The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with Section 177 of the Act.
- The Audit Committee comprises of Mr. Dhananjay S. Charane, Mrs. Rama J. Swetta and Mr. Manohar V. Dudhane. Ms. Sawani Sadalage is Secretary of the Committee.
- The Audit Committee met Four times during the year on 26.05.2017, 14.09.2017, 11.12.2017 and 14.02.2018. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days as specified under Regulation 18 of the Listing Regulations.

The necessary quorum was present for all the meetings. Details of meetings attended by its members are:

Name	Position	No. Of Meetings	
		Held	Attended
Mr. Dhananjay S. Charane	Chairman	4	4
Mrs. Rama J. Swetta	Member	4	1
Mr. Manohar V. Dudhane	Member	4	4

► **Audit Committee mandatorily review/note the following information**

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor, Chief Financial Office shall be subject to review by the Audit Committee.
6. statement of deviations:  
Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**B. Nomination and Remuneration Committee:-**

- Company’s Nomination and Remuneration Committee in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with Section 178 of the Act.
- The Nomination and Remuneration Committee comprises of Mr. Manohar V. Dudhane , Mrs. Rama J. Swetta and Mr. Dhananjay S. Charane. Ms. Sawani Sadalage is Secretary of the Committee
- The Nomination and Remuneration Committee met Five times during the year on 25.04.2017; 26.05.2017; 14.09.2017, 11.12.2017 and 14.02.2018
- The necessary quorum was present for all the meetings. Details of meetings attended by its members are:

Name	Position	No. Of Meetings	
		Held	Attended
Mr. Manohar Dudhane	Chairman	5	5
Mrs. Rama Swetta	Member	5	1
Mr. Dhananjay Charane	Member	5	5

- The Company does not have any Employee Stock Option Scheme.

► **Remuneration Policy**

Remuneration policy in the Company is designed to create a proper performance culture. It enables the Company to attract, retain and motivate employees to achieve results. During the year 2017-18, no remuneration and pecuniary benefits were given to the Directors; Hence Related Disclosures are not applicable.

► **Brief description of terms of reference**

- To decide the Companies policy and specific remuneration packages for the Whole Time Directors. To decide any amendments/deletion/revision/addition /re-composition in the remuneration packages of the Whole Time Directors.
- Any other matter as may be assigned by Board with respect to financial commitment for Whole Time Directors.

- Identification of person who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down recommended to the board, their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for the director, key managerial personnel and other employees.
- To implement the remuneration policy for directors, KMP, Senior level employees required under section 178 of the Companies Act 2013.

▶ **Remuneration of Non-Executive Directors**

The Non-Executive Directors (NED) of the Company have a crucial role to play in the independent functioning of the Board. Criteria for making payment of non executive directors are on website link:

<http://www.abhishekcorporation.com/disclosure/Criteria%20for%20making%20payment%20to%20Non-Executive%20Directors.pdf>

▶ **Performance evaluation criteria of Independent Director**

Pursuant to provisions of Section 178 of Companies Act 2013 and Listing regulations, the Nomination & Remuneration Committee has formulated a policy on board evaluation of individual directors.

The evaluation is based on various factors which are follows:

- Attendance at board and Committee meetings
- Level of participation
- Contribution to the development of strategies and risk assessment and management.
- Overall interaction with other members of the board.

**C. Stakeholders Relation /Investor Grievances Committee:-**

- The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with section 178 of the Act.
- The Stakeholders committee comprises Mrs. Rama Swetta, Mr. Anasaheb Mohite and Mr. Dhananjay Charane. Ms. Sawani Sadalage Secretary of Committee.
- The Stakeholders Relation /Investor Grievances Committee met Four times during the year on 25.05.2017; 14.09.2017; 11.12.2017 and 14.02.2018.

The necessary quorum was present for all the meetings. Details of meetings attended by its members are:

Name	Position	No. Of Meetings	
		Held	Attended
Mrs. Rama Swetta	Chairman	4	1
Mr. Anasaheb Mohite	Member	4	4
Mr. Dhananjay Charane	Member	4	4

▶ **The broad terms of reference of the Stakeholders Relation /Investor Grievances Committee are as under:**

- Review and oversee the process of transfer, Dematerialization, rematerialisation, etc. and other shares related formalities.
- Review and oversee the process of resolving of shareholders /investors/ security-holders grievances.
- Advise the Board of Directors on matters which can facilitate better investor services and relations.
- Review movements in shareholding and ownership structures of the Company.
- Ensure setting of proper controls and oversee the performance of the Registrar and Share Transfer Agent.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
- Monitoring the violation of the code of conduct for prevention of insider trading, if any.
- Redressing the grievances related to non-receipt of Annual Report.

Ms. Sawani Sadalage, Company Secretary of the company is the compliance officer of the company. The status of Complaints received and resolved during the year 2017-18 are as follows:

Opening Complaints	0
Received during the year	0
Resolved during the year	0
Closing	0

**D. Risk Management Committee/Other Committee:-**

- The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- The Risk Management Committee comprises Mr. Manohar Dudhane, Mr. Anasaheb Mohite and Mr. Dhananjay Charane. Ms. Sawani Sadalage is Secretary of Committee
- The risk management committee met Four times during the year on 26.05.2017; 14.09.2017; 11.12.2017 and 14.02.2018.

The necessary quorum was present for all the meetings. Details of meetings attended by its members are:

Name	Position	No. Of Meetings	
		Held	Attended
Mr. Manohar Dudhane	Chairman	4	4
Mr. Anasaheb Mohite	Member	4	4
Mr. Dhananjay Charane	Member	4	4

The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**E. Meeting of Independent Director:-**

As mandated by the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate meeting of Independent Directors was held on 14<sup>th</sup> September, 2017 for annual evaluation of the following;

- the performance of non-independent directors and the Board of directors as a whole;
- the performance of the Chairperson of the Company, taking into account the views of non-executive directors; the quality, quantity and timeliness of flow of information between the company management and the
- Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

## F. General Body Meetings:

### a. Particulars of Annual General Meetings (AGM) held during last three years

Year	Location	Date	Time	Special Resolution Passed
2016-17	Gat No. 148, Tamgaon, Kolhapur – Hupari Road, Tal – Karveer, Dist – Kolhapur 416234	September 27, 2017	11.00 a.m.	Nil
2015-16		September 30, 2016	11.00 a.m.	Nil
2014-15		September 30, 2015	11.00 a.m.	<ol style="list-style-type: none"><li>1. To re-appoint Shri Manohar Vithhal Dudhane (DIN 06749730) as the Independent Director</li><li>2. To re-appoint Shri Dhananjay S. Charane (DIN 00153820) as the Independent Director</li><li>3. To re-appoint Shri. Anasaheb R. Mohite (DIN 00317676) as Managing Director of the Company</li><li>4. To adopt new set of altered articles of association as per Companies Act, 2013.</li><li>5. Authority to Board of Directors to create charge over assets of the Company under section 180 1 (a) of the Companies Act 2013.</li><li>6. Authority to Board of Directors to borrow money under section 180(1) (c) of the Companies Act 2013.</li></ol>

### b. Extra Ordinary General Meeting

No Extra Ordinary General Meeting of the Company held for the period 2017-2018.

### c. Postal ballot

No resolution was passed through Postal Ballot in last three financial years.

### d. E-Voting

In term of Section 108 of Companies act 2013 relevant rules and in terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Retirements) Regulations 2015 the necessary facility will be provided.

### e. Disclosure with respect to demat suspense account/ unclaimed suspense account

As on March 31, 2018 there are no shares lying in the demat suspense account or unclaimed suspense account.

### f. Disclosures:

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.**

None of the transactions with any of the related parties were in conflict with the interest of the company. Attention of the members is drawn to the disclosures of transaction with related parties set out in Notes on Accounts forming part of Annual Report. The policy approved and adopted by the Board of Directors has been uploaded on the Company's website at the following link:

<http://www.abhishekkorporation.com/disclosure/policy-on-related-party-transactions.pdf>

- **Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has complied with requirements of Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years. The Company has complied all mandatory requirement of the Listing Regulation. Trading of Shares are Suspended in National Stock Exchange of India Limited due to non submission of some quarterly compliances in time, but the Company is in process to revoke the suspension of Trading of National Stock Exchange of India Limited.

- **Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee**  
The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link:<http://www.abhishekccorporation.com/vigil%20machanism%20policy.pdf>
- **Reconciliation of share capital audit**  
A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- **Disclosure of accounting treatment**  
In the preparation of financial statement the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable
- **Familiarization Programme Imparted For Independent Director and Performance & Evaluation Criteria of the Same**  
In terms of regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Familiarization Programme imparted for Independent Directors are available on Companies website. The Company has also formulated the Nomination and Remuneration Policy covering the evaluation criteria of Independent Directors respective link such as: <http://www.abhishekccorporation.com/disclosure/Familiarisation%20programmes%20imparted%20to%20Independent%20Directors.pdf>
- **Shareholding of Non-Executive Director**  
Mrs. Rama J. Swetta being Non-Executive Director holds 20,00,000 shares of the Company.
- **Details regarding Discretionary Requirements under Regulation 27(1) read with Scheduled II**  
The Company has trying to fulfill the following discretionary requirements as prescribed in Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:
  - a) **The board:** Chairperson of the company is Executive Director. Company is trying to make separate position of the same.
  - b) **Shareholders Right:** Quarterly and half yearly Financial performance are published in the newspapers and are also posted on companies official website.
  - c) **Modified Opinions in Auditors Report:** The Company’s financial statement for the year ended 31<sup>st</sup> March 2018 is with modified opinion. The company is consistently facing liquidity issues; Board is taking necessary steps for recovery.
  - d) **Separate posts of Chairperson and Chief Executive Officer:** Mr. Anasaheb R. Mohite is Chairman & Managing Director of the Company. Company is trying to make separate post for chairperson and Chief executive officer.
  - e) **Reporting of Internal Auditor:** Internal auditors of the Company, make presentations to the audit committee on their reports.
- **The disclosure of Compliance with Corporate Governance**  
The Company has complied with all requirements of Corporate Governance specified in Regulation 17 to 27 and Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 and necessary disclosure have been made in this report.
- **Subsidiary Companies**  
The Company does not have any material subsidiary companies. But Company has a policy for determining ‘material subsidiaries’ which is disclosed on its website at the following  
Link: <http://www.abhishekccorporation.com/disclosure/policy-for-determining-material-subsidaries.pdf>
- **Policy on Archival and Preservation of Documents**  
The Company has adopted a Policy on Archival and Preservation of Documents mention under Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 which is disclosed on its website at the following Link : [www.abhishekccorporation.com/disclosure/policy-on-preservation-archival-documents.pdf](http://www.abhishekccorporation.com/disclosure/policy-on-preservation-archival-documents.pdf)
- G. Auditors’ certificate on corporate governance**  
The Company has obtained a certificate from its Statutory Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in SEBI (Listing obligations and Disclosure Requirements) Regulations 2015. This certificate is annexed to the Corporate Governance Report for the Financial Year 2017-18 and will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

## H. CEO and CFO certification

A certificate from the Managing Director and the Chief Financial Officer of the Company on financial reporting and internal controls was placed before the Board in terms of Regulation 17(8) of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015. Company certifying that the financial statements don't contain any materially untrue statement and these statements represent a true and fair view of the company's affairs.

## I. Means of Communication

- Quarterly results are taken on record by the Board of Directors and submitted to the stock exchange in terms of the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Quarterly results have been published in 'Free Press Journal' and 'Sakal'(Lokal Newspaper)
- Website of the company is [www.abhishekkorporation.com](http://www.abhishekkorporation.com)
- Exclusive email id for investor correspondence/grievance redressal is [admin@abhishekkorporation.com](mailto:admin@abhishekkorporation.com)/[investor@abhishekkorporation.com](mailto:investor@abhishekkorporation.com)
- No presentations have been made to institutional investors or to analysts.
- The Management Discussion and Analysis Report forms part of Directors' Report.

## 8. General Shareholder information:

### a. Annual General Meeting:

Date	Friday, September 28, 2018
Time	11.00 a.m.
Venue	Registered office of the company situated at Gat. No. 148, Tamgaon, Kolhapur – Hupari Road, Tal - Karveer, Dist – Kolhapur 416234

### b. Financial Calendar (tentative):

The Financial Year of the Company is for a period of 12 months from 1<sup>st</sup> April to 31<sup>st</sup> March: (Results for the quarter ending)

June 30, 2018	:	On or before August 14, 2018
September 30, 2018	:	On or before November 14, 2018
December 31, 2018	:	On or before February 14, 2019
March 31, 2019	:	On or before May 30, 2019
Annual General Meeting	:	On or before September 30, 2019

### c. Financial Year: April 1, 2018 – March 31, 2019

### d. Date of Book closure : September 22,2018 – September 28,2018 (Both days inclusive)

### e. Listing of Stock Exchange:

	NAME	ADDRESS	SCRIP CODE
1.	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532831
2.	National Stock Exchange India Limite	Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	ABHISHEK

**f. Other details:**

CIN	L51491PN1993PLC073706
ISIN	INE004I01017

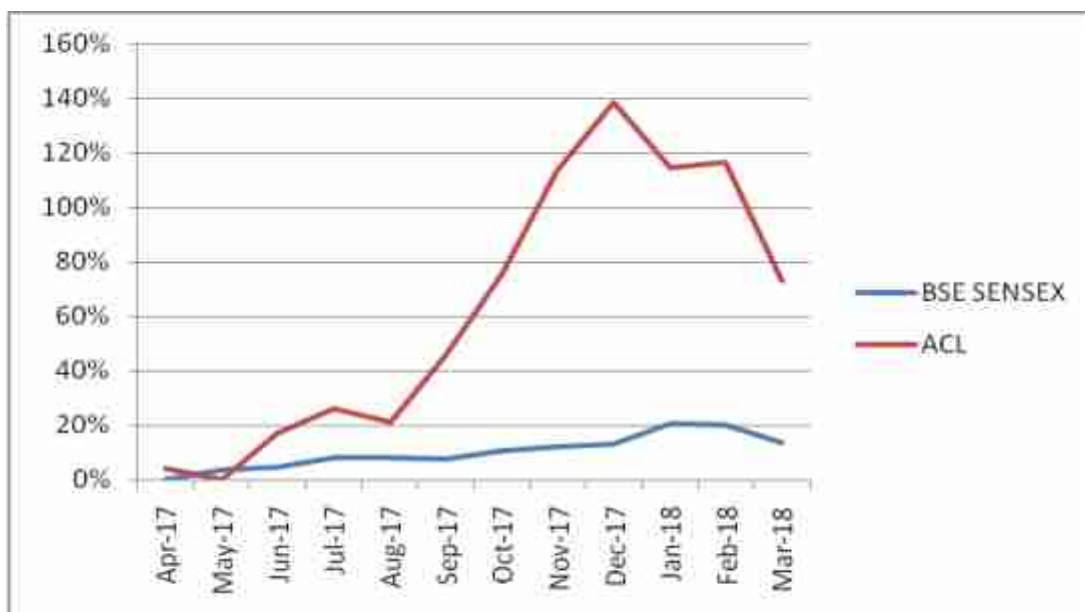
**g. Market price data:**

The market price data and volume of the company's share traded in the BSE Limited and the National Stock Exchange of India Limited during the Financial Year 2017-18 were as under

Month	Stock Exchanges							
	BSE				NSE			
	BSE Sensex		Abhishek Corporation Limited		NSE NIFTY 50		Abhishek Corporation Limited	
	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
Apr-17	30184.22	29241.48	2.4	2.04	9,367.15	9,075.15	-	-
May-17	31255.28	29804.12	2.31	2	9,649.60	9,269.90	-	-
Jun-17	31522.87	30680.66	2.7	2.2	9,709.30	9,448.75	-	-
Jul-17	32672.66	31017.11	2.91	2.5	10,114.85	9,543.55	-	-
Aug-17	32686.48	31128.02	2.79	2.53	10,137.85	9,685.55	-	-
Sep-17	32524.11	31081.83	3.36	2.53	10,178.95	9,687.55	-	-
Oct-17	33340.17	31440.48	4.05	3.2	10,384.50	9,831.05	-	-
Nov-17	33865.95	32683.59	4.93	3.68	10,490.45	10,094.00	-	-
Dec-17	34137.97	32565.16	5.51	4.3	10,552.40	10,033.35	-	-
Jan-18	36443.98	33703.37	4.95	4.1	11,171.55	10,404.65	-	-
Feb-18	36256.83	33482.81	5	4.1	11,117.35	10,276.30	-	-
Mar-18	34278.63	32483.84	4	2.8	10,525.50	9,951.90	-	-

-Represents no trading information available for NSE due to suspension of trading of Equity shares.

**• Stock Performance:**





- h Registrar and Transfer Agents** : Link Intime India Private Limited (formerly Intime Spectrum Registry Limited) C – 101, 247 Park, LBS Marg, Vikhroli West Mumbai – 400 083
- i Share Transfer System** : The company has appointed M/s Link Intime India Pvt Ltd as Registrar and Transfer Agent. The share transfers forms are processed and the share certificates returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects.

**j Distribution of shareholding**

► **By Size**

Category of Shares	No. of shareholders	% of total Shareholders	Share Amount	% of Capital
1-500	2979	77.62	4,73,037	2.96
501-1000	419	10.92	3,48,250	2.17
1001-2000	198	5.16	3,07,540	1.92
2001-3000	82	2.13	2,07,574	1.30
3001-4000	41	1.07	1,46,146	0.91
4001-5000	32	0.84	1,45,756	0.91
5001-10000	47	1.22	3,44,458	2.15
Above 10001	40	1.04	1,40,35,701	87.68
Total	3838	100	1,60,08,462	100

► **By Share Ownership**

Category	March 31, 2018			March 31, 2017		
	Shareholders (no.)	Voting Strength %	No. of Shares Held	Shareholders (no.)	Voting Strength %	No. of Shares Held
Promoters & Promoter Group	7	57.63%	92,25,416	7	57.63%	92,25,416
Other Bodies Corporate	61	9.68%	15,49,449	68	9.63%	15,41,193
Clearing Members	20	0.07%	10,835	25	0.08%	13,428
Indian Public	3732	32.44%	51,94,369	3,824	32.48%	51,99,526
NRI	15	0.10%	16,711	15	0.12%	19,317
NRN	3	0.08%	11,682	2	0.06%	9,582
Total	3838	100%	1,60,08,462	3,941	100%	1,60,08,462

► **By Dematerialized and physical shares**

Category	Dematerialized		Physical		Total		
	Shares	Holders	Shares	Holders	Shares	Value	Percent
1 Promoters & Promoter Group	92,25,416	7	-	-	92,25,416	9,22,54,160	57.63%
2 Other Bodies Corporate	15,49,449	61	-	-	15,49,449	1,54,94,490	9.68%
3 Clearing Members	10,835	20	-	-	10,835	1,08,350	0.07%
4 Indian Public	51,93,809	3,724	560	8	51,94,369	5,19,43,690	32.44%
5 NRI	16,711	15	-	-	16,711	1,67,110	0.10%
6 NRN	11,682	3	-	-	11,682	1,16,820	0.07%
<b>Total</b>	<b>1,60,07,902</b>	<b>3,830</b>	<b>560</b>	<b>8</b>	<b>1,60,08,462</b>	<b>16,00,84,620</b>	<b>100%</b>

**a. Dematerialization of shares and liquidity:**

Total share capital of the company is ₹ 16,00,84,620 divided into 16,008,462 shares of ₹ 10/- each. As on March 31, 2018 out of 1,60,08,462 shares 1,60,07,902 (99.99%) are in dematerialized form. Remaining 560 shares are in physical form.

**B. Outstanding GDRs / ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2018, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**C. Plant Location:**

Abhishek Corporation Ltd.  
Gat No. 148, Tamgaon, Kolhapur – Hupari Road,  
Tal – Karveer, Dist – Kolhapur, 416234

**D. Address for correspondence**

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Transfer Agent of the Company:

Registered Office Company Secretary Abhishek Corporation Ltd. Gat No. 148, Tamgaon, Kolhapur – Hupari Road, Tal – Karveer, Dist – Kolhapur, 416234	Registrar and Transfer Agent Link Intime India Private Limited, (Formerly Intime Spectrum Registry Ltd (Unit: Abhishek Corporation Ltd) C – 101, 247 Park, LBS Marg, Vikhroli West Mumbai – 400 083
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**For and on Behalf of the Board of Directors**

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Anasaheb Mohite**  
Chairman & Managing Director

**Dhananjay Charane**  
Chairman of Audit Committee

## **AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

**To,  
The Members of  
Abhishek Corporation Limited**

We have examined all relevant records of Abhishek Corporation Limited (Undergoing CIRP) (“the Company”) for the purpose of certifying compliance of conditions of Corporate Governance under Chapter IV read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the financial year ended on March 31, 2018.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause / Regulations.

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 conditions of Corporate Governance as stipulated in Chapter IV read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We further state that this certificate 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.

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is available on the Company's website.

I confirm that the Company has in respect of the Financial Year ended 31<sup>st</sup> March, 2018, received from the Members of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct as applicable to them.

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Anasaheb Mohite**  
Chairman & Managing Director

## **CEO/CFO CERTIFICATION**

We, Anasaheb Mohite, Chairman & Managing Directors and Abhishek Mohite, CFO of the Company hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the Financial year ending 31<sup>st</sup> March, 2018 and that to the best of their knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Anasaheb R. Mohite**  
Chairman & Managing Director

**Abhishek A. Mohite**  
Chief Finance Officer

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Abhishek Corporation Limited (Undergoing CIRP) presents the analysis of business performance of the company for the year 2017-18 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

### 1. INDUSTRY STRUCTURE AND FUTURE OUTLOOK

Working of Textile Industry has a considerable ripple effect not only on the economy but also on the lifestyle of the individuals. Textile has always been a low profit industry. During past few years, the spinning industry has been facing grueling time mainly because of volatility in cotton prices and in turn yarn prices, steep fall in global demand leading to dumping of yarn in domestic price and thereby turning the market hostile in term of prices, rise in power labor cost, therefore India's only major hope on textiles now is as supplier of raw material.

### 2. OPPORTUNITIES AND THREATS.

Firstly it is need to understand nature of inflation in textile, in other hand the Indian cotton crop remains heavily monsoon dependent due to lack of irrigation in most cotton growing region. Therefore farmers could plan dry-crops. Another important issue is the availability, quality and price of power. The availability of good quality of power at reasonable price is critical for sustainability of industry. However the cost of power is continuously increasing, adding to input cost pressure in the industry. Looking to the deadlock in which the Textile Industry has been plunged into, there are opportunities seen at present to get back to normalcy. On the whole, it is feared that all these factors will nibble the industry.

### 3. MANAGEMENT PERCEPTION OF RISKS & CONCERNS

The cotton industry is presently facing challenges like increase in labor cost, increasing power tariff & fuel charges, increasing transportation and inventory carrying charges, which are further likely to impact its margins. Cotton prices which have almost stabilized now may tend to increase due to various extraneous factors and lead to uncertainty. The challenge for the company is to effectively and responsibly manage and control the risk on sustained basis to enhance return. The implementation of GST and benefit to industry in general specific to company is yet to be seen. There is need to consistently seek new markets and tailors make products to suit the trends.

Although the Industry is beset by several woes, the management still to have a good time ahead provided adequate backing from government, improvement in global demand as well price stability in domestic market. Also, instead of depending upon conventional market and buyers, continuous endeavor to explore new market and buyers is needed so that we can survive in the present scenario.

### 4. INTERNAL CONTROL SYSTEMS

The company has adequate internal control systems, for business processes with regards to efficiency of operations, financial reporting and controls and compliance with applicable laws and regulations. Regular internal audits and checks are carried out to ensure the robustness of the system. Effective and comprehensive reviews by the Audit Committee of the board further enhance the level and quality of internal control within the organization. All operating parameters are monitored and controlled.

## 5. SEGMENTS WISE PERFORMANCE

The construction division of the company is inoperative, therefore the whole of the operations of the Company relates only to the Textile unit and hence Segment wise reporting is not necessitated.

## 6. HUMAN RESOURCES

The Company believes that Human Resources play a significant role in achieving its business vision. Hence, the Company provides various opportunities to the employees to develop their skills to take up higher responsibilities in the organization. The Company also uses various communication channels to seek employees' feedback about the overall working environment and the necessary tools and resources they need to perform at their best potential. In the fiscal year 2017 the company has as much as 725 employees.

## 7. RESULTS OF OPERATION

- a. **Sales :** The total Sale Increased to ₹ 1702.34 from ₹ 1448.83 Lacs. There are no revenues from construction division as it is inoperative since long time . However the efforts taken by the management to optimally utilize the available capacity is started generating fruits and the spinning unit of the company has grown multifold as compared to previous year. The Management is further actively involved in trying to utilize the idle capacities available with the company
- b. **Profit/Loss before Tax:** During the financial year 2017-18 the company has incurred a loss before tax of ₹ 17628.98 Lacs as against Loss before tax of ₹ 10802.47 Lacs in previous year. The loss is mainly on account of level of sales turnover, no export orders, huge interest coupled with other fixed overheads.
- c. **Profit/ Loss after Tax:** During the financial year 2017-18 the company has incurred net loss of ₹ 17628.98 Lacs as against Loss after tax of ₹ 10802.47 Lacs in previous year. This is mainly on account of lower capacity utilization and high fixed overheads such as Interest, Depreciation etc.

For and on Behalf of the Board of Directors  
For **Abhishek Corporation Limited**

**Date :** 3<sup>rd</sup> September, 2018  
**Place :** Kolhapur

**Anasaheb Mohite**  
Chairman & Managing Director

# INDEPENDENT AUDITORS' REPORT

**To The Members of**

**Abhishek Corporation Ltd.**

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Abhishek Corporation Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year then ended and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## **Management’s Responsibility for the Financial Statements**

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

Further, as per section 134 of the Companies Act, 2013, the standalone financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the pendency of Corporate Insolvency Resolution Process (CIRP), these powers, including aforementioned responsibility for the standalone financial statements, in terms of the code, are now vested with Mr. Sameer Kakkar as Resolution Professional (RP) to carry out the functions of the Company in his capacity as the RP. Further, pursuant to the order of Hon. NCLT, a public announcement of CIRP was made on November 23, 2017 and a Committee of Creditors (COC) was formed pursuant to the provisions of the code and as informed to us. 13 COC meetings were held till the date of this report.

## **Auditors’ Responsibility**

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018; and
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 (“the Order”), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014
  - 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 are disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
  - g. With respect to the other matters included in the Auditor’s Report and to our best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1 (II-11) to the financial statements.
    - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
    - iii) There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

**Moreshwar G. Deshpande**  
Chartered Accountant

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163



**ANNEXURE 1 as referred to in paragraph (1) under the heading “Reporting on Other Legal and Regulatory Requirements” of our report on even date of Abhishek Corporation Limited for the year ended on 31/03/2018**

- i) In respects to fixed assets :-
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - The fixed Assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification by the management.
  - There are no immovable property of the company except for the building constructed on the leasehold property of the company.
- (ii) The inventory has been physically verified by the management at regular intervals and the discrepancies noticed on such physical verification of inventory compared to book records were appropriately treated and disclosed in the books of accounts.
- (iii) The company has not granted any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 and Section 186.
- (v) During the year under review the company has not accepted any amount by way of Deposits pursuant to provisions of section 73 to 76 or any other relevant provisions of the Companies Act & the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) In respects to statutory dues
- According to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income Tax, Sales Tax, GST, Custom Duty, Excise Duty, Cess, Entry Tax & Service Tax, Value added tax, Cess and any other statutory dues except following dues which are due since more than six months but still not paid
    - Tax Deducted At Source 46,11,040/-
    - Provident Fund 64,15,405/-
    - Professional Tax 3,35,375/-
    - ESIC 84,308/-
  - The disputed statutory dues have not been deposited on account of disputed matters pending before appropriate authorities as on March 31, 2018, are as under:

SI	Name of the Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
1	Central Excise	Excise duty	15,70,662/-	May 10 to Jun-11	CESTAT
2	Central Excise	Custom Duty	88,28,839/-	Jan-06 to Oct-09	CESTAT
3	Central Excise	Excise & Custom Duty	4,80,44,348/-	Aug-09 to Apr-14	CESTAT
4	Service Tax	Service Tax	66,59,828/-	Oct-07 to Mar-12	CESTAT
5	Provident Fund	PF Dues	8,75,419/-	Dec.12 to Aug 13	RC -EPF
6	Provident Fund	Interest & Damages	66,46,189/-	Dec 11 to Aug 16	EPF appellate Tribunal
7	EPF & MP Act,1952	PF Damages	1,21,43,310/-	Apr-96 to Nov-14	EPF appellate Tribunal
8	IncomeTax Act,1961	Income Tax	3,92,93,628/-	A.Y 06-07 & 07-08	ITAT
9	MVAT Act, 2002	VAT	82,19,101/-	FY 11-12	Maharashtra Sales Tax Tribunal
10	MIR Act, 1946	Labour Payment	approx 50-60 Lakhs	From 2009 to till Date	Industrial Court

The company has not considered any interest and penalties while considering the above figures except for Sr. No. 6 & 7 where the amount itself is in relation to penalty and interest.

- viii) The company has defaulted in repayment of the loans as are mentioned in Note 15 of the Balance Sheet. The Company is undergoing Corporate Insolvency Resolution process under Insolvency and Bankruptcy Code 2016. and the default in repayment of loans shall either be resolved or be liquidated. till the time any such order is passed by the adjudication authority. The company has maintained consistency in following the accounting policies.
- ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the Management.
- xi) The Company has paid/provided for managerial remuneration, wherever applicable in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii) (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 such related party transactions have been disclosed in the financial statements as required by the applicable accounting rules.
- xiv) 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 (Accounts) Rules, 2014.
- xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with one of the directors/ person connected with the director during the year.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

## **ANNEXURE 2 to the Independent Auditor’s Report of even date on the Financial Statements of Abhishek Corporation Ltd. for the year ended on 31/03/2018**

Report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Abhishek Corporation Limited “the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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

### **Auditor’s Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the 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.

**Date** : 3<sup>rd</sup> September, 2018

**Place** : Kolhapur

**Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

## BALANCESHEET AS AT 31<sup>ST</sup> MARCH 2018

₹ In Lakhs

Sr No	Particulars	Note No	31.03.2018	31.03.2017	1.04.2016
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-Current Assets</b>				
a)	Property, Plant and Equipment	2	13,391.37	16,157.92	17,311.17
b)	Capital Work-in-Progress	2	212.97	212.97	213.12
c)	Investment Property		-	-	-
d)	Financial Assets				
i)	Investments	3	3.76	3.76	3.76
ii)	Security Deposits	4	92.96	93.26	90.70
li)	Others		-	-	-
e)	Deferred Tax Assets (net)		-	-	-
f)	Other Non-Current Assets		-	-	-
	<b>Total Non-Current Assets</b>		<b>13,701.06</b>	<b>16,467.91</b>	<b>17,618.75</b>
<b>2</b>	<b>Current Assets</b>				
a)	Inventories	5	440.79	2,398.73	2,465.03
b)	Financial Assets		-	-	-
i)	Trade Receivables	6	175.48	863.64	979.10
ii)	Cash and Cash Equivalents	7	24.95	207.54	166.98
iii)	Bank Balance Other than (ii) above		-	-	-
iv)	Loans	8	301.34	1,401.13	851.65
v)	Others		-	-	-
c)	Current Tax Assets (Net)		-	-	-
d)	Other Current Assets	9	7.60	4,823.17	4,823.85
	<b>Total Current Assets</b>		<b>950.16</b>	<b>9,694.21</b>	<b>9,286.61</b>
	<b>Total Assets</b>		<b>14,651.22</b>	<b>26,162.12</b>	<b>26,905.35</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
a)	Equity Share Capital	10	1,600.85	1,600.85	1,600.85
b)	Other Equity	11	(70,245.13)	(52,634.58)	(41,839.65)
	<b>Total Equity</b>		<b>(68,644.28)</b>	<b>(51,033.73)</b>	<b>(40,238.80)</b>
	<b>Liabilities</b>				
<b>1</b>	<b>Non-Current Liabilities</b>				
a)	Financial Liabilities				
i)	Long-Term Borrowings		-	-	-
ii)	Trade Payables		-	-	-
ii)	Other Financial Liabilities		-	-	-
b)	Provisions	12	105.77	82.97	62.87
c)	Deferred Tax Liabilities (Net)		-	-	-
d)	Other Non-Current liabilities		-	-	-
	<b>Total Non-Current Liabilities</b>		<b>105.77</b>	<b>82.97</b>	<b>62.87</b>
<b>2</b>	<b>Current Liabilities</b>				
a)	Financial Liabilities				
i)	Short-Term Borrowings	13	2,862.95	3,367.50	3,359.26
ii)	Trade payables	14	5,367.76	5,273.60	5,275.62
iii)	Other Financial Liabilities	15	25,071.51	25,071.46	25,077.38
b)	Other curent Liabilities	16	49,679.96	43,196.97	33,159.77
c)	Provision	17	207.54	203.35	209.25
d)	Current Tax Liabilities (Net)		-	-	-
	<b>Total Current Liabilities</b>		<b>83,189.72</b>	<b>77,112.87</b>	<b>67,081.28</b>
	<b>Total Equity and Liabilities</b>		<b>14,651.22</b>	<b>26,162.12</b>	<b>26,905.35</b>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 1 TO 25

**Signed in terms of our separate report**

For **Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**For and on Behalf of the Board of Directors**

For **Abhishek Corporation Limited**

**Anasaheb Mohite**  
Chairman & MD

**Abhishek A. Mohite**  
Chief Finance Officer

**Sawani Sadalage**  
Company Secretary

**Sameer Kakar (RP)**  
IBBI/IPA-001/IP-P00218/2017-18/10418

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2018

₹ In Lakhs

Sr No	Particulars	Note No	31.03.2018	31.03.2017
<b>1</b>	<b>Revenue</b>			
a)	Revenue from Operations	18	1,703.35	1,448.83
b)	Other Income	19	16.47	13.65
	<b>Total Revenue</b>		<b>1,719.83</b>	<b>1,462.48</b>
<b>2</b>	<b>Expenses</b>			
a)	Cost of Materials Consumed	20	-	-
b)	Purchase in Stock in Trade		-	-
c)	Changes In Inventories Of Finished Goods, Work In Progress And Stock-in- Trade	21	-	-
d)	Employee Benefits Expense	22	1,171.84	567.75
e)	Finance Costs	23	11,278.69	9,791.55
f)	Depreciation and Amortization Expense		2,879.84	1,164.95
g)	Operating and Other Expenses	24	4,018.44	740.69
	<b>Total Expenses</b>		<b>19,348.81</b>	<b>12,264.94</b>
<b>3</b>	<b>Profit Before Exceptional Items and Tax (1-2)</b>		<b>(17,628.98)</b>	<b>(10,802.47)</b>
<b>4</b>	Exceptional Items		-	-
<b>5</b>	<b>Profit Before Tax (3-4)</b>		<b>(17,628.98)</b>	<b>(10,802.47)</b>
<b>6</b>	<b>Tax Expense</b>			
	Current Tax		-	-
	Deferred Tax		-	-
<b>7</b>	<b>Profit/(loss) for The Period from Continuing Operations (5 -6)</b>		<b>(17,628.98)</b>	<b>(10,802.47)</b>
<b>8</b>	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to Profit or Loss A/c (net of tax) (Employee Benefits)		18.43	7.54
	<b>Total other Comprehensive Income</b>		<b>18.43</b>	<b>7.54</b>
<b>9</b>	<b>Total Comprehensive Income for the Period (7+8)</b>		<b>(17,610.55)</b>	<b>(10,794.93)</b>
<b>10</b>	Paid-up Equity Shares Capital (Face Value of ₹ 10 Each fully Paid Up)		1,600.85	1,600.85
<b>11</b>	Earnings per Equity Share (EPS) (face Value of ₹ 10 Each)			
	Basic (in ₹) (not Annualised)		(110.12)	(67.48)
	Diluted (in ₹) (not Annualised)		(110.12)	(67.48)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 1 TO 25

**Signed in terms of our separate report**

For **Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**For and on Behalf of the Board of Directors**

For **Abhishek Corporation Limited**

**Anasaheb Mohite**  
Chairman & MD

**Abhishek A. Mohite**  
Chief Finance Officer

**Sawani Sadalage**  
Company Secretary

**Sameer Kakar (RP)**  
IBBI/IPA-001/IP-P00218/2017-18/10418

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

₹ In Lakhs

Sr No	Particulars	31.03.2018	31.03.2017
1	Profit After Tax & Adjustments for Deferred Tax	(17,610.55)	(10,794.93)
	Extra Ordinary Items	-	-
	Interest (Net)	11,266.37	9,784.57
	Dividend Received	(0.08)	(0.04)
	Profit on Sale of Assets	(4.08)	(6.63)
	Loss on Sale of Assets	-	-
	(Excess Provision w/o and Loss on Sale of Asset)	-	-
	Add:- Depreciation & Amortization	2,879.84	1,164.95
	<b>Operating Profit before W/C Changes</b>	<b>(3,468.49)</b>	<b>147.93</b>
	<b>Changes in Working Capital</b>		
	<b>Current Assets</b>		
	Inventories	1,957.94	66.30
	Trade Receivables	688.15	115.47
	Short Term Loans Advances & Other Current Assets	1,099.79	(549.48)
	Other Current Assets	4,815.58	0.68
	<b>Current Liabilities</b>		
	Trade Payables	94.16	(2.03)
	Other Current Liabilities	6,482.99	10,037.20
	Short Term Provisions	4.19	(5.90)
	Non Current Liabilities (Provisions)	22.80	20.11
	<b>Cash From Operating Activities</b>	<b>11,697.11</b>	<b>9,830.26</b>
2	<b>Cash From Investing Activities</b>		
	Purchase of Fixed Assets	(114.22)	(14.06)
	Sale of Assets	5.00	9.00
	Loss on Sale of Assets	-	-
	Change in CWIP	-	0.14
	Investments	-	-
	Long Term Loans and Advances	-	-
	Interest Received	12.32	6.98
	Dividend Income	0.08	0.04
	<b>Cash From Investing Activities</b>	<b>(96.82)</b>	<b>2.10</b>
3	<b>Cash Flow from Financing Activities</b>		
	Change in Short Term Borrowing	(504.55)	8.24
	Change in Current Maturities of Long Term Debt	0.06	(5.92)
	Interest Paid	(11,278.69)	(9,791.55)
	Changes in Deposits	0.30	(2.56)
	<b>Cash Flow from Financing Activities</b>	<b>(11,782.88)</b>	<b>(9,791.80)</b>
	<b>Total Cash Flow (1+2+3)</b>	<b>(182.59)</b>	<b>40.56</b>
	<b>Add:- Opening Cash &amp; Cash Equivalents</b>	<b>207.54</b>	<b>166.98</b>
	<b>Closing Cash &amp; Cash Equivalents</b>	<b>24.95</b>	<b>207.54</b>

Signed in terms of our separate report

For **Moreshwar G. Deshpande**  
Chartered Accountant

**Moreshwar Deshpande**  
Proprietor  
M. No. : 124163

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

For and on Behalf of the Board of Directors  
For **Abhishek Corporation Limited**

**Anasaheb Mohite**  
Chairman & MD

**Abhishek A. Mohite**  
Chief Finance Officer

**Sawani Sadalage**  
Company Secretary

**Sameer Kakar (RP)**  
IBBI/IPA-001/IP-P00218/2017-18/10418

## **NOTE NO.1 SIGNIFICANT ACCOUNTING POLICIES**

### **I) Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

The financial statements for the year ended 31<sup>st</sup> March 2018 (including comparatives) are duly adopted by the Board on Sep 03, 2018 for consideration and approval by shareholders.

Pursuant to the commencement of CIRP as per the provisions of Section 17 of the IBC 2016, The Management of the affairs of the company is vested in the Resolution Professional (RP) and the powers of BOD stand suspended and be exercised by the RP. Accordingly, these standalone financial statements of the company for the year ended March 2018, were approved and authorised for issue by RP on 3rd Sep 2018. Under CIRP, a resolution plan is to be prepared and approved by the COC. Further The resolution plan approved by COC shall be approved by the adjudicating authority, i.e the National Company Law Tribunal. As the Company is under resolution process and an order pending from the Hon. NCLT, The financial statements have been prepared on going concern basis.

### **II) Summary of accounting policies**

#### **1) Overall considerations**

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

#### **2) Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties. It excludes excise duty Value Added Tax, Sales Tax, Service Tax and GST.

##### **i. Sale of Products:**

Revenue from sale of products is recognised when significant risks and rewards of ownership pass to the customers, as per the terms of the contract and when the economic benefits associated with the transactions will flow to the Company.

##### **ii. Interest Income:**

Interest incomes are recognized using the time proportion method based on the rates implicit in the transaction. Interest income is included in other income in the statement of profit and loss.

#### **3) Property, plant and equipment**

i. All items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes:

- a. Purchase Price
- b. Taxes and Duties
- c. Labour cost and
- d. Directly attributable overheads incurred up to the date the asset is ready for its intended use.

However, cost excludes excise duty, value added tax, service tax, and GST to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.



ii. Component Accounting

The component of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of the respective asset, the life of the component in assets are determined based on technical assessment and past history of replacement of such components in the assets. The carrying amount of any component accounted for as separate asset is derecognised when replaced.

iii. Other cost

All other repairs and maintenance cost are charged to the statement of profit and loss during the reporting period in which they are incurred.

Profit or Losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other income/(loss).

iv. Depreciation and amortization

a. Depreciation is recognized on a straight-line basis, for buildings over the period of lease land and for others over the useful life of other equipments as prescribed under Schedule II of the Companies Act, 2013.

b. Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset as evaluated on technical assessment on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013

c. The estimated useful life of the tangible fixed assets on technical assessment followed by the Company is furnished below:

Description	Range of Useful lives in years
Buildings	As per the period of land lease
Plant & Equipment	15 Years
Furniture & Fixtures	10 Years
Office equipments	3 -6 Years
Vehicles	8 Years

Material residual value estimates and estimates of useful life are assessed as required.

d. The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.

e. On tangible fixed assets added/disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

v. Ind AS Transition

As there is no change in the functional currency as at the date of transition, the Company has elected to adopt the carrying value of Plant, property and equipment under the erstwhile GAAP as the deemed cost for the purpose of transition to Ind AS. Capital-work-in progress, plant and equipment is stated at cost less accumulated impairment losses, if any.

#### 4) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The recoverable amount of the assets cannot be determined at the stage and hence the test of impairment is not applied in the current financial year

In respect of assets whose impairment are to be assessed with reference to other related assets and such group of assets have independent cash flows (Cash Generating Units), such assets are grouped and tested for impairment.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**5) Leases**

**i. Assets taken on Lease**

As per the terms of lease agreements there is no substantial transfer of risk and reward of the property to the Company and hence such leases are treated as operating lease.

The payments on operating lease are recognized as an expense over the lease term. Associated costs, such as maintenance and insurance, are expensed. Considering the certainty that the lease rent shall not be paid for the current financial year owing to the CIRP the provision for the same is not made in the books of accounts.

**ii. Decommissioning charges in respect of properties like Plant and equipment, furniture & fixtures and office equipment's presently located in land taken on lease are not provided for as it is impractical to estimate the sum that will be incurred at the time the lease comes to end. Further there is also likelihood of the lessor renewing the lease.**

**6) Financial Assets Classification and subsequent measurement of financial assets**

**i. For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:**

- a.** Those to be measured subsequently at fair value either through other comprehensive income (Fair Value Through Other Comprehensive Income-FVTOCI) or through profit or loss (Fair Value Through Profit and Loss-FVTPL) (However there are no such items) and;
- b.** Those measured at amortized cost.

**1. Financial assets at Amortised Cost**

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure.

The Company also measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition

**2. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI) .** There are no such assets.

**3. Financial assets at Fair Value Through Profit or Loss (FVTPL)** There are no such assets.

**ii. Impairment of financial assets:**

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

**iii. Derivative financial instruments and hedge accounting**

There are no such transactions.

**iv. Trade receivables**

The Company follows 'simplified approach' for recognition of impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

**v. Derecognition of financial assets**

A financial asset is derecognised only when;

- a) The Company has transferred the rights to receive cash flows from the financial asset or

- b) The Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.  
The company has derecognised its financial assets lying in the form of bank balances for several years amounting ₹1.43 Crores

## 7) Financial Liabilities

Classification, subsequent measurement and derecognition of financial liabilities

### i. Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. The Company's financial liabilities include borrowings & trade and other payables.

### ii. Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

### iii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## 8) Inventories

Inventories are valued at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis in accordance with the method of valuation prescribed by the Institute of Chartered Accountants of India.

### i. Raw materials

Raw materials are valued at cost of purchase, net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use. At the year end there was no stock.

### ii. Work-in-process and Finished Goods

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. At the year end there was no stock.

### iii. Stores and spares

Stores, spares and tools cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

## 9) Income Taxes

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognised in other comprehensive income (OCI) are disclosed under OCI.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions. As a result of these exemptions the Company does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

In consideration of prudence, no provision is made in respect of net deferred tax asset, arising due to timing differences after set off of deferred tax liability, against deferred tax asset.

**10) Post-employment benefits and short-term employee benefits**

**i. Short term obligations**

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognised up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

**ii. Other long term employee benefits obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service. They are, therefore, recognised and provided for at the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income (OCI).

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Particulars	31.03.2018	31.03.2017
<b>Leave Encashment</b>		
<b>Valuation Method - Projected Unit Credit Method</b>		
<b>a) Other Comprehensive Income (OCI)</b>		
Actuarial (Gain)/Loss recognized for the period	(15.76)	(11.13)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(15.76)	(11.13)
<b>b) Movements in the Liability recognized in Balance Sheet</b>		
Opening Net Liability	6.95	6.93
Expenses as above	16.26	11.14
Contribution paid	-	-
Other Comprehensive Income (OCI)	(15.76)	(11.13)
Closing Net Liability	7.44	6.95
<b>c) Schedule III of The Companies Act 2013</b>		
Current Liability	0.34	0.28
Non-Current Liability	7.11	6.67

### iii. Post-employment obligation

The Company operates the following post-employment schemes :

#### Gratuity obligation

Particulars	31.03.2018	31.03.2017
<b>Retirement Benefits (Gratuity)</b>		
<b>Valuation Method - Projected Unit Credit Method</b>		
<b>a) Other Comprehensive Income (OCI)</b>		
Actuarial (Gain)/Loss recognized for the period	(2.66)	7.00
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2.66)	7.00
<b>b) Movements in the Liability recognized in Balance Sheet</b>		
Opening Net Liability	80.27	59.74
Expenses as above	26.65	14.02
Contribution paid	-	(0.49)
Other Comprehensive Income (OCI)	(2.66)	7.00
Closing Net Liability	104.26	80.27
<b>c) Schedule III of The Companies Act 2013</b>		
Current Liability	5.60	3.96
Non-Current Liability	98.67	76.31

#### Provident Fund

The 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 cover employee's salary. The provident fund contributions are made to EPFO.

#### Bonus Payable

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 11) Provisions and contingent liabilities

#### i. Provisions

A Provision is recorded when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

**ii. Contingent Liabilities**

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as

₹ In Lakhs

SL	Authority	Item	Amount
1	Additional Commissioner of Central Excise	Central Excise	15.71
2	Commissioner of Central Excise	Custom Duty	88.29
3	Commissioner of Central Excise	Service Tax	66.60
4	Commissioner of Central Excise	Central excise / Custom duty	480.44
5	Income Tax Appellate Tribunal	Income Tax	392.94
6	Regional Provident Fund Commissioner	Provident Fund	8.75
7	Maharashtra Sales Tax Tribunal	VAT	82.19
8	Industrial Court	Labour Payment	Approx. 50-60

**iii. Contingent Assets**

The Company does not recognise contingent assets. If it is virtually certain then they will be recognised as asset. These are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

**12) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

The basic earnings per share (EPS) is computed by dividing the net profit/ (loss) after tax for the year by the number of equity shares outstanding during the year.

Particulars	2017-18	2016-17
Net Loss after tax (before Net Comprehensive Income)	(176,28,97,979)	(108,02,46,514)
Number of Equity shares	1,60,08,462	1,60,08,462
Basic EPS	(110.12)	(67.48)

**13) Cash and Cash equivalents and Cash Flow Statement**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

#### 14) Segment reporting

The Company operates in one business segment namely "Textile." Hence reporting under this standard is not applicable.

#### 15) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs.

#### 16) Related Party Disclosures as per IND AS 24

Amount in ₹

Sl	Name of Party	Relation	Nature of Transaction	31.03.2018	31.03.2017
1	Anjali Mohite	Wife of CMD	Salary	3,00,000/-	6,00,000/-
2	Abhishek Mohite	Son of CMD	Salary	50,000/-	-

There are no write offs/write backs of any amount of the above parties during the year

### III. Significant management judgment in applying accounting policies and estimation of uncertainty

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

#### i) Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have significant effect on the financial statements.

##### Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

In consideration of prudence, no provision is made in respect of net deferred tax asset, arising due to timing differences after set off of deferred tax liability, against deferred tax asset.

#### ii) Estimation of uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below. Actual results may be different.

##### a. Impairment of Non-financial Assets

In assessing impairment, management has estimated economic usefulness of the assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use of an interest rate to discount them. Estimation of uncertainty relates to assumptions about economically future operating cash flows and the determination of a suitable discount rate.

##### b. Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including Intangible Assets.

**c. Inventories**

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

**d. Defined Benefit Obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note .10).

**E. Current and Non-Current Classification**

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



**NOTES TO FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2018 (Contd.)**  
**Note No.02**

Particulars	Building	Plant & Machinery	Electric Installation	Office Equipments	Lab Equipments	Computers & Software	Furniture	Vehicles	Total
<b>a) PROPERTY, PLANT AND EQUIPMENT</b>									
<b>Gross Block</b>									
<b>As at 01<sup>st</sup> April 2016</b>	6,281.22	21,836.73	1,560.07	42.17	167.82	71.06	111.58	312.32	30,382.96
Additions	10.34	3.32	0.29	0.11	-	-	-	-	14.06
Disposal	-	-	-	-	-	-	-	47.41	47.41
Other Adjustments	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2017</b>	<b>6,291.56</b>	<b>21,840.05</b>	<b>1,560.36</b>	<b>42.28</b>	<b>167.82</b>	<b>71.06</b>	<b>111.58</b>	<b>264.91</b>	<b>30,349.61</b>
Additions	-	91.62	22.23	-	-	0.37	-	-	114.22
Disposal	-	-	-	-	-	-	-	18.46	18.46
<b>As at 31<sup>st</sup> March 2018</b>	<b>6,291.56</b>	<b>21,931.67</b>	<b>1,582.58</b>	<b>42.28</b>	<b>167.82</b>	<b>71.43</b>	<b>111.58</b>	<b>246.45</b>	<b>30,445.37</b>
<b>Accumulated Depreciation / Amortisation</b>									
<b>As at 01<sup>st</sup> April 2016</b>	1,769.25	9,508.08	1,131.76	39.67	159.43	67.51	98.81	297.28	13,071.79
For the Year	197.41	716.36	247.42	0.09	-	-	3.67	-	1,164.95
Impairment for the Year	-	-	-	-	-	-	-	-	-
Deduction on Disposal	-	-	-	-	-	-	-	45.04	45.04
Other Adjustments	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-
Impairment Loss / (Reversal)	-	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2017</b>	<b>1,966.66</b>	<b>10,224.44</b>	<b>1,379.18</b>	<b>39.77</b>	<b>159.43</b>	<b>67.51</b>	<b>102.48</b>	<b>252.24</b>	<b>14,191.70</b>
For the Year	228.61	2,557.73	88.81	0.12	-	0.13	2.26	2.18	2,879.84
Impairment for the Year	-	-	-	-	-	-	-	-	-
Deduction on Sale or Discards	-	-	-	-	-	-	-	17.54	17.54
Other Adjustments	-	-	-	-	-	-	-	-	-
Impairment Loss / (Reversal)	-	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2018</b>	<b>2,195.27</b>	<b>12,782.17</b>	<b>1,467.99</b>	<b>39.88</b>	<b>159.43</b>	<b>67.64</b>	<b>104.74</b>	<b>236.88</b>	<b>17,054.00</b>
<b>Net Block</b>									
As at 01 <sup>st</sup> April 2016	4,511.97	12,328.65	428.30	2.50	8.39	3.55	12.77	15.04	17,311.17
As at 31 <sup>st</sup> March 2017	4,324.90	11,615.62	181.18	2.51	8.39	3.55	9.10	12.67	16,157.92
<b>As at 31<sup>st</sup> March 2018</b>	<b>4,096.29</b>	<b>9,149.50</b>	<b>114.60</b>	<b>2.39</b>	<b>8.39</b>	<b>3.79</b>	<b>6.84</b>	<b>9.57</b>	<b>13,391.37</b>
<b>b) CAPITAL WORK IN PROCESS</b>									
As at 01 <sup>st</sup> April 2016	210.18	-	2.93	-	-	-	-	-	213.12
As at 31 <sup>st</sup> March 2017	210.04	-	2.93	-	-	-	-	-	212.97
<b>As at 31<sup>st</sup> March 2018</b>	<b>210.04</b>	<b>-</b>	<b>2.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>212.97</b>

## NOTES TO FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2018

Note No	Particulars	31.03.2018	31.03.2017	01.04.2016
	<b>ASSETS</b>			
	<b>Non Current Assets</b>			
	<b>Financial Assets</b>			
<b>3</b>	<b>Investments</b>			
	Shares in Parshwanath Co-op Bank Ltd.	3.50	3.50	3.50
	Shares in Saraswat Co-op Bank Ltd.	0.25	0.25	0.25
	National Saving Certificate	0.01	0.01	0.01
	<b>Total</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>
<b>4</b>	<b>Long Term - Security Deposit</b>			
	Telephone Deposit	0.23	0.23	0.22
	MSEB Deposit	91.75	91.75	89.35
	Other Deposits	0.98	1.28	1.13
	<b>Total</b>	<b>92.96</b>	<b>93.26</b>	<b>90.70</b>
	<b>Current Assets</b>			
<b>5</b>	<b>Inventories</b>			
	Raw Material	-	292.04	292.04
	Stores & Spares	440.79	440.79	507.08
	Finished Goods	-	-	-
	Work in Process	-	1,664.86	1,664.86
	Other (Waste Stock)	-	1.05	1.05
	<b>Total</b>	<b>440.79</b>	<b>2,398.73</b>	<b>2,465.03</b>
	<b>Financial Assets</b>			
<b>6</b>	<b>Trade Receivables</b>			
	(Unsecured, Considered Good)			
	Outstanding for a Period Exceeding 6 Months	16.72	648.86	900.80
	Other Debts	158.76	214.78	78.30
	<b>Total</b>	<b>175.48</b>	<b>863.64</b>	<b>979.10</b>
<b>7</b>	<b>Cash and Cash Equivalents</b>			
	In Current A/c	8.17	144.06	10.01
	In Fixed Deposits	15.81	14.94	14.24
	Cash on Hand	0.97	48.54	142.73
	<b>Total</b>	<b>24.95</b>	<b>207.54</b>	<b>166.98</b>
<b>8</b>	<b>Loans - Short -Term Loans &amp; Advances</b>			
	Other Advance	-	519.98	-
	Staff Advance	0.06	11.75	12.37
	Other Deposits with Revenue Authorities	46.03	46.39	46.39
	Prepaid Expenses	2.35	0.75	1.40
	Tax Deducted at Source	55.52	50.06	21.04
	Advance to Suppliers	4.28	504.74	502.97
	Vat & CST	193.09	267.46	267.46
	<b>Total</b>	<b>301.34</b>	<b>1,401.13</b>	<b>851.65</b>

Note No	Particulars	31.03.2018	31.03.2017	01.04.2016			
<b>9</b>	<b>Other Current Assets</b>						
	Interest Accrued but not Received	7.60	4,823.17	4,823.85			
	<b>EQUITY AND LIABILITIES</b>						
	<b>Equity</b>						
<b>10</b>	<b>Equity Share Capital</b>						
	<b>Authorised</b>						
	Equity Shares 2,40,00,000 of ₹10 each Fully Paid (Previous Year 2,40,00,000 Equity Shares of ₹10 each fully paid )	2,400.00	2,400.00	2,400.00			
	<b>Issued, Subscribed and paid up</b>						
	Equity Shares 1,60,08,462 of ₹10 Each Fully Paid (Previous year 1,60,08,462 Equity Shares of ₹10 each fully paid )	1,600.85	1,600.85	1,600.85			
	<b>Total</b>	<b>1,600.85</b>	<b>1,600.85</b>	<b>1,600.85</b>			
	<b>Note :</b> Subscribed and Paid up Share Capital includes:						
	<b>a) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held, is as given below:</b>						
	<b>Name of the Shareholder</b>	<b>31.03.2018</b>		<b>31.03.2017</b>		<b>01.04.2016</b>	
		<b>%</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>
	Annasaheb Mohite	28.17	45,09,192	28.17	45,09,192	28.17	45,09,192
	Anjali Mohite	18.60	29,77,078	18.60	29,77,078	18.60	29,77,078
	Rama Swetta	12.49	20,00,000	12.49	20,00,000	12.49	20,00,000
	Abhishek Mohite	10.79	17,27,131	10.79	17,27,131	10.79	17,27,131
	Blue Mark Mercantile Private Ltd.	8.47	13,56,229	8.47	13,56,229	8.47	13,56,229
	<b>b) Out of the above, Following shares are pledged or otherwise encumbered:</b>						
	Annasaheb Mohite	24.07	38,52,956	24.07	38,52,956	24.07	38,52,956
	Anjali Mohite	17.04	27,28,431	17.04	27,28,431	17.04	27,28,431
	Abhishek Mohite	9.89	15,82,929	9.89	15,82,929	9.89	15,82,929
<b>Note No</b>	<b>Particulars</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>01.04.2016</b>			
<b>11</b>	<b>Other Equity</b>						
	General Reserve	809.15	809.15	809.15			
	<b>Add : Current Year</b>	-	-	-			
	<b>Total</b>	<b>809.15</b>	<b>809.15</b>	<b>809.15</b>			
	Share Premium Account	5,080.92	5,080.92	5,080.92			
	Capital Reserve	-	-	-			
	Revaluation Reserve	-	-	-			
	Profit & Loss Account	-	-	-			
	<b>Total</b>	<b>5,080.92</b>	<b>5,080.92</b>	<b>5,080.92</b>			

Note No	Particulars	31.03.2018	31.03.2017	01.04.2016
	<b>Surplus</b>			
	Opening Balance	(58,524.66)	(47,729.73)	(38,247.97)
	Less - Bonus Shares Allotted to Shareholders out of Free Reserves	-	-	-
	Less - Short Provision of Tax on Dividend	-	-	-
	Less - Proposed C.S.R. Amount	-	-	-
	Add :- Net Loss for the current period	(17,610.55)	(10,794.93)	(9,481.76)
	Less :- Revaluation Amount Reversal	-	-	-
	Profit Available for Appropriation	-	-	-
	Less: Bonus Shares Issued	-	-	-
	Less: Dividend Paid on Equity Shares	-	-	-
	<b>Total</b>	<b>(76,135.20)</b>	<b>(58,524.66)</b>	<b>(47,729.73)</b>
	Less: Tax on Distributed Profits on Equity Shares	-	-	-
	Less: Transfer to General Reserve	-	-	-
	<b>Balance Carried Forward to Balance Sheet</b>	<b>(70,245.13)</b>	<b>(52,634.58)</b>	<b>(41,839.65)</b>
	<b>LIABILITIES</b>			
<b>12</b>	<b>Non Current Laibilities</b>			
	<b>Provisions</b>			
	Provisions for Employee Benefits	105.77	82.97	62.87
	<b>Total</b>	<b>105.77</b>	<b>82.97</b>	<b>62.87</b>
	<b>Current Liabilities</b>			
	<b>Financial Liabilities</b>			
<b>13</b>	<b>Short Term Borrowings</b>			
	<b>Unsecured Loans From Related Parties</b>			
	From the Directors of the Company	1,319.81	1,319.81	1,311.58
	From the Relatives of Directors of the Company	1,320.64	1,825.19	1,825.19
	Inter-Corporate Loan	222.50	222.50	222.50
	<b>Total</b>	<b>2,862.95</b>	<b>3,367.50</b>	<b>3,359.26</b>
<b>14</b>	<b>Trade Payable</b>			
	Trade Payable	5,331.97	5,237.81	5,239.84
	Advances from Parties	35.78	35.78	35.78
	<b>Total</b>	<b>5,367.76</b>	<b>5,273.60</b>	<b>5,275.62</b>
	<b>Other Financial Liabilities</b>			
<b>15</b>	<b>Current Maturities of Long Term debts</b>			
	Term Loans from Banks	18,616.25	18,616.25	18,622.17
	Working Capital and Cash Credit Facilities	6,455.27	6,455.21	6,455.21
	<b>Total</b>	<b>25,071.52</b>	<b>25,071.46</b>	<b>25,077.38</b>
	<b>Note:</b> The company is undergoing corporate insolvency Resolution Process Under the Insolvency and bankruptcy code 2016. The Financial creditor have made their claim amounts to ₹ 703.89 crores as on 17.11.2017 before the Resolution professional			
<b>16</b>	<b>Other Current Liabilities</b>			
	Interest Accrued and Due on Borrowings	49,339.85	42,878.08	33,085.42
	Taxes and Other Statutory Dues	340.11	318.89	74.35
	<b>Total</b>	<b>49,679.96</b>	<b>43,196.97</b>	<b>33,159.77</b>
<b>17</b>	<b>Provisions</b>			
	Provisions for Employee Benefits	146.17	103.86	121.74
	Others	61.37	99.49	87.51
	<b>Total</b>	<b>207.54</b>	<b>203.35</b>	<b>209.25</b>

**NOTES TO FORMING PART OF STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018**

Note No	Particulars	31.03.2018	31.03.2017
<b>18 Revenue from Operations</b>			
	Sale of Services	1,702.34	1,448.83
	Other Operating Income	1.02	-
	<b>Total</b>	<b>1,703.35</b>	<b>1,448.83</b>
<b>19 Other Income</b>			
	Dividend from Companies	0.08	0.04
	Interest Received	12.32	6.98
	Profit on Sale of Fixed Asset	4.08	6.63
	<b>Total</b>	<b>16.47</b>	<b>13.65</b>
<b>20 Cost of Materials Consumed</b>			
<b>Raw Material</b>			
	Opening Stock	292.04	292.04
	Add : Purchases	-	-
	<b>Total</b>	<b>292.04</b>	<b>292.04</b>
	Less : Write off	292.04	
	Less : Closing Stock	-	292.04
	<b>Raw Material Consumed</b>	<b>-</b>	<b>-</b>
<b>21 Changes in inventories</b>			
<b>Finished Goods</b>			
	At the Beginning of the Accounting Period	-	-
	At the End of the Accounting Period	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>Work in Process</b>			
	At the beginning of the accounting period	1,664.86	1,664.86
	Less : Write off	1,664.86	-
	At the end of the accounting Period	-	1,664.86
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>Waste Stock</b>			
	At the Beginning of the Accounting Period	1.05	1.05
	Less : Write off	1.05	-
	At the End of the Accounting Period	-	1.05
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note:** Raw material amounting to ₹ 292.04 Lakh, Work in Process amounting to ₹ 1644.86 Lakh and Waste Stock amounting to ₹1.05 Lakh were written off during the CIRP process due to the reason that no such stock was found during physical verification conducted by the Interim Resolution Professional, Insolvency Professional, Valuer's appointed under IBC by the IRP and Forensic Transaction Auditors. The facts were brought to the notice Committee of Creditors by the Insolvency Professional in Committee of Creditors meeting held on 26.03.2018. The Insolvency Professional was instructed by the by the Committee of Creditors to align the current assets as on 31.3.2018 as per various accounting guidelines and standards and as are physically available in the factory of the company and hence these write offs.

Note No	Particulars	31.03.2018	31.03.2017
<b>22</b>	<b>Employee Benefits Expenses</b>		
	Salary and Wages	831.18	448.73
	Labour Welfare	19.94	16.76
	Contribution to Provident Fund	21.99	19.36
	Contribution to ESIC	4.97	2.51
	Gratuity	26.65	14.02
	Leave Encashment	16.26	11.14
	Bonus/Exgratia	98.48	23.76
	Production Incentives and and Other Allowances	152.36	31.46
	<b>Total</b>	1,171.84	567.75
<b>23</b>	<b>Cost of Finance</b>		
	Interest to Banks	6,461.77	9,791.55
	Reversal of TUF Subsidy	4,816.92	-
	<b>Total</b>	11,278.69	9,791.55
<p><b>Note:</b> TUF subsidy amounting to ₹ 4,816.92 lakh was included in other current assets as per Audited Balance Sheet of 31.3.2017. Pursuant to the account of the company turning NPA with the banks, Committee of Creditors in its meeting held on 26.3.2018 instructed the Insolvency Professional to write off such amount of ₹ 4,816.92 lakh since the same was not recoverable any more. As the amount was part of the finance cost, the same is added to current years finance cost.</p>			
<b>24</b>	<b>Operating and Other Expenses</b>		
	<b>Operating Expenses</b>		
	<b>Stores &amp; Spares Consumed</b>		
	Opening Stock	440.79	507.08
	Add : Purchases	2.90	8.26
	<b>Total</b>	<b>443.68</b>	<b>515.34</b>
	Less : Closing Stock	440.79	440.79
	<b>Stores &amp; Spares Consumed</b>	<b>2.90</b>	<b>74.56</b>

Note No	Particulars	31.03.2018	31.03.2017
	<b>Other Operating Expenses</b>		
	Power & Fuel expenses	16.65	9.35
	Repairs to Machinery	7.37	10.98
	Repairs to Building	2.05	4.43
	Excise Duty & Vat Expenses	-	1.58
	Jobwork Charges	423.92	261.83
	Other Manufacturing Expenses	80.74	104.85
	<b>Total</b>	<b>530.74</b>	<b>393.02</b>
	<b>Total Operating Expenses</b>	<b>533.63</b>	<b>467.58</b>
	<b>Other Expenses</b>		
	<b>Administrative Expenses</b>		
	Bank Charges & Commission	5.56	0.04
	Conveyance Expenses	7.02	8.08
	Exchange Rate Diff	-	(0.03)
	Fees & Taxes	55.77	19.47
	Festival Celebration Expenses	0.25	0.25
	General Expenses	61.54	33.52
	Insurance -Vehicle	0.05	1.12
	Interest on TDS and Other Statutory Dues	42.65	180.35
	Payment to Auditors		
	- For Audit Fees	0.20	0.15
	- For Other Services	-	-
	Postage & Telephone Expenses	3.57	4.45
	Printing & Stationery	2.12	2.73
	Professional Charges	16.42	15.91
	Repairs & Maintenance-General	4.10	2.86
	Travelling Expenses	1.68	1.07
	Balance Written off	1,297.12	(0.06)
	Stock Items Written off	1,957.94	-
	CIRP Cost	25.61	-
	Selling & Distribution Expenses	3.20	3.22
	<b>Total Administrative Expenses</b>	<b>3,484.80</b>	<b>273.12</b>
	<b>Operating and Other Expenses</b> <span style="float: right;"><b>Total</b></span>	<b>4,018.44</b>	<b>740.69</b>

**Note 25**

- 1 Factory Land is owned by the promoters and their relatives. The Company has entered into an agreement with the landowners for lease land in the year 2000-2001. Consequently, The company has entered into another agreement with the promoters for the expansion in the year 2008-09.
- 2 The Outstanding balance as on 31-03-2018 in respect of sundry debtors, sundry creditors, Loans & Advances, Deposits are subject to confirmation from respective parties and consequential reconciliation/adjustment arising there from, if any. The Management, however, does not expect any material variation.
- 3 We are compiling the information about the status of our suppliers as a Micro Small and Medium Enterprises and registered under MSMED Act 2006 ( Micro, Small and Medium Enterprises Development Act, 2006) hence disclosure under schedule VI of the Companies Act is not made.
- 4 In the opinion of the Board of Directors , the current assets, loans and advances as well as unquoted investments have realisable value in the ordinary course of business at least equal to the amounts at which they are stated.
- 5 Figures of the previous year are regrouped wherever necessary.
- 6 Figures are rounded off to nearest lakh of rupees.
- 7 Consumption of Raw Material Packing & Spares

₹ In Lakhs

Particulars	2017-18		2016-17	
	Raw Material	Spares	Raw Material	Spares
Imported Material	Nil	Nil	Nil	1.16
Percent %	-	-	-	1.56%
Indigenous	Nil	2.90	Nil	73.39
Percent %	-	100 %	-	98.44%

- 8 Value Of Imports

₹ In Lakhs

Particulars	2017-18	2016-17
Capital Goods	-	-
Raw Material	-	-
Other ( Packing & Stores Material)	-	1.16

- 9 Expenditure in foreign Currency **NIL**
- 10 Earning in Foreign Currency **NIL**

**Signed in terms of our separate report**  
**For Moreswar G. Deshpande**  
Chartered Accountant

**For and on Behalf of the Board of Directors**

**Moreswar Deshpande**  
Proprietor  
M. No. : 124163

**Anasaheb Mohite**  
Chairman & MD

**Sawani Sadalage**  
Company Secretary

**Date** : 3<sup>rd</sup> September, 2018  
**Place** : Kolhapur

**Abhishek A. Mohite**  
Chief Finance Officer

**Sameer Kakar (RP)**  
IBBI/IPA-001/IP-P00218/2017-18/10418



# PROXY FORM

## ABHISHEK CORPORATION LIMITED (Undergoing CIRP)

CIN: L51491PN1993PLC073706

Reg. off. 148 Tamgaon, Kolhapur-Hupari Road, Dist: Kolhapur 416234

Phone: 0231-2676191 Email: admin@abhishekccorporation.com

### 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]

CIN	:	L51491PN1993PLC073706
Name of the Company:	:	Abhishek Corporation Limited (Undergoing CIRP)
Registered Office	:	148 Tamgaon, Kolhapur-Hupari Road, Dist: Kolhapur 416234, Maharashtra, India

Name of the member(s)	_____
Registered Address	_____
Email ID	_____
Folio No./ Client ID	_____
DPID	_____

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name: _____	2. Name: _____	3. Name: _____
E-mail ID _____	E-mail ID _____	E-mail ID _____
Address: _____	Address: _____	Address: _____
Signature _____	Signature _____	Signature _____
Or falling him	Or falling him	Or falling him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at 25<sup>th</sup> Annual General Meeting of the members of ABHISHEK CORPORATION LIMITED (CIN L51491PN1993PLC073706) to be held on Friday, 28<sup>th</sup> September 2018 at 11.00 a.m. at the Registered Office of the Company, situated at Gat No.148 Tamgaon, Kolhapur-Hupari Road, Tal- Karveer, Dist - Kolhapur - 416234, Maharashtra, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl	Resolutions	For	Against
1.	To adopt Financial Statements as at 31 <sup>st</sup> March, 2018 together with the Directors' Report and Auditors' Report thereon.		
2.	To appoint a Director in place of Mr. Annasaheb R. Mohite who retires by rotation, and being eligible offers himself for re-appointment.		
3.	To ratify the appointment of Mr. Moreshwar G. Deshpande, Chartered Accountant, Sangli as Statutory Auditor of company and fix their remuneration.		
4.	Special Resolution under Section 20 of the Companies Act, 2013 authorizing Company to charge for service of documents to members of the Company.		

Signed this ..... day of ..... 2018

Signature of shareholder: .....

Signature of Proxy holder(s): .....

Notes: \_\_\_\_\_

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. A proxy need not be a member of the Company.
3. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Affix  
Revenue  
Stamp



Note

# **ABHISHEK CORPORATION LIMITED**

(Undergoing CIRP)

(CIN L51491PN1993PLC073706)

## **Registered Office**

Gat No. 148, Tamgaon, Kolhapur-Hupari Road  
Taluka- Karveer, Dist. Kolhapur-416 234