



**TUNI
TEXTILE
MILLS
LIMITED**

**31st ANNUAL REPORT
2017 - 2018**

BOARD OF DIRECTORS

Narendra Kumar Sureka	Chairman & Managing Director
Pradeep Kumar Sureka	Executive, Whole Time Director
Urmila Sureka	Non-Executive, Non-Independent
Pramod Kumar Bajaj	Independent Director
Aditya P. Khaitan	Independent Director
Parag S. Ambavane	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Mamta Jain, CS

CHIEF FINANCIAL OFFICER

Mr. Archit Sureka

AUDITORS

Mehta Kothari & Associates
Chartered Accountants, Mumbai

BANKERS

Indian Overseas Bank
GP Parsik Bank

REGISTERED OFFICE

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road
Mumbai-400 002

WORKS

B-5, MIDC Murbad, Dist. Thane (Maharashtra)

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 25th September, 2017
Time : 2.30 P.M.
Venue : Ramee Guest Line Hotel
462, A. B. Nair Road,
Opp. Sun-N-Sand
Hotel, Juhu, Vile Parle (W),
Mumbai-400 049

**31st
Annual
Report
2017 - 2018**

**Corporate Identification No. :
L17120MH1987PLC043996**

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Members are requested to bring their copy of Annual Report at the time of Meeting

Notice

Notice is hereby given that the 31st Annual General Meeting of the members of **TUNI TEXTILE MILLS LIMITED** will be held on Tuesday, the 25th day of September, 2018 at 2.30 P.M. at Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049 to transact the following business as :

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018 along with the reports of the Board of Directors and the Auditors thereon..
2. To appoint Director in place of Mrs. Urmila Devi Sureka (DIN: 02344028), who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Company hereby ratifies the appointment of M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W) as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of next Annual General Meeting on such remuneration plus applicable taxes and out of pocket expenses, as may be mutually agreed upon by the Board of Directors and Statutory Auditors; and

SPECIAL BUSINESS :

4. **To Appoint Mr. Alakh Vijaykant Deora as Independent Director of the Company**

To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Alakh Vijaykant Deora (DIN: 06889893), who was appointed as an Additional Director of the Company in the meeting of Board of Directors held on 14th August 2018 on recommendation of Nomination & Remuneration Committee, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time, Mr. Alakh Vijaykant Deora (DIN: 06889893), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from August 14, 2018 and that he shall not be liable to retire by rotation.”

5. **To Appoint Mr. Mahendra Shyambihari Agarwal as Independent Director of the Company**

To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mahendra Shyambihari Agarwal (DIN: 01882316), who was appointed as an Additional Director of the Company in the meeting of Board of Directors held on 14th August 2018 on recommendation of Nomination & Remuneration Committee, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time, Mr. Mahendra Shyambihari Agarwal (DIN: 01882316), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from August 14, 2018 and that he shall not be liable to retire by rotation.”

6. **Appointment of Mr. Narendra Kumar Sureka as Managing Director for the period of 5 years**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for appointment of Mr. Narendra Kumar Sureka (DIN : 01963265) as Chairman & Managing Director of the Company, for a period of 5 years commencing from April 1, 2018 up to March 31, 2023 upon the terms and conditions as set out in the Explanatory Statement and the Agreement submitted to this meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall deemed to include any Committee of Directors for the time being authorized by the Board of Directors) to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Board and Mr. Narendra Kumar Sureka and is liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Notes:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

3. Corporate Member intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, the Attendance Slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate Attendance Slip or copies of the Report and Accounts will not be made available at the Annual General Meeting (“AGM”) venue.
5. A brief resume of each of the Directors proposed to be re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure 1.
6. The Register of Member and the Share Transfer Books of the Company will remain closed from 19th September 2018 to 25th September 2018 (both days inclusive).
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
9. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id info@tunitextiles.com for quick and prompt redressal of their grievances.
10. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
11. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate authorities to the Annual General Meeting.
12. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
13. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
14. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
15. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders..
16. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/ change in nomination should be lodged with their DPs.
 17. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.
 18. Copies of Annual Report 2018 together with AGM Notice will be sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2018 are being sent by the permitted mode.
 19. The Notice for the 31st AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting.
 20. Members may also note that the Notice of the 31st AGM and the Annual Report for 2017-2018 will also be available on the Company's website www.tunitextiles.com for their download. The physical copies

of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email id : info@tunitextiles.com

21. A route map showing directions to reach the venue of the 31st Annual General Meeting is given at the end of the Report.
22. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-a-versa. However, in case Members have casted their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
23. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 18, 2018.
24. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mrs. Gayatri Bhide, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: Tuni Textile Mills Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No : +91 22- 2301 2517, E-mail : purvashr@mtnl.net.in so as to reach her on or before September 21, 2018 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
25. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide to the members facility of "remote e-voting" (e-voting from place other than venue of the AGM) to exercise their votes at the 31st AGM by electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
26. The facility of voting through ballot/polling paper shall also be made available at the venue of the 31st AGM. The Members attending the AGM, who have not casted their vote through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
27. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tunitextiles.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.
28. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
29. The details for voting electronically are as under -
 - a) Date and time of commencement of voting through electronic means: **Saturday, September 22, 2018 at 9.00 a. m.**
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed : **Monday, September 24, 2018 at 5.00 p. m.**
 - c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 18, 2018**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. The e-voting module shall be disabled by CDSL for voting thereafter.
 - d) Details of Website: www.evotingindia.com

- e) Details of Scrutinizer: Gayatri Phatak, Practicing Company Secretary (ACS No. 31886), Prop., M/s. G. S. Bhide & Associates, Vapi (Gujarat). E-mail: gayatribhideandco@gmail.com.
- f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.

30. The instructions for Members for e-voting are as under:

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

- i The shareholders should log on to the e-voting website on www.evotingindia.com during the voting period.
- ii Click on "Shareholders" tab
- iii Now, select the TUNI TEXTILE MILLS LIMITED from the drop down menu and click on "SUBMIT"
- iv Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v Next enter the Image Verification as displayed and Click on Login.
- vi If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii If you are a first time user follow the steps given below:

For Members holding Shares in Demat Form and Physical Form	
PAN	<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"> • 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 last 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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"> • 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 the instructions (iv).

- viii After entering these details appropriately, click on "SUBMIT" tab.
- ix Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- xi Click on the EVSN for TUNI TEXTILE MILLS LIMITED on which you choose to vote.
- xii On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi You can also take out the print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix Note for Non – Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - Scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance user should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

ITEM NO. 4

Appointment of Mr. Alakh Vijaykant Deora as Independent Director of the Company

The Board of Directors of the Company at its meeting held on August 14, 2018, on the recommendation of the Remuneration and Nomination Committee, had appointed Mr. Alakh Vijaykant Deora (DIN: 06889893) as an Additional Director on the Board of the Company. Further, in terms of provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (hereinafter referred as ‘the Act’) and rules made thereunder, the Board of Directors of the Company had also appointed (subject to the approval of the members at the ensuing General Meeting), Mr. Alakh Vijaykant Deora as an Independent Director of the Company within the meaning of Section 149(6) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for a term of 5 consecutive years commencing from August 14, 2018.

The Company has also received a declaration from Mr. Alakh Vijaykant Deora as specified under Section 149(6) and Schedule IV of the Companies Act 2013. Considering his superior experience, his presence on the Board will be of immense value to the Company.

The Company has received a notice in writing from a member along with deposit of the requisite amount

pursuant to Section 160 of the Act, proposing the candidature of Mr. Alakh Vijaykant Deora for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 of the Act.

A copy of the letter of appointment of Mr. Alakh Vijaykant Deora (DIN: 06889893) as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives other than Mr. Alakh Vijaykant Deora (DIN: 06889893) is in any way concerned or interested, financial or otherwise, in the said Resolution.

In the opinion of the Board, Mr. Alakh Vijaykant Deora (DIN: 06889893), proposed to be appointed as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rule made thereunder, and is independent of the management.

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

Further details of Mr. Alakh Vijaykant Deora have been provided in Annexure 1.

ITEM NO. 5

Appointment of Mr. Mahendra Shyambihari Agarwal as Independent Director of the Company

The Board of Directors of the Company at its meeting held on August 14, 2018, on the recommendation of the Remuneration and Nomination Committee, had appointed Mr. Mahendra Shyambihari Agarwal (DIN: 01882316) as an Additional Director on the Board of the Company. Further, in terms of provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, the Board of Directors of the Company had also appointed (subject to the approval of the members at the ensuing General Meeting), Mr. Mahendra Shyambihari Agarwal as an Independent Director of the Company within the meaning of Section 149(6) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for a term of 5 consecutive years commencing from August 14, 2018.

The Company has also received a declaration from Mr. Mahendra Shyambihari Agarwal as specified under Section 149(6) and Schedule IV of the Companies Act 2013. Considering his superior experience, his presence on the Board will be of immense value to the Company.

The Company has received a notice in writing from a member along with deposit of the requisite amount pursuant to Section 160 of the Act, proposing the candidature of Mr. Mahendra Shyambihari Agarwal for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 of the Act.

A copy of the letter of appointment of Mr. Mahendra Shyambihari Agarwal (DIN: 01882316) as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives other than Mr. Mahendra Shyambihari Agarwal (DIN: 01882316) is in any way concerned or interested, financial or otherwise, in the said Resolution.

In the opinion of the Board, Mr. Mahendra Shyambihari Agarwal (DIN: 01882316), proposed to be appointed as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rule made thereunder, and is independent of the management.

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

Further details of Mr. Mahendra Shyambihari Agarwal have been provided in Annexure 1.

ITEM NO. 6

Appointment of Narendra Kumar Sureka (DIN: 01963265) as Chairman & Managing Director

The Board at its meeting held on 30th May 2018, re-appointed Mr. Narendra Kumar Sureka as Managing Director of the Company with effect from 1st April 2018.

He is associated with the Company as Chairman & Managing Director of the Company since 6th July 1987 and is having more than 35 years of experience in the field of Accounts, Taxation and Fabric Merchandise etc. In regard to remuneration and perquisites, to be determined and paid, will be decided by the Nomination & Remuneration Committee and will be within the limits prescribed in the Act.

Mr. Narendra Kumar Sureka is interested in the resolutions set out respectively at Item No. 6 of the Notice with regard to his respective appointment.

The relatives of Mr. Narendra Kumar Sureka may be deemed to be interested in the resolutions set out respectively at Item No. 6 of the Notice, to the extent of his shareholding interest, if any, in the Company.

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

The Board recommends the resolutions set forth in the Item No. 6 of the Notice for approval of the members.

Brief Profile of Mr. Narendra Kr. Sureka together with other Directors, has been provided in Annexure – I.

Name of Director	Mrs. Urmila Devi Sureka	Mr. Narendra Kr. Sureka
Directors' Identification No. (DIN)	02344028	01963265
Date of Birth	20 th December 1959	25 th April 1953
Date of Appointment on Board	23 rd March 2015	6 th July 1987
Qualification	B. Com, Graduate	B. Com, Graduate
Experience	4 Years' experience in the field of textile industries apart from academic profile.	He is associated with the Company as Chairman & Managing Director of the Company since July 1987 and is having more than 35 years of experience in the field of Accounts, Taxation, Fabric Merchandise etc.
Terms & Conditions of Appointment / Re-appointment	Appointed as Non-Executive Director, eligible to retire by Rotation	Appointed as Managing Director for a period of 5 years, eligible to retire by Rotation
Remuneration details	Nil	₹ 7.75 Lakh per annum inclusive of all type of perquisites plus out of pocket expenses at actual.
Shareholding in Company	16,33,750 Equity Shares or 1.25% of Paid-up Capital of the Company.	67,97,500 Equity Shares or 5.20% of Paid-up Capital of the Company.
Relationship with the Company & Other Directors	Part of Promoter Group & Relatives / Family member of Mr. Narendra Kr. Sureka & Mr. Pradeep Kr. Sureka.	Part of Promoter Group & Relatives / Family member of Mr. Pradeep Kr. Sureka & Mrs. Urmila Devi Sureka.
No. of Board Meeting attended during the year	10 (Ten)	10 (Ten)
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any	Not Any
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	Nil	Committee Membership – 2
Committee Chairmanship	Nil	Nil

Name of Director	Mr. Alakh V. Deora	Mr. Mahendra S. Agarwal
Directors' Identification No. (DIN)	06889893	01882316
Date of Birth	9 th December 1992	31 st May 1975
Date of Appointment on Board	14 th August 2018	14 th August 2018
Qualification	B. Tech Mechanical Engineer	Graduate (B. Com)
Experience	About 4 Years' experience in the field of Business development together with 2 years' experience of loom machineries.	About 20 Years' experience in the field of yarn business and textile products, both manufacturing and trading.
Terms & Conditions of Appointment / Re-appointment	Appointed as Independent Director for the term of 5 years, not liable to retire by Rotation	Appointed as Independent Director for the term of 5 years, not liable to retire by Rotation
Remuneration details	Subject to maximum of ₹ 15,000/- per meeting plus reimbursement of out of pocket expenses at actual.	Subject to maximum of ₹ 15,000/- per meeting plus reimbursement of out of pocket expenses at actual.
Shareholding in Company	Nil	Nil
Relationship with the Company & Other Directors	Not Any	Not Any
No. of Board Meeting attended during the year	Not Applicable	Not Applicable
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any	Not Any
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	Not Any	Not Any

Mumbai, August 14, 2018

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Mamta Jain
Company Secretary & Compliance Officer

Directors' Report

To

The Members,

Your Directors have pleasure in presenting the 31st Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2018.

(₹ in lakhs)

Financial Results	Year Ended 31.03.2018	Year Ended 31.03.2017
Income	3439.11	2813.18
Profit/(Loss) before Tax & Extra-ordinary Items	20.05	(3.01)
Less : Provision for Taxation (Including Deferred Tax)	31.55	5.46
Less : Provision for Extra-Ordinary Items	2.44	(14.09)
Profit/(Loss) after Tax	(13.94)	5.62
Changes due to conversion of accounts from GAAP to Ind AS	(3.70)	-
Add : Profit/(Loss) brought forward from Previous Year	(69.32)	(189.99)
Balance carried forward	(86.96)	(184.37)

OVERVIEW OF ECONOMY

India's economy picked up some pace in FY 2017-18 and the gross domestic product growth was better than FY 2016-17. The structural reform of The Goods and Services Tax (GST) within a year of demonetisation is expected to provide a boost to the economic growth and investments in the long run. With an improving business ecosystem, stable macroeconomic indicators and a liberal FDI regime, foreign capital inflow has provided impetus to the domestic economy. According to World Bank's Global Economic Prospects report, India's GDP is expected to rise to 7.4% in FY 2018-19 and 7.8% in FY 2019-20.

The Indian textiles industry is among the oldest in the country. It is projected to reach USD 230 billion by 2020 from around USD 120 billion. Currently, the domestic textiles industry contributes 10% to the manufacturing output of the country, generates about 4% to its GDP and employs more than 45 million people. Importantly, the sector contributes 15% to the export earnings of India. Mitigating the repercussions of currency fluctuation remains a challenge.

Exports have been a core feature of India's textile sector. The Indian textiles export market, estimated at \$18 billion, is expected to grow at a CAGR of 4% compared to the global CAGR of 3% over 2016-26.

The fundamental strength of the textile industry is its strong production base of wide range of fibre and yarns – from natural fibres like cotton, jute, silk and wool to synthetic and manmade fibres such as polyester, viscose, nylon and acrylic. The challenge here is the fluctuation in prices of the raw materials like wool and increase in oil prices which increase the input costs.

PERFORMANCE HIGHLIGHTS & OUTLOOK

The current financial year 2017-18 was difficult time for the Company due to the impact of demonetization as well as implementation of GST on Grey Cloth. The profit margin has come down drastically due to increase in cost of GST vs. selling price as well as difference in rate of GST on Grey cloth vs. finished cloth. The abnormal delay in refund of GST has made the Company difficult to manage its working capital and thus has forced to sale a part of land to have liquidity to run its manufacturing unit.

Gross revenue from operations stood at ₹ 3439.11 lakh in comparison to last years' sales of ₹ 2805.42 lakh. In term of PAT, the Company has incurred a loss of ₹ 13.94 lakh in comparison to last years' net profit of ₹ 5.62 lakh.

During the year under review, the Company has received ₹ 96.24 lakh representing the realization value on account of sale of part of land at Murbad, Dist. Thane. The same has been taken to the books of account as an exceptional item.

The Company is into the business of manufacturing grey cloth at its unit located at Murbad, Dist. Thane, Maharashtra.

As the Govt. has started to release the refund of GST, the Company is hopeful of recovering from difficult phase and business will be as usual as the time progresses.

BUSINESS SEGMENT

During the year, the Company is into the business of fabric manufacturing i.e. manufacturing of Synthetic Fabric, a part of textile products in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

DIVIDEND AND RESERVES

In view of carried forward losses and in order to meet future challenges and financial requirements, your Directors do not propose any dividend for the year under review.

During the year under review, no amount has been transferred to General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was of ₹ 13.17925 Crore. During the year under review, the Company has not issued any share with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2018, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2018 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2018.

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under the Listing Regulations. However, it has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.tunitextiles.com.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations; during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted and thus disclosure in term of Section 134(3)(h) r/w Rule 8(2) of the Companies (Accounts) Rules, 2014 and under Regulation 34(3) & 53(f), Para A of Schedule V of SEBI(LODR) Regulations, 2015 is attached as Annexure I. Further, there are no materially significant transactions with related parties during the financial year which were in conflict with the interest of the

Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website viz. www.tunitextiles.com.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

CHANGE IN NATURE OF BUSINESS, IF ANY.

There are no changes in the nature of business in the financial year 2017-18.

BOARD EVALUATION

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules and the Corporate Governance requirements are in compliance with Regulation 17 of Listing Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as transparency, analytical capabilities, performance, leadership, ethics and ability to take balanced decisions regarding stakeholders etc.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other Committee Meetings held during the financial year 2017-18 are given in the separate section of Corporate Governance Report.

BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT

There is no change in management of the Company during the year under review.

DIRECTORS

There is no change in composition of Board during the year under review.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per requirements of Regulation 25 of Listing Regulations, a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director

in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1.	-	-	-	-

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit/(loss) of the Company for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. that 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; and
6. that 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.

BUSINESS RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

However, provision of Regulation 21 of Listing Regulations for constitution of Risk Management Committee is not applicable to the Company.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has an Internal Control System, which is commensurate with the size, scale, scope and complexity of its operations. To maintain its objectivity and independence, an independent firm of Chartered accountants has been appointed as the Internal Auditors, who report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the report of the Internal Auditors placed before the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The internal controls have been reported by the Auditors to be adequate and effective during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. www.tunitextiles.com

INFORMATION TECHNOLOGY

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Statutory Auditors

M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W) are the statutory auditors of the Company for the year ended March 31, 2018. Their appointment as the statutory auditors will be ratified at the ensuing Annual General Meeting pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder.

There is no audit qualification, reservation or adverse remark for the year under review.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s G. S. Bhide & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the form of MR-3 is annexed in this Annual Report as Annexure II.

Internal Auditors

The Company has appointed M/s D. Thakkar & Associates, Chartered Accountants, Mumbai (FRN 132824W) to undertake the Internal Audit of the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure III to this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule, 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under -

i	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Directors & KMP		Ratio
		Narendra Kumar Sureka		2.21:1
		Pradeep Sureka		2.21:1
		Archit Sureka		1.20:1
		Mamta Jain		0.68:1
		1. The median remuneration of employees of the Company was ₹ 3,51,000/-		
		2. Figures has been rounded off wherever necessary		
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;	Name	Designation	Increase %
		Narendra Kumar Sureka	Managing director	29.16
		Pradeep Sureka	whole time director	29.16
		Archit Sureka	CFO	6.06
		Mamta Jain	CS	0.00
iii	the percentage increase/decrease in the median remuneration of employees in the financial year;	22.62%		
iv	the number of permanent employees on the rolls of Company	63 employees as on 31.03.2018		
v	the explanation on the relationship between average increase in remuneration and company performance;	The profit before tax for the financial year ended March 31, 2018 Increased by 240.61% whereas the increase in median remuneration was 18.57% in line with industry standard and the performance of the company		
vi	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The total remuneration of key Managerial Personnel increased by 20.37% from ₹ 22,10,000/- in 2017-18 to ₹ 18,36,000/- in 2016-17 whereas the Profit before Tax increased by 240.61% to ₹ 20,05,113/- in 2017-18 (₹14,25,063/- in 2016-17)		
vii	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Particulars	31st March 2018	31st March 2017
		Market Capitalization	640 Lakhs	640 Lakhs
		Price Earnings Ratio	-44.55%	-54.44%
		Networth of the Company	12,30,96,021/-	12,48,60,960/-
		The Company has not made any public issue during the year		
viii	Average percentile increase in salaries of employees other than managerial personnel	48.62%		

ix	Comparison of each remuneration of key managerial personnel against the performance of the company	Particulars	31st March 2018	Reason against performance of the company Profit before tax decreased by 42.77% and profit after tax decreased by 64.41% in FY 2017-18
		Narendra Kumar Sureka	7,75,000/-	
		Pradeep Sureka	7,75,000/-	
		Archit Sureka	4,20,000/-	
		Mamta Jain	2,40,000/-	
x	The key parameters for any variable component of remuneration availed by the directors;			None
xi	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;			None
xii	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid to all Employees is in accordance with the Remuneration Policy		

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

PARTICULARS UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

The Company is engaged in the business of manufacturing Synthetic Fabric. The information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation and the information required under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014 are reported to be as under:

MURBAD UNIT- ELECTRICITY	2017-2018	2016-2017
Electricity Purchased [Units (KWH)]	1402439	1449857
Total Amount (₹)	4380200	4067778
Average Rate (₹)	3.12	2.81
<u>Consumption Per Unit of Production</u>		
Cloth Production (Mtrs.)	1623422	2566575
Cost of Electricity Consumption (₹) / Mtrs.	2.70	1.58

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned sum of ₹ 81,85,732/- (Equivalent to USD 128697.24) during the current financial year while outgo in foreign currency was Nil.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the rules there under.

REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, May 30, 2018

Registered Office :

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka

DIN : 01963265

Managing Director

Management Discussions & Analysis

MACRO ECONOMIC ENVIRONMENT

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

STRENGTHS AND OPPORTUNITIES

1. Large and diversified segments in this industry that provide wide variety of products.
2. Natural demand drivers including rising income levels, increasing urbanisation and growth of the purchasing population drive domestic demand.
3. New Product development which needs additional focus in Indian Companies in order to move up the value chain and capture a great global market share.
4. Vibrant domestic market, enabling manufacturers to spread out risk.
5. Abundant raw material availability allowing the industry to control costs and reduce overall lead times across the value chain.

WEAKNESS AND THREATS

1. Lack of desirable levels of Technological Development affect the productivity and other activities in whole value chain.
2. Competition in domestic market by offering better quality and lower prices.
3. Intense competition in domestic market.
4. Acute power shortage. Frequent electricity cuts and load shedding leads to loss of man hours and low production in the mills.
5. Differential Tax treatment within products varieties, grey and finished products. Taxes on finishing level of fabrics etc.
6. Labour related issues such as threat to safety and health of workers, poor working environment, and exploitation of children, strict labour laws and skills gap pose a major challenge to the industry.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2017-2018, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Mumbai, May 30, 2018

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

DETAILS OF RELATED PARTY TRANSACTIONS

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

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Note No.37 of the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

- B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/Investments outstanding during the year.	
1.	Holding Company	o Loans and advances in the nature of loans to subsidiaries by name and amount	Not Applicable
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
2.	Subsidiary	o Loans and advances in the nature of loans to subsidiaries by name and amount	
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
3.	Holding Company	o Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.	

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, May 30, 2018

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

SECRETARIAL AUDIT REPORT**FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018**

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

The Members,

Tuni Textile Mills Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tuni Textile Mills Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. 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, 2013;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period)
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given below –:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - b) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
 - c) Reserve Bank of India Act, 1934 and the rules made there under to the extent of provisions applicable to Non-Banking Financial Companies and Regulations made thereunder;
 - d) Factories Act, 1948;
 - e) Provident Fund Act 1952;

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

- *Statutory liabilities are not paid within the due dates as reported by the auditors;*

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

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

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

We 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 the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For G. S. Bhide & Associates
Company Secretaries

Place : Mumbai
Date : May 30, 2018

Gayatri V. Phatak
Proprietor
C. P. No. 11816

Annexure A to the Secretarial Audit Report

The Members,
Tuni Textile Mills Limited
Mumbai

Our report of even date is to be read along with this letter.

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

For G. S. Bhide & Associates
Company Secretaries

Place : Mumbai
Date : May 30, 2018

Gayatri V. Phatak
Proprietor
C. P. No. 11816

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2018

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

FORM NO. MGT - 9

I. Registration & Other Details	
CIN	L17120MH1987PLC043996
Registration Date	06/07/1987
Name of the Company	Tuni Textile Mills Limited
Category / Sub-Category of the Company	Category : Company having Share Capital Sub-Category : Indian Non-Government Company
Address of the Registered Office and contact details	63/71, Dadiseth Agiary Lane, 3 rd Floor, Kalbadevi Road Mumbai-400 002 Tel : +91 22 2201 4577, Fax : +91 22 2205 6350
Whether listed company	Listed Company
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771

II. Principal Business Activities of the Company		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main Businesses	NIC Code of Business	% of Total Turnover of the Company
Manufacturing of Grey Fabrics (Cotton and Cotton mixture Fabrics)	13121	96.74%

III. Details of Subsidiary / Associate / Holding Companies				
Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)									
Category wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
b) Central Govt. (s)	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(2)									
Total Shareholding of Promoters (A1) + (A2)	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	494000	494000	0.38	-	494000	494000	0.38	-
b) Banks / FI	359	-	359	0.00	359	-	359	0.00	-
c) Central Govt. (s)	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total B(1)	359	494000	494359	0.38	359	494000	494359	0.38	-
(2) Non-Institutions									
a) Bodies Corporate									
i. Indians	13460766	75000	13535766	10.37	12604123	75000	12679123	9.71	0.66
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh	57983562	1078000	59061562	45.21	58246780	1079000	59325780	45.41	0.20
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	19926876	-	19926876	15.25	20808178	-	20808178	15.93	0.68
c) Others (Specify)									
i. HUF	2644347	-	2644347	2.02	2745462	-	2745462	2.10	0.08
ii. Clearing Members	1230341	-	1230341	0.94	860576	-	860576	0.66	0.28
iii. NRI	5349999	5000	5354999	4.10	5329770	5000	5334770	4.08	0.02
iv. Trust	-	-	-	-	2	-	2	-	0.00
Sub Total B(2)	100595891	1158000	101753891	77.89	100594891	1159000	101753891	77.89	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding B = B(1) + B(2)	100596250	1652000	102248250	78.27	100595250	1653000	102248250	78.27	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	128979000	1652000	130631000	100.00	128978000	1653000	130631000	100.00	-

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding during and at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Prabhu Dayal Sureka	8,713,000	6.67%	Nil	8,713,000	6.67%	Nil	N.A.
Narendra Kr. Sureka	6,797,500	5.20%	Nil	6,797,500	5.20%	Nil	N.A.
Pradeep Kr Sureka	5,115,500	3.92%	Nil	5,115,500	3.92%	Nil	N.A.
Narendra Kr. Sureka, HUF	3,148,500	2.41%	Nil	3,148,500	2.41%	Nil	N.A.
Urmila Devi Sureka	1,633,750	1.25%	Nil	1,633,750	1.25%	Nil	N.A.
Annpurna Devi P Sureka	1,165,500	0.89%	Nil	1,165,500	0.89%	Nil	N.A.
Archit P Sureka	1,100,000	0.84%	Nil	1,100,000	0.84%	Nil	N.A.
Pradeep Kr Sureka, HUF	648,000	0.50%	Nil	648,000	0.50%	Nil	N.A.
Neha N Sureka	36,000	0.03%	Nil	36,000	0.03%	Nil	N.A.
Ruchi N Sureka	25,000	0.02%	Nil	25,000	0.02%	Nil	N.A.

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	28382750	21.73	28382750	21.73	No Changes	
At the end of the Year	28382750	21.73	28382750	21.73		

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise increase/decrease in Shareholding	Shareholding during and at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of Co.
Shilpa Agarwal	28,72,000	2.20	No Change	28,72,000	2.20
True Capital And Finance Pvt. Ltd.	20,78,000	1.59	No Change	20,78,000	1.59
Nectar Dealtrade Private Limited	20,55,760	1.57	Refer Note 1 below	20,33,105	1.56
Vijaya Devi	15,83,000	1.21	No Change	15,83,000	1.21
Mrigank Singhal	15,12,364	1.16	No Change	15,12,364	1.16
Hillview Impex Private Limited	14,60,500	1.12	No Change	14,60,500	1.12
Manav Agarwal	12,82,000	0.98	No Change	12,82,000	0.98
Rajesh Anchalwar	10,03,319	0.77	No Change	10,03,319	0.77
Madhavi Vemulapalli	9,63,000	0.74	No Change	9,63,000	0.74
Lakshmi Sriramulu	8,10,000	0.62	No Change	8,10,000	0.62

Note 1 : The Equity Shares of the Company are frequently traded on BSE and the Company does not procure Beneficiary Positions (BENPOS) on daily basis from Depositories. Due to these reasons the Company is unable to provide details of date wise change in Shareholding of top 10 shareholders during the current financial year.

v) Shareholding of Directors and Key Managerial Personnel

For Each of Directors & KMP	Shareholding at the beginning of the year		Shareholding during the year and at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Narendra Kr. Sureka				
At the beginning of the year / at the end of the year	6797500	5.20	6797500	5.20
Pradeep Kr. Sureka				
At the beginning of the year / at the end of the year	5115500	3.92	5115500	3.92
Urmila Devi Sureka				
At the beginning of the year / at the end of the year	1633750	1.25	1633750	1.25
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Not Applicable (As there is no change in Shareholding of any of the Directors and Key Managerial Person either at the beginning or at the end of year)			

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits ₹ in Lakh	Unsecured Loans ₹ in Lakh	Deposits ₹ in Lakh	Total Indebtedness ₹ in Lakh

Indebtedness at the beginning of the financial year				
i. Principal Amount	640.86	32.28	Nil	674.14
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	85.35	Nil	Nil	85.35
• Reduction	Nil	5.63	Nil	5.63
Indebtedness at the end of the financial year				
i. Principal Amount	726.21	27.65	Nil	753.86
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	726.21	27.65	Nil	753.86

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Narendra Kr. Sureka (MD)	Pradeep Kr. Suareka (WTD)	Mamta Jain Co. Secretary	Archit P. Sureka CFO
1.	Gross Salary	₹ 7,75,000/-	₹ 7,75,000/-	₹ 2,40,000/-	₹ 4,20,000/-
2.	Value of Perquisites	₹ 21,600/-	₹ 21,600/-	Nil	₹ 21,600/-
3.	Stock Options	Nil	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil	Nil
5.	Commission	Nil	Nil	Nil	Nil
6.	Others (Please specify)	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty			No Instance		
Punishment					
Compounding					
B. Directors					
Penalty			No Instance		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			No Instance		
Punishment					
Compounding					

Annexure to the Directors' Report

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Timely disclosure of material operational and financial information to the stakeholders;
- Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Tuni Textile Mills Ltd. (Tuni) is as under:-

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board:** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS**Size and Composition of Board**

The Board has six members with an Executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board. The

Chairman of the Board is an Executive Director.

The composition and category of the Board of Directors as at March 31, 2018, the number of other Directorships/Committee memberships held by them and their other details are as under:

Name	Designation	DIN	Date of Joining Board	Committee Membership of other Listed Co.	Committee Chairmanship of other Listed Co.	No. of Directorship of other Listed Co.
Mr. Narendra Kumar Sureka*	Managing Director	01963265	6 th July 1987	Nil	Nil	Nil
Mr. Pradeep Kumar Sureka	Whole time Director	01632706	6 th July 1987	Nil	Nil	Nil
Mrs. Urmila Devi Sureka	Non-Executive Director	02344028	23 rd March 2015	Nil	Nil	Nil
Mr. Pramod Kumar Bajaj	Independent Director	01438374	1 st Feb. 2005	Nil	Nil	Nil
Mr. Aditya P. Khaitan	Independent Director	07009083	13 th Feb 2015	Nil	Nil	Nil
Mr. Parag S. Ambavane	Independent Director	07255656	11 th Jan 2016	Nil	Nil	Nil

*Chairman of the Board

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. Tuni Textile Mills Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. Apart from Mr. Narendra P. Sureka, Mr. Pradeep Kr. Sureka and Mrs. Urmila Devi Sureka, who are family members, no Directors are related with each other.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

CHAIRMAN AND MANAGING DIRECTOR

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

BOARD INDEPENDENCE

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as per requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 10 times on 12th April, 15th May, 30th May, 12th June, 14th September, 23rd October, 7th November, 12th December and 13th December in year 2017 and on 14th February in year 2018 during the financial year 2017-2018.

Attendance of Board of Directors at the Board Meetings and at the last Annual General Meeting :

Name	Designation	Attendance at the AGM	Meetings Attended
Narendra Kumar Sureka*	Chairman & CEO	Yes	10
Pradeep Kumar Sureka	Executive Director	Yes	10
Mrs. Urmila Devi Sureka	Non-Executive Director	Yes	10
Pramod Kumar Bajaj	Independent Director	Yes	10
Mr. Aditya P. Khaitan	Independent Director	Yes	10
Mr. Parag S. Ambavane	Independent Director	Yes	10

*Chairman of the Board

AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

TERMS OF REFERENCE

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

FUNCTIONS OF AUDIT COMMITTEE

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2018.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The

Company's quarterly Un-audited Standalone Financial Results are made available on the website www.tunitextiles.com and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

CONSTITUTION OF MEETINGS OF AUDIT COMMITTEE

The members of Audit Committee met five times on dated 30th May, 14th September, 7th November and 12th December in year 2017 and on 14th February in the year 2018 during the financial year ended on 31st March 2018.

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Pramod Kumar Bajaj	Chairman	5	5
Mr. Aditya P. Khaitan	Member	5	5
Mr. Narendra Kr. Sureka	Member	5	5

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-executives, Independent Directors. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

Terms of Reference

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

Constitution and Meetings of Nomination & Remuneration Committee

The Committee met two times during the year on dated 12th April in year 2017 and on 7th November in the year 2018 during the financial year ended on 31st March 2018.

The Composition of the Remuneration Committee and their attendance to the meetings of the committee are as under:

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Aditya P. Khaitan	Chairman	2	2
Mr. Pramod Kumar Bajaj	Member	2	2
Mr. Parag S Ambavane	Member	2	2

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has clearly defined the terms of reference for this committee, which generally meets twice in the year. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

Terms of Reference

The Board has clearly defined the terms of reference for this committee, which generally meets two times in a year, unless there is a specific agenda of committee meeting. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/ debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions; to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availing various facility from Banks/Financial Institutions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Mamta Jain, Company Secretary as a Compliance Officer within the meaning of Regulation 6 of Listing Regulations.

Composition of Committee and Meetings attended

During the year, two meetings of the Committee of Directors were held on 30th May and on 7th November in year 2017 during the financial year ended on 31st March 2018.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Narendra Kr. Sureka	Member	Chairman & Managing Director	2
Mr. Aditya P. Khaitan	Member	Independent, Non-Executive	2
Mr. Pramod Kr. Bajaj	Chairman	Independent, Non-Executive	2

Details of Shareholders' Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any complaint from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id info@tunitextiles.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 31, 2018, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
30 th Annual General Meeting	29 th September 2017, 2.45 PM	Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049
29 th Annual General Meeting	30 th September 2016, 2.30 PM	Same as above
28 th Annual General Meeting	30 th September 2015, 2.30 PM	Same as above

Location and time of Extra-Ordinary General Meetings :

No Extra-Ordinary General Meeting was being held during last three financial years.

POSTAL BALLOT

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

During Financial Year 2014-2015, following Special Resolutions were passed by Members –

- Adoption of new set of Articles of Association of the Company as per Section 14 of the Companies Act, 2013

No Special Resolutions were proposed or passed during remaining two out of last three financial years.

BOARD DISCLOSURES**Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements under Listing Regulations, 2015.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is examined periodically by the Board and the Audit Committee.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations (effective from 1st December 2015). Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations); with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

DISCLOSURES

- (a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) Attention to the members is drawn to the disclosures of transactions with the related parties set out in the Note No. 33 of Financial Statement.

- (c) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (d) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (e) **Reconciliation of Share Capital:** As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.tunitextiles.com

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly / yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Marathi) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website- www.tunitextiles.com.
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.

- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- A separate dedicated section under 'Investor Relation' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 31st Annual General Meeting for the financial year ended on 31st March 2018 is as follows :-

Date	: Tuesday, 25 th September, 2018
Time	: 2.30 P.M
Venue	: Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049

b. **Financial Calendar** : 1st April to 31st March.

c. **Future Calendar for next financial year** :

Subject Matter	Tentative Dates
Financial Reporting of 1 st Quarter ended on 30 th June 2018	Mid of August, 2018
Financial Reporting of 2 nd Quarter ended on 30 th September 2018	Mid of November, 2018
Financial Reporting of 3 rd Quarter ended on 31 st December 2018	Mid of February 2019
Financial Reporting of 4 th Quarter ended on 31 st March 2019	During May 2019
Date of Annual General Meeting	During September 2019

- d. **Date of Book Closure** : September 19 to September 25, 2018. (Both days inclusive)
- e. **Dividend Payment** : No Dividend has been recommended for the year.
- f. **Dividend History** : The Company has not paid any Dividend during last 10 years.
- g. **Unclaimed Dividend / Share Certificates**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.tunitextiles.com.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2018:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount ₹	Due Date for transfer to IEPF Account
1.	N.A.	N.A.	N.A.	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

- h. **Listing of Shares** : BSE Limited
- i. **Listing Fees** : Annual Listing Fees for Financial year 2018-2019 has been paid.
- j. **Stock Code & ISIN** : Scrip Code 531411 on BSE.
ISIN INE560D01027 on NSDL & CDSL
- k. **Market Price Data (Equity Shares of Face Value of ₹ 1/-) :**

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2017	0.49	0.49	3,46,122	30,184.22	29,241.48
May 2017	0.49	0.49	1,87,046	31,255.28	29,804.12
June 2017	0.49	0.49	3,010	31,522.87	30,680.66
July 2017	0.49	0.49	20,711	32,672.66	31,017.11
August 2017	-	-	-	32,686.48	31,128.02
September 2017	-	-	-	32,524.11	31,081.83
October 2017	-	-	-	33,340.17	31,440.48
November 2017	-	-	-	33,865.95	32,683.59
December 2017	-	-	-	34,137.97	32,565.16
January 2018	-	-	-	36,443.98	33,703.37
February 2018	0.50	0.49	6,47,031	36,256.83	33,482.81
March 2018	0.49	0.49	1,12,199	34,278.63	32,483.84

I. Registrar & Share Transfer Agent

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Sharegistry (India) Private Limited

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Tel : 022-23016761, Website : www.purvashare.com

m. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. and approved by Stakeholders' Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

n. Consolidation of Folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

o. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

p. Distribution Schedule as on 31st March 2018

Shareholding of Nominal Value of	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
Up to 5000	3939	64.05	7211620	5.52
5001-10000	874	14.21	7539026	5.77
10001-20000	532	8.65	8188567	6.27
20001-30000	229	3.72	5831745	4.46
30001-40000	118	1.92	4226081	3.24
40001-50000	109	1.77	5258288	4.03
50001-100000	174	2.83	13901893	10.64
100001 and Above	175	2.85	78473780	60.07
Total	6150	100.00	130631000	100.00

q. Shareholding Pattern with Categories of Shareholders as on 31st March 2018

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & Person acting in concert	28382750	21.73
Indian Mutual Fund	494000	0.38
FII (Mauritius Based)	359	0.00
Private Corporate Bodies	12679123	9.71
Resident Individuals	80133958	61.34
Others (Clearing Members)	860576	0.66
NRIs	5334770	4.08
Hindu Undivided Families	2745462	2.10
LLP	2	0.00
Total	130631000	100.00

r. Details of Shareholders holding more than 5% holding under Public Category

Details of Shareholders holding More than 5% Equity Shares in the Company at the end of Financial Year ended on 31st March 2018 –

Name of Shareholder	No. of Shares Held	% of Shareholding
N. A.	Nil	Nil

s. Dematerialization of Equity Shares & Liquidity

The Company's Equity Shares are in Physical/Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are admissible for trading on BSE Limited. As on 31st March 2018, 98.73% Equity Shares of the Company held under public category are in dematerialized form.

t. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

u. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

v. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., "purvashr@mtnl.net.in"

w. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

x. For the Attention of Shareholders holding shares in electronic form

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

y. Details on use of Public Funds Obtained in the last three years :

No Public Fund has been raised during last three financial years.

z. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Any.

aa. Investors' Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :-

Ms. Mamta Jain - cs@tunitextiles.com

bb. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

cc. Address for Correspondence

Tuni Textile Mills Limited

63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002

Email : info@tunitextiles.com ; Tel : +91 22 2201 4577, Fax : +91 22 2205 6350

dd. Plant Location

Tuni Textile Mills Limited

B-5, MIDC Murbad, Dist. Thane (Maharashtra)

CEO / CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Tuni Textile Mills Limited (“the Company”) to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that 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, if any, in internal control over financial reporting during the year;;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

For Tuni Textile Mills Limited

Archit P. Sureka
Chief Financial Officer
Mumbai, dated 30th May 2018

For Tuni Textile Mills Limited

Narendra Kr. Sureka
DIN : 01963265
Managing Director

ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Tuni Textile Mills Limited Code of Business Conduct and Ethics for the year ended March 31, 2018.

For Tuni Textile Mills Limited

Narendra Kr. Sureka
DIN : 01963265
Managing Director

Mumbai, dated 30th May 2018

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of

TUNI TEXTILE MILLS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter with the Company.
2. We have examined the compliance of conditions of corporate governance by **Tuni Textile Mills Limited** (the 'Company') for the year ended 31st March 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Mehta Kothari & Associates**
Chartered Accountants
FRN - 106247W

Pradip C. Mehta
Partner
Membership No. 035447

Place : Mumbai
Date : May 30, 2018

INDEPENDENT AUDITORS' REPORT

To

The Members of

TUNI TEXTILE MILLS LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **TUNI TEXTILE MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Ind AS financial statement").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") 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 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

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

Company as at March 31, 2018 and its loss and Other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Other Matter

The financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 30, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss (Including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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, referred to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion 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 Ind AS financial statements (refer note no.34 to the Ind AS 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 were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - (iv) The disclosures regarding details of Specified Bank Notes held and transacted during 8th November 2016 to 30th December 2016 has not been made since the requirement does not pertain to financial year ended 31st March 2018.

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
(Firm Registration No. 106247W)

Pradip C. Mehta

Partner

Membership No. 035447

Place : Mumbai

Dated : May 30, 2018

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON
THE STANDALONE FINANCIAL STATEMENTS OF TUNI TEXTILE MILLS LIMITED**

Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date

In terms of information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) the Company has generally maintained records showing particulars, including quantitative details and situation of its fixed assets;
- (b) we have been informed that the management has, at reasonable intervals during the year, physically verified major portion of the fixed assets. No material discrepancies, as represented to us, were noticed on such verification; and
- (c) according to the representation made, and to the best of our knowledge and belief, the title deeds of immovable properties are held in the name of the company.
- ii. the inventories have been physically verified at the close of the year by the management. In our opinion, the frequency of verification needs to be increased. No material discrepancies, as represented to us, were noticed on such verification.
- iii. the Company has, during the year, not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable;
- iv. in our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments, given any guarantee or provided any security in connection with a loan during the year. Therefore the provisions of section 185 and 186 of the Act have not been applicable to the Company;
- v. the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable;
- vi. the Central Government has not specified the maintenance of cost records under sub section 1 of Section 148 of the Act for any of the products of the Company for the year under audit;
- vii. In case of in respect of Statutory Dues;
 - a) on the basis of books and records examined by us, the following undisputed statutory dues have delayed been deposited with the appropriate authorities:

Sr. no	Nature	Amount in ₹	Due date	Date deposited on
a.	Provident fund	20902	20/06/2016	08/07/2016
		20431	20/12/2016	29/03/2017
		20431	20/01/2017	29/03/2017
		20431	20/02/2017	29/03/2017
		20431	20/03/2017	29/03/2017
b.	Profession tax	9600	30/04/2017	08/06/2017
		10200	31/05/2017	08/06/2017
		8600	30/06/2017	06/10/2017
		9675	31/07/2017	06/10/2017

Sr. no	Nature	Amount in ₹	Due date	Date deposited on
		10350	31/08/2017	06/10/2017
		10350	30/09/2017	15/02/2018
		10150	31/10/2017	15/02/2018
		9575	30/11/2017	15/02/2018
		9875	31/12/2017	17/02/2018
		11300	31/01/2018	17/02/2018
		10200	28/02/2018	19/03/2018
		11400	31/03/2018	09/04/2018
c.	Service tax	3779	05/05/2017	11/08/2017
		3478	05/06/2017	11/08/2017
		3906	05/07/2017	11/08/2017

There are no arrears of undisputed statutory dues as at 31st March, 2018 for the period of more than six months from the date they became payable; and

- b) according to the information, the dues in respect of income tax, sales tax, service tax, goods and services tax w.e.f. 1 July 2017, duty of custom, duty of excise, value added tax that have not been deposited on account of any dispute with the appropriate authorities, where the disputes are pending, are as under:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates*	Due date as per notice of demand
Income Tax Act	Interest	947334	1995-1996	10.05.2001
Income Tax Act	Interest	338640	1996-1997	19.09.2003
Income Tax Act	Interest	158134	1997-1998	19.09.2003

*Assessment Year

- For the above demands, as informed to us, the Company has filed waiver petitions before Chief Commissioner of Income Tax for waiver of interest, those petitions are pending to be heard;
 - The waiver of above demands has been considered in scheme of rehabilitation by BIFR;
 - The Company has represented before the Tax Recovery Officer, to give effect to the order of Honourable BIFR.
- viii. on the basis of selective checks carried out during the course of audit, we are of the opinion that the Company has not defaulted in the repayment of loans or borrowing to banks There had been no dues payable to financial institution, Government, or debenture holders;
- ix. according to the representation made, and to the best of our knowledge and belief the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year except term loan for purchase of vehicle.
- x. according to the representation made, and to the best of our knowledge and belief, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit;
- xi. according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act;

- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company;
- xiii. according to the representation made, and to the best of our knowledge and belief, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards;
- xiv. according to the representation made, and to the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company;
- xv. according to the representation made, and to the best of our knowledge and belief, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company; and
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

(Firm Registration No. 106247W)

Pradip Mehta

Partner

Membership No. 035447

Place : Mumbai.

Dated : May 30, 2018

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TUNI TEXTILE MILLS LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Tuni Textile Mills Limited** (“the Company”) as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date..

Management’s Responsibility for Internal Financial Controls

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

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 issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Mehta Kothari & ASSOCIATES

Chartered Accountants

(Firm Registration No. 106247W)

Pradip Mehta

Partner

Membership No. 035447

Place : Mumbai.

Dated : May 30, 2018

Balance Sheet as at 31st March, 2018

(Amount in ₹)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
ASSETS				
Non-current assets				
Property, Plant and Equipment				
Intangible assets	3A	19,780,138	22,652,428	30,108,153
Investment Property	3B	53,306	-	-
Financial Assets	4	1,095,989	1,095,989	1,095,989
(i) Investments				
(ii) Loans	5	500,000	500,000	500,000
(iii) Others	6	621,165	621,165	621,165
Deferred tax assets (net)	7	1,037,491	995,784	995,784
Total non-current assets	8	7,471,897	10,181,046	10,285,421
Total non-current assets	9	824,788	84,788	84,788
Current assets		31,384,773	36,131,200	43,691,299
Inventories	10	125,628,691	112,441,624	97,981,444
Financial Assets				
(i) Trade receivables	11	64,868,529	98,370,445	88,124,579
(ii) Cash and cash equivalents	12	201,106	477,662	1,318,970
(iii) Other financial assets	13	767,332	724,192	704,156
Other current assets	14	20,694,282	5,686,277	5,842,114
Total current assets		212,159,939	217,700,201	193,971,263
TOTAL ASSETS		243,544,713	253,831,400	237,662,562
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	15	131,792,500	131,792,500	131,792,500
Other Equity	16	(8,696,479)	(6,931,540)	(6,977,273)
Total equity		123,096,021	124,860,960	124,815,227
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	17	1,400,076	3,368,606	5,265,617
Provisions	18	1,505,567	797,048	2,190,664
Total non-current liabilities		2,905,643	4,165,654	7,456,281
Current liabilities				
Financial Liabilities				
(i) Borrowings	19	75,386,543	64,085,901	65,010,266
(ii) Trade payables	20	37,435,345	51,480,012	37,119,968
(iii) Other financial liabilities	21	1,799,240	1,153,643	1,261,411
Other current liabilities	22	1,667,115	7,264,763	1,409,837
Provisions	23	718,435	304,096	56,165
Current Tax Liabilities (Net)	24	536,371	516,371	533,407
Total current liabilities		117,543,049	124,804,786	105,391,054
TOTAL EQUITY AND LIABILITIES		243,544,713	253,831,400	237,662,562

Contingent Liabilities and Commitments 34
(To the extent not provided for)

Significant Accounting Policies 2
The accompanying notes from part of the financial statements 1 to 46

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN 01963265

Pradeep Kumar Sureka
Whole Time Director
DIN 01632706

Pradip Mehta
Partner
Membership no. 035447

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

(Amount in ₹)

Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue from operations	25	332,715,370	280,541,937
Other income	26	11,195,661	776,298
Total Revenue		343,911,031	281,318,234
Expenses:			
Cost of materials consumed	27	56,756,583	70,739,798
Purchases of Stock-in-Trade	28	211,682,044	167,542,670
Changes in inventories	29	(5,003,032)	(13,948,284)
Employee benefits expense	30	22,541,284	16,285,801
Finance costs	31	9,647,542	9,168,777
Depreciation and amortization expense	3A & 3B	6,705,298	7,398,452
Other expenses	32	39,576,200	25,556,983
Total expenses		341,905,918	282,744,197
Profit before exceptional items and tax		2,005,113	(1,425,963)
Exceptional items:		-	-
Profit before tax		2,005,113	(1,425,963)
Tax expense:			
(1) Current tax		523,883	211,204
(2) Deferred tax		2,875,088	(447,893)
(3) Tax adjustment for earlier years		-	-
		3,398,971	(236,689)
Profit (Loss) for the year		(1,393,858)	(1,189,274)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(537,020)	1,787,275
Income tax relating to above item		(165,939)	552,268
Total other Comprehensive Income		(371,081)	1,235,007
Total Comprehensive Income for the period		(1,764,939)	45,733
Earnings per equity share:			
Basic and Diluted	33	(0.011)	(0.009)
Contingent Liabilities and Commitments (To the extent not provided for)	34		
Significant Accounting Policies	2		
The accompanying notes from part of the financial statements	1 to 46		

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka

Chairman and Managing Director

DIN 01963265

Pradeep Kumar Sureka

Whole Time Director

DIN 01632706

Pradip Mehta

Partner

Membership no. 035447

Archit Sureka

Chief Financial Officer

Mamta Jain

Company Secretary

Mumbai, 30th May'2018Mumbai, 30th May'2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share Capital	(Amount in ₹)
Particulars	Value
Balance as at April 1, 2016	131792500.00
Changes during the year	0.00
Balance as at March 31, 2017	131792500.00
Balance as at April 1, 2017	131792500.00
Changes during the year	0.00
Balance as at March 31, 2018	131792500.00

B. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
Balance at the beginning of the reporting period i.e. 1 st April, 2016	4500000.00	7585627.00	(18503347.93)		(559552.00)	(6977272.93)
Profit for the year	0.00	0.00	(1189273.67)		0.00	(1189273.67)
Other Comprehensive Income for the year*	0.00	0.00	0.00		1235007.00	1235007.00
Balance at the end of the reporting period i.e. 31st March, 2017	4500000.00	7585627.00	(19692621.61)		675455.00	(6931539.60)
Balance at the beginning of the reporting period i.e. 1 st April, 2017	4500000.00	7585627.00	(19692621.61)		675455.00	(6931539.60)
Profit for the year	0.00	0.00	(1393858.29)		0.00	(1393858.29)
Other Comprehensive Income for the year*	0.00	0.00	0.00		(371081.00)	(371081.00)
Balance at the end of the reporting period i.e. 31st March, 2018	4500000.00	7585627.00	(21086479.90)		304374.00	(8696478.90)

*Movement in other comprehensive income relates to remeasurements of the net defined benefit plans

Nature of reserves

a) Securities Premium Reserve: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

b) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to other reserve, dividends or other distributions paid to shareholders.

c) Capital Reserve: The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Contingent Liabilities and Commitments 34

(To the extent not provided for)

Significant Accounting Policies 2

The accompanying notes form part of the financial statements 1 to 46

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN.01963265

Pradeep Kumar Sureka
Whole Time Director
DIN.01632706

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Pradip Mehta
Partner
Membership no. 035447

Mumbai, 30th May'2018

Mumbai, 30th May'2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	2017-2018		2016-2017	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items	2,005,113		(1,425,963)	
Adjustment for				
Depreciation	6,705,298		7,398,452	
Profit / Loss on sale of fixed assets	(9,623,687)		273,559	
Interest on late payment of taxes	-		-	
Interest / other income	(1,511,974)		(738,779)	
Dividend	(60,000)		(37,519)	
Interest expenses	9,647,542		9,168,777	
Operating profit before working capital changes	7,162,291		14,638,528	
Adjustment for				
Trade and other receivables	17,669,065		(10,110,065)	
Inventories	(13,187,067)		(14,460,180)	
Trade payables	(14,044,667)		14,360,044	
Other payables	(4,727,076)		6,357,941	
Cash generated from operations	(7,127,454)		10,786,268	
Direct taxes paid	(503,883)		(228,242)	
Cash flow before extraordinary items	(7,631,337)		10,558,026	
Prior period items	-		-	
Extraordinary items	-		-	
NET CASH FLOW FROM OPERATING ACTIVITIES		(7,631,337)		10,558,026
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(10,262,627)		(260,340)	
Sale of fixed assets	16,000,000		44,053	
Movement of advances for capital goods	-		-	
(Purchase) / sale of investments (Net)	-		-	
(Increase) / decrease in deposits	-		-	
Interest / other income	1,511,974		738,779	
Dividend received	60,000		37,519	
NET CASH USED IN INVESTING ACTIVITIES		7,309,347		560,011
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	-		-	
Proceeds from long term borrowings	-		-	
Repayment of long term borrowings	(1,607,667)		(1,866,204)	
Proceeds from short term borrowings	2,765,486		-	
Repayment of short term borrowings	-		-	
Change in working capital borrowing from banks	8,535,156		(924,366)	
Interest paid	(9,647,542)		(9,168,777)	
NET CASH FROM FINANCING ACTIVITIES		45,433		(11,959,346)
NET INCREASE IN CASH AND CASH EQUIVALANTS (A+B+C)		(276,557)		(841,309)
OPENING BALANCE OF CASH AND CASH EQUIVALANTS		477,662		1,318,972
CLOSING BALANCE OF CASH AND CASH EQUIVALANTS		201,106		477,662

Notes to cash flow statement:

- 1 The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 on "Statement of Cash Flow" notified u/s 133 of Companies Act, 2013 ("Act") read with relevant rules issued thereunder and the relevant provisions of the Act.
- 2 Change in liability arising from financing activities

Particulars	Non-current borrowing	Current borrowing
Balance as at 1st April 2016	5559857.70	65010266.37
Net cash flows	(1866203.70)	(924365.65)
Balance as at 31 st March 2017	3693654.00	64085900.72
Net cash flows	(1607667.00)	11300641.96
Balance as at 31 st March 2018	2085987.00	75386542.68

- 3 All the figures in brackets are outflow.
- 4 Previous year's figures have been regrouped wherever necessary.

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants
(Firm Registration no. 106247W)

For and on behalf of the Board of
Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN 01963265

Pradeep Kumar Sureka
Whole Time Director
DIN 01632706

Pradip Mehta
Partner
Membership no. 035447

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Mumbai, 30th May'2018

Mumbai, 30th May'2018

Notes to the financial statements for the year ended 31st March 2018**Note 1: CORPORATE INFORMATION**

Tuni Textile Mills Limited ("the Company") is a public limited Company domiciled in India with its registered office 63/71 Dadi seth Agiary Lane, 3rd floor, Kalbadevi Road, Kalbadevi Mumbai-400002. The Company is listed on the Bombay Stock Exchange (BSE). The Company is manufacturer of Grey fabrics.

Note 2: SIGNIFICANT ACCOUNTING POLICIES**2.1) BASIS OF PREPARATION****A) Statement of Compliance**

- a) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- b) These financial statements for the year ended 31st March, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 45.
- c) The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.
- d) The financial statements of the Company for the year ended 31st March, 2018 were approved for issue in accordance with the resolution of the Board of Directors on 30th May, 2018.

B) Basis of Measurement

These financial statements are prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that are measured at fair value (refer- Accounting policy regarding financials instruments).
- b) Defined benefit plans –present value of defined benefit obligation unless otherwise indicated.

C) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

D) Use of Estimates

- a) The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities prospectively.
- b) Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:
 - i) Measurement of defined benefit obligations - Note 18.
 - ii) Measurement and likelihood of occurrence of provisions and contingencies - Note 18 & 23 and 34.
 - iii) Recognition of deferred tax liabilities - Note 8.

E) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the note 39.

2.2) REVENUE RECOGNITION

Revenue is measured at the fair value of consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the government.

Sale of goods

Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership, no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports

Interest income

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

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Rental income

Rental income is recognised on a straight line basis over the term of the relevant arrangements.

2.3) EXPORT INCENTIVE

The benefits, on account of entitlement to import duty free raw material under the Advance License Scheme in respect of goods already exported, are not valued and brought into the books in the year of export. The raw materials are recorded at cost at which they are procured in the year of import.

The benefits under FMS/FPS/Incremental Export Incentivisation Scheme and Duty Drawback Scheme are recognized when the exports are made.

2.4) EMPLOYEE BENEFITS**a) Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, bonus, ex gratia, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

b) Post-employment benefits**Defined contribution plans**

Obligations for contributions to defined contribution plans such as Provident Fund maintained with Regional Provident Fund Office and Employees State Insurance Corporation ('ESIC') are expensed as the related service is provided.

Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

c) Other long-term employee benefits

Compensated absences

The Company does not have any leave encashment policy. Further any unutilised leave at the end of the year is lapsed and not eligible for carry forward.

2.5) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to finance costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.6) ACCOUNTING FOR TAXES ON INCOME

Income tax expense for the period comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

2.7) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and

accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

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

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.8) INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.9) INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

2.10) DEPRECIATION

Depreciation on Property, Plant & Equipment is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts as determined by the valuer.

Depreciation on Property, Plant & Equipment added/disposed off/discarded during the period has been provided on the pro-rata basis with reference to the date of addition/disposal/discarding.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

2.11) AMORTIZATION

Intangible assets (Application Software) acquired by the Company are amortised on a straight line basis over its useful life i.e. three years, as decided by the management.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

2.12) BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the

extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.13) LEASES

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease payment is allocated between liability and finance cost so as to obtain constant periodic rate of interest on the outstanding liability for each period. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired/given under leases other than finance leases are classified as operating leases. Operating lease payments/receivable are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

2.14) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The company does not recognize a contingent liability but discloses its existence in the financial statement.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.15) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted

to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

2.16) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit 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 and for all years presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17) INVENTORIES

Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for. Materials-in-process are valued at raw material cost and estimated cost of conversion. Cost of finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition

Cost of Inventories is computed on FIFO basis. Goods in transit, if any, are stated at actual cost incurred upto the date of balance sheet.

2.18) FINANCIAL INSTRUMENTS

I. FINANCIAL ASSETS

A) Initial Recognition And Measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset. Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B) Classification And Subsequent Measurement

- a) **Amortised cost:** A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- b) **Fair value through other comprehensive income (FVOCI):** A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- c) **Fair value through profit and loss (FVTPL):** A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

C) Cash and bank balances

- (i) **Cash and cash equivalents** which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of 3 months or less from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- (ii) **Other bank balances** which includes balances and deposits with banks that are restricted for withdrawal and usage.

D) Equity instruments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) Trade receivables and loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

F) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

G) Impairment of Financial Asset

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, security deposits, bank deposits and bank balance.
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

II. FINANCIAL LIABILITIES**A) Initial Recognition And Measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are

held at amortised cost, using the effective interest method.

B) Classification And Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

C) DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

III. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.19) RECENT ACCOUNTING DEVELOPMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after 1 April 2018:

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Ind AS 115 Revenue from Contracts with Customers ("Standard")

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective from 1 April 2018.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company is evaluating the impact of this Standard on its financial statements.

Note 3A Property, plant and Equipment

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK Total as on 31.03.2018	
	As on 31.03.2017	Additions during the year	Deduction during the year	As on 31.03.2018	Total upto 31.03.2017	Provided for the year		Written back during the year
Property, plant & equipment								
Leasehold Land	198853.03	0.00	0.00	198853.03	3238.00	3238.00	0.00	6476.00
Free hold land	5776098.14	0.00	5776098.14	0.00	95208.00	68340.77	163548.77	0.00
Factory Building	5620023.31	444485.00	988307.60	5076200.71	725891.00	747374.37	224544.00	1248721.37
Office Premises	730815.30	0.00	0.00	730815.30	17460.00	17460.00	0.00	34920.00
Plant & Machineries	14836952.68	7515749.74	0.00	22352702.42	5892576.25	5224710.94	0.00	11117287.19
Electrical equipment	816877.60	0.00	0.00	816877.60	133378.00	133449.00	0.00	266827.00
Furniture & Fixtures	15112.51	0.00	0.00	15112.51	3536.00	3535.00	0.00	7071.00
Office Equipments	279214.38	0.00	0.00	279214.38	96741.62	53831.76	0.00	150573.38
Computers	179716.43	172206.00	0.00	351922.43	65004.43	100584.00	0.00	165588.43
Vehicles	1452410.99	2065186.32	0.00	3517597.31	220613.00	341080.00	0.00	561693.00
TOTAL AS AT 31.03.2018	29906074.37	10197627.06	6764405.74	33339295.69	7253646.30	6693603.85	388092.77	13559157.37
								19780137.90

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK
	As on 31.03.2016	Additions during the year	Deduction during the year	As on 31.03.2017	Total upto 31.03.2017	Provided for the year	Written back during the year	Total as on 31.03.2017
Property, plant & equipment	198853.03	0.00	0.00	198853.03	0.00	3238.00	0.00	195615.03
Leasehold Land	5776098.14	0.00	0.00	5776098.14	0.00	95208.00	0.00	5680890.14
Free hold land	5409183.31	210840.00	0.00	5620023.31	0.00	725891.00	0.00	4894132.31
Factory Building	730815.30	0.00	0.00	730815.30	0.00	17460.00	0.00	713355.30
Office Premises	14836952.68	0.00	0.00	14836952.68	0.00	5892576.25	0.00	8944376.43
Plant & Machinerics	816877.60	0.00	0.00	816877.60	0.00	133378.00	0.00	683499.60
Electrical equipment	15112.51	0.00	0.00	15112.51	0.00	3536.00	0.00	11576.51
Furniture & Fixtures	253214.38	26000.00	0.00	279214.38	0.00	96741.62	0.00	182472.76
Office Equipments	156216.43	23500.00	0.00	179716.43	0.00	65004.43	0.00	114712.00
Computers	1914829.35	0.00	462418.36	1452410.99	0.00	365419.00	144806.00	1231797.99
Vehicles	30108152.73	260340.00	462418.36	29906074.37	0.00	7398452.30	144806.00	22652428.08
TOTAL AS AT 31.03.2017					0.00	7398452.30	144806.00	7253646.30

3A(i) Security

Property, plant and equipment are hypothecated /pledged against borrowings refer note 17 & 19

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK
	As on 31.03.2017	Additions during the year	Deduction during the year	As on 31.03.2018	Total upto 31.03.2017	Provided for the year	Written back during the year	Total as on 31.03.2018
Intangible Asset	0.00	65000.00	0.00	65000.00	0.00	11694.00	0	53306.00
Software	0.00	65000.00	0.00	65000.00	0.00	11694.00	0.00	53306.00
TOTAL AS AT 31.03.2018	0.00	65000.00	0.00	65000.00	0.00	11694.00	0.00	53306.00

Notes on Financial Statements for the year ended 31st March 2018

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Note 4: INVESTMENT PROPERTY			
Immovable Properties* [refer note no.34(b)(i)]	952,500	952,500	952,500
Gold coin (50gms) #	143,489	143,489	143,489
Total	1,095,989	1,095,989	1,095,989
*Residential flat has not been completed and hence depreciation has not been taken. Uncalled and unpaid amount is ₹ 1422500. #Since fair value is higher than carrying value,therefore impairment/depreciation not required to be provided. fair value			
Gold coin (50gms) #	153,400	144,750	143,750

Note 5: INVESTMENTS			
Investments measured at Fair Value Through Profit & Loss In equity shares (unquoted) G.P. Parsik Bank*** (10000 equity shares having face value of ₹ 50/- each)	500,000	500,000	500,000
Total	500,000	500,000	500,000
*** Since the shares has been conditionally allotted as per sanction letter and these are not saleable in the market. The bank will buy the same at the carrring value on repayment of financial facilities, therefore no fair value of this investment has been taken into account. Aggregate amount of Unquoted Investments Aggregate provision for diminution in the value of Investments	500,000 - -	500,000 - -	500,000 - -

Note 6: NON-CURRENT LOANS			
(Unsecured, considered good unless otherwise stated)			
Security Deposits	621,165	621,165	621,165
Total	621,165	621,165	621,165

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Note 7: OTHER NON-CURRENT FINANCIAL ASSETS			
(Unsecured, considered good unless otherwise stated)			
Long term deposits with banks having maturity more than 12 months	1,037,491	995,784	995,784
Total	1,037,491	995,784	995,784

Note 8: DEFERRED TAX ASSETS(net)

A.The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	For the year ended	
	31.03.2018	31.03.2017
Profit before Tax	2,005,113	(1,425,963)
Enacted tax rate	30.90%	30.90%
Expected income tax expense at statutory income tax rate	619,580	(440,622)
Income exempt from tax/Items not deductible	764,348	-
Income tax benefit on brought forward losses lapsed	1,491,160	-
Future tax benefits	279,745	211,204
Tax in respect of earlier years	244,138	(7,271)
Tax expense for the year	3,398,971	(236,689)
<u>Deferred Tax Liabilities:</u>		
Other	-	9,978
<u>Deferred Tax Assets:</u>		
Difference between book and tax depreciation	1,429,650	1,519,736
MAT Credit Entitlement*	3,909,911	3,630,166
Gratuity	681,160	335,804
Business Losses	734,894	4,120,828
Deferment of Allowances-Provision for debtors	248,646	269,316
Deferment of Allowances	467,636	315,174
Total	7,471,897	10,181,046
		104,375

*As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.

The movement in deferred tax assets and liabilities during the year ended March 31, 2018 and March 31, 2017:

Particulars	As at 01.04.2016 Deferred Tax (Liabilities)/ Asset	(Charge)/ Credit in statement of Profit and Loss	As at 31.03.2017 Deferred Tax (Liabilities)/ Asset	"(Charge)/ Credit in statement of Profit and Loss"	As at 31.03.2018 Deferred Tax (Liabilities)/ Asset
Depreciation and amortisation	243,386	1,276,350	1,519,736	(90,086)	1,429,650
MAT Credit Entitlement*	3,418,962	211,204	3,630,166	279,745	3,909,911
Gratuity	684,320	(348,516)	335,804	345,356	681,160
Business Losses	5,598,438	(1,477,610)	4,120,828	(3,385,934)	734,894
Deferment of Allowances- Provision for debtors	158,437	110,879	269,316	(20,670)	248,646
Deferment of Allowances	311,825	3,349	315,174	152,462	467,636
Other	(129,947)	119969	(9,978)	9,978	-

(Amount in `)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Note 9: OTHER NON CURRENT ASSETS			
Advance for Capital Goods	740,000	-	-
Security Deposits	84,788	84,788	84,788
Total	824,788	84,788	84,788

Note 10 :INVENTORIES			
(Refer note 2.17)			
Raw Materials and components	29,656,185	26,776,750	26,475,054
Work-in-progress	6,199,200	3,248,700	3,132,000
Finished goods	82,733,106	80,680,574	66,848,990
Stores and spares	7,040,200	1,735,600	1,525,400
Total	125,628,691	112,441,624	97,981,444

Note 11 :TRADE RECEIVABLES			
Unsecured, considered good			
Considered good	64,868,529	98,370,445	88,124,579
Considered doubtful	804,678	871,572	512,742
	65,673,207	99,242,017	88,637,321
Less: Allowance for doubtful trade receivables	804,678	871,572	512,742
Total	64,868,529	98,370,445	88,124,579

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Note 12 :CASH AND BANK BALANCES			
Cash and Cash equivalents			
Balances with Bank	5,578	329,019	11,126
Cash on hand	195,527	148,643	1,307,843
Total	201,106	477,662	1,318,970

Note 13 :OTHER CURRENT FINANCIAL ASSETS			
Unsecured,considered good			
Interest accrued but not due on fixed deposits	571,216	492,394	377,659
Others	196,116	231,799	326,498
Total	767,332	724,192	704,156

Note 14 : OTHER CURRENT ASSETS			
(Unsecured, considered good unless otherwise stated)			
Advance to Staff	372,743	156,835	175,000
Advance to suppliers	15,969,448	3,651,530	3,079,388
Sales Tax Receivable	986,623	1,808,124	2,445,823
GST Receivable	3,284,103	-	-
Prepaid expenses	81,366	69,788	141,903
Total	20,694,282	5,686,277	5,842,114

Particulars	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount	Number	Amount
Note "15" :EQUITY						
Authorised						
Equity Shares of ₹ 1/- each	135000000	135,000,000	135000000	135,000,000	135,000,000	135000000
Issued,Subsribed and Paid up						
Equity Shares of ₹ 1/- each	130631000	130,631,000	130631000	130,631,000	130,631,000	130,631,000
Add: Forfeited shares (amount originally paid up in respect of 227500 shares)	-	1,161,500	-	1,161,500		1,161,500
Total	130631000	131,792,500	130631000	131,792,500	130,631,000	131,792,500

a : During the current year and in the previous year, there have been no movements in the numbers of equity shares outstanding.

b : Details of Shareholders holding more than 5% of shares of the company:-

Name of Shareholder	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Prabhudayal Sureka	8713000	6.67	8713000	6.67	8713000	6.67
Mr. Narendra Sureka	9946000	7.61	9946000	7.61	9946000	7.61

c : Terms/Rights attached to Equity Shares:-

- (i) The Company has only one class of Equity shares having par value of ₹ 1/- per share.
- (ii) Each holder of Equity share is entitled to one vote per share.
- (iii) In the event of Liquidation of the Company , the holders of Equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues(if any) .The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Note "16" : OTHER EQUITY			
a. Capital Reserves			
Balance as per the last financial statements	4,500,000	4,500,000	4,500,000
Sub-total	4,500,000	4,500,000	4,500,000
b. Securities Premium Account			
Balance as per the last financial statements	7,585,627	7,585,627	7585627
Sub-total	7,585,627	7,585,627	7,585,627
c. Surplus in the Statement of Profit and Loss			
Balance or (deficit) as per the last financial statements	(19,692,622)	(18,503,348)	(18,503,348)
Add/(Less): Net Profit/(Loss) for the year	(1,393,858)	(1,189,274)	-
Sub-total	(21,086,480)	(19,692,622)	(18,503,348)
d. Other Comprehensive income			
Balance as per the last financial statements	675,455	(559,552)	(559,552)
Add: Movement in OCI (Net) during the year	(371,081)	1,235,007	-
	304,374	675,455	(559,552)
Total	(8,696,479)	(6,931,540)	(6,977,273)

Note "17": BORROWINGS			
Secured			
Term Loans from banks (refer note no 17.1)	1,400,076	172,731	497,780
Unsecured			
Loans and advances from related parties (refer note no 17.2 and 37)	-	3,195,875	4,767,837.00
Total	1,400,076	3,368,606	5,265,617

17.1 : Terms of Repayment and Security details of Term Loans :

Name of the Bank	HDFC Bank Ltd	ICICI Bank Ltd.
Type of Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	50710742	LAMUM00033629701
Amount sanctioned	2,099,000	938,000
Amount availed	2,099,000	938,000
Sanction Date	10/5/2017	10.11.2015
Rate of Interest	10.00%	9.99%
Total No.of Instalments	60	36
No.of Instalments paid	6	30
No.of balance Instalments to be paid	54	6
Amount of Instalment	54 installment of ₹ 42765	36 installment of ₹ 30016
Repayment Type	Monthly	Monthly

Nature of Security

- 1.Term Loans from ICICI Bank and HDFC Bank is secured by Hypothecation of specific vehicles.
- 2.Personally guaranteed by two directors of the company.

Installments falling due in respect of all the above loans upto 31.03.2019 have been taken in "Other Financial liabilities" under the head "Current maturities of long term debts" (Refer note no.21)

17.2 Maturity profile of other unsecured loans are as under:

Name of lender	Narendra kumar Sureka	Pradeep kumar Sureka
Loan Reference No.	1	2
Amount taken (₹)	618276.88	2147208.86
Interest rate	Interest free	Interest free
Repayment of loan	After 1/4/2017	After 1/4/2017

Name of Shareholder	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Note 18: NON-CURRENT PROVISIONS			
Provision for employee benefits			
Gratuity (unfunded)	1,485,967	782,648	2,158,464
Leave Encashment (unfunded)	19,600	14,400	32,200
Total	1,505,567	797,048	2,190,664

18.a :The Disclosures required under Accounting Standard 15" Employee Benefits notified in the Companies (Accounting Standards) Rules, 2006 are given below:

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:-

	2017-2018	2016-2017
Employer's Contribution to Provident Fund	121,679	133,580

ii) Defined Benefit Plan

Leave Encashment: During the year 2017-18, the amount paid to employees as leave encashment is ₹ NIL

Gratuity:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The employee's gratuity scheme is non-fund based. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.

I. Reconciliation of Opening and closing balances of Defined Benefit Obligation:

Particulars	Gratuity (Unfunded)	
	2017-2018	2016-2017
Defined Benefit obligation at beginning of the year	1,086,744	2,214,629
Recognised in Statement of Profit and Loss		
Current Service Cost	499,284	519,313
Past Service Cost	12,654	
Interest Cost	68,700	172,737
Recognised in Other Comprehensive Income -Actuarial (gains)/ losses on obligations		
Remeasurements - due to demographic assumptions		
Remeasurements - due to financial assumptions	(104,197)	44,874
Remeasurements - due to experience adjustments	641,217	(1,832,149)
Benefits paid	0	(32,660)
Settlement cost	0	-
<u>Defined Benefit obligation at year end</u>		
Current Liability	718,435	304,096
Non-Current Liability	148,5967	782,648

II. Net liability / (asset) recognised in the balance sheet

Particulars	Gratuity (Unfunded)	
	2017-2018	2016-2017
Present value of defined benefit obligation	2,204,402	1,086,744
Fair value of plan assets	0	0
Net liability / (asset)	2,204,402	1,086,744
Effect of asset ceiling / onerous liabilities	0	0
Liability / (asset) recognised in the balance sheet	2,204,402	1,086,744
Of which short term defined benefit obligation at end of the year	718435	304096

III. Expense recognized during the year (under the head "Payments to and Provisions for Employees").

Particulars	Gratuity (Unfunded)	
	2017-2018	2016-2017
Current Service Cost	499,284	519,313
Past Service Cost	12,654	-
Interest Cost	68,700	172,737
Defined benefit cost included in Statement of profit and loss	580,638	692,050
Remeasurements of the net defined benefit plans-Actuarial (gains)/losses on obligations	641,217	(1,864,809)
Defined benefit cost included in Other Comprehensive Income	641,217	(1,864,809)
Total defined benefit recognized in Statement of profit & loss and Other Comprehensive Income	1,221,855	(1,172,759)

IV. Actuarial Assumption

Particulars	Gratuity (Unfunded)	
	2017-2018	2016-2017
Mortality Table (LIC)	LIC 1994-96 Mortality Table	LIC 1994-96 Mortality Table
Discount rate (per annum)	7.85%	7.35%
Rate of escalation in salary (per annum)	7.00%	7.00%

Sensitivity of the defined benefit obligation

The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	-4.27%	4.73%	-3.77%	4.11%
Rate of increase in salaries (50bps movement)	4.74%	-4.32%	3.11%	-3.33%

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The Company's philosophy is to not to externally fund these liabilities but instead create an accounting provisions in its books of accounts and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Company.

The expected contribution payable to the plan next year is therefore Nil.

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
31 March 2018	7,18,435	36,723	1,78,501	5,795,429	6,729,088
31 March 2017	3,04,096	1,69,364	74,668	1,997,293	2,545,421

The weighted average duration to the payment of these cash flows is 8.98 years (31 March 2017 : 7.87 years)

Note 19: BORROWINGS	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Secured			
<u>Loans repayable on demand from banks:</u>			
Working Capital Loan	72,621,057	64,085,901	65,010,266
Loan from related parties	2,765,486	-	
Nature of Security :			
1. The wokring capital loan from G.P. Parsik Bank is secured against hypothecation of stocks, book debts and Plant & Machinery of the compnay.			
2. Collaterally secured by simple mortgage of lands and buildings located at B-4 and B-5 MIDC industrial Area, Murbad,Dist. Thane			
3. Also personally guaranteed by 3 directors and CFO of the company .			
Total	75,386,543	64,085,901	65,010,266

Note 20: TRADE PAYABLES	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Due to Micro and Small Enterprises *	-	-	
Others	37,435,345	51,480,012	37,119,968
* Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2018			
Total	37,435,345	51,480,012	37,119,968

Note 21: OTHER FINANCIAL LIABILITIES	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Current maturities of long-term debts (refer note no 17)	685,911	325,048	294,241
Security deposits	408,841	447,120	582,586
Other accrued expenses to others	704,488	348,475	373,294
to related parties (refer note no.37)	-	33,000	11,290
Total	1,799,240	1,153,643	1,261,411

Note 22: OTHER CURRENT LIABILITIES			
Statutory Liabilities	949,620	1,159,868	1,229,248
Advance from Customers	717,495	104,895	180,589
Advance against sale of fixed assets	-	6,000,000	-
Total	1,667,115	7,264,763	1,409,837

Note 23: CURRENT PROVISION			
Provision for employee benefits	718,435	304,096	56,165
Total	718,435	304,096	56,165

Note 24: CURRENT TAX LIABILITIES (net)			
Provision for Taxation (net of taxes paid)	536,371	516,371	533,407
Total	536,371	516,371	533,407

(Amount in ₹)

Particulars	2017-2018	2016-2017
Note 25: REVENUE FROM OPERATION		
Sale of Products :		
Fabrics:		
Grey Fabrics	59,594,994	92,111,130
Finished Fabrics*	70,367,801	17,283,091
Goods traded in:		
Grey Fabrics	-	-
Finished Fabrics	194,973,725	163,117,624
	324,936,521	272,511,845
Sale of Services :		
Job charges	7,662,327	7,830,108
Other operating revenue		
Scrap Sale	32,544	137,835
Export incentives	83,978	62,149
Total	332,715,370	280,541,937

(Amount in ₹)

Particulars	2017-2018	2016-2017
* Finished Fabrics		
Local	62,182,069	16,165,335
Export	8,185,732	1,117,756

Note 26: OTHER INCOME		
Rent	115,521	-
Dividend	60,000	37,519
Profit on sale of fixed assets	9,623,687	-
Interest	1,144,308	738,779
Net foreign exchange loss(gain)	185,251	-
Provision for doubtful trade receivables	66,894	-
Total	11,195,661	776,298

Note 27: COST OF MATERIALS CONSUMED		
Yarn	56,756,583	70,739,798
Total	56,756,583	70,739,798

Note 28: PURCHASES OF STOCK IN TRADE		
Grey Fabrics	16,428,807	1,495,264
Finished Fabrics	195,253,237	166,047,406
Total	211,682,044	167,542,670

Note 29: CHANGES IN INVENTORIES		
Opening Stock:		
Finished Goods	80,680,574	66,848,990
Stock in process	3,248,700	3,132,000
Closing Stock:		
Finished Goods	82,733,106	80,680,574
Stock in process	6,199,200	3,248,700
Total	(5,003,032)	(13,948,284)

Note 30: EMPLOYEE BENEFIT EXPENSE		
Salaries and Wages	21,817,389	15,453,793
Contribution to Provident and Other Funds	723,895	832,008
Total	22,541,284	16,285,801

(Amount in ₹)

Particulars	2017-2018	2016-2017
Note 31:FINANCE COST		
Interest expense on		
Term Loans		
Working Capital Loans	7,145,516	7,055,105
Delayed payment interest	6,014	6,354
Others	2,496,012	2,107,318
Total	9,647,542	9,168,777

Note 32:OTHER EXPENSES		
A) Manufacturing Expenses		
Job charges	3,411,429	5,344,861
Beam Making and mending charges	1,714,649	1,475,755
Dyeing charges	12,945,978	2,663,157
Packing charges	1,233,237	224,395
Warping charges	283,914	842,026
Power and fuel (refer note 37)	4,357,010	4,067,778
Water expenses	218,104	149,444
Stores and spares consumed	2,635,577	1,841,148
Inward Transportation & Fright	695,666	684,512
Repairs and maintenance :		
Building	390,573	11,486
Machine	954,005	767,696
Others	280,458	202,409
Total- (A)	29,120,600	18,274,667
B) Administrative and General Expenses		
Printing and stationery	225,140	354,695
Postage, telegrams and telephones	182,649	367,534
Rent (refer note no. 37)	1,030,500	397,229
Rates and taxes	86,763	41,331
Insurance	146,968	211,305
Auditors remuneration (refer note no. 35)	100,000	312,800
Bank commission/charges	61,600	13,718
Security charges	495,000	502,961
Electricity expenses	176,482	42,590
Legal and professional charges	1,063,739	778,325
Computer and software expenses	34,691	-
Donation	196,000	183,000

(Amount in ₹)

Particulars	2017-2018	2016-2017
General Expenses	986,070	648,540
Listing fees	287,500	365,173
Provision for doubtful trade receivables	-	358,830
Loss on sale of fixed assets	-	273,559
Travelling and conveyance	1,360,794	657,052
Office expenses	1,008,742	871,364
Sundry balance written off	203,255	-
Prior period items	-	-
Total- (B)	7,645,893	6,380,007
C) Selling and Distribution Expenses		
Sales Promotion Expenses	2,120,700	459,798
Export expenses	77,425	102,784
Net foreign exchange loss(gain)	-	20,750
Transportaion & Fright	360,750	-
Brokerage and commission	250,831	318,977
Total- (C)	2,809,706	902,309
Total (A+B+C)	39,576,200	25,556,983

Note 33: Earning Per Equity Share	UNIT	2017-2018	2016-2017
Weighted average number of Equity Shares	Numbers	130631000	130,631,000
Nominal Value of a Share	₹	1	1.00
Profit/ (Loss) for the year	₹	(1,393,858)	(1,189,274)
Basic and Diluted Earning Per Share	₹	(0.011)	(0.009)

Note 34 : Contingent liabilities and commitments:**(a) Contingent liabilities not provided:**

	UNIT	2017-2018	2016-2017	2015-2016
(i) Penalty levied by SEBI for delay in submission of certain information to BSE	₹	170,000	170,000	170,000
(ii) Disputed income tax matters in appeal	₹	-	-	-
(iii) Undertaking given under EPCG Scheme for fullfilment of export obligation	₹ in lacs	150.85	150.85	150.85
(iv) Principal and Interest due on Electricity charges due to non - receipt of subsidy from MSEDCL of earlier years	₹	4,804,616	4,804,616	4,804,616

(b) Commitments:

(i) Uncalled money payable for residential flat to the developers	₹	1,422,500	1,422,500	1,422,500
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Note 35 :PAYMENT TO AUDITORS	2017-2018	2016-2017
Audit Fees	100000	201,250
Tax Audit Fees	0	59,800
Taxation Matters	0	34,500
Certification	0	17,250
	100,000	312,800

Note 36 : The management is of view that as per Ind AS 36, no impairment loss is required to be recognised, as the present values of assets are higher than the carrying amount of such assets.

Note 37: Related Party Disclosure

Related party disclosures as required by Ind AS -24 " Related Party Disclosures" are given below :

(a) Key Management Personnel and their relatives :

Key Management

Shri Pradeep Kumar Sureka

Shri Narendra Kumar Sureka

Relatives

Smt. Geetadevi Sureka (Mother of Key management personnel)

Archit Sureka (Son of Key management personnel)

Urmiladevi Sureka (Wife of Key management personnel)

(b) Transactions during the year and balances outstanding as at year end with the related parties are as follows:

Particulars	Volume of the transaction(₹)		Balance as on (₹)	
	2017-2018	2016-2017	2017-2018	2016-2017
Remuneration /Payables				
Shri Pradeep Kumar Sureka	775,000	600,000	-	31,200
Shri Narendra Kumar Sureka	775,000	600,000	-	36,200
Rent paid /Payables				
Smt. Geetadevi Sureka	130,500	174,000	-	-
Salary Paid				
Archit Sureka	420,000	396,000	35,000	33,000
Loan taken / (repayments made)/ Payables				
Shri Pradeep Kumar Sureka	8,235,245	8,350,145	2,063,024	2,148,869
	(8,149,400)	(9,329,026)		
	1,944,240	100,000	591,290	1,079,296
	(1,456,234)	(1,081,330)		
Amount received against personal expenses				
Shri Pradeep Kumar Sureka	-	-	-	-
Shri Narendra Kumar Sureka	-	-	-	115,080
Electricity Charges				
Shri Pradeep Kumar Sureka				
Shri Narendra Kumar Sureka				
	Refer note no.43			

Note:

- 1) Related party relationship is identified by the Company and relied upon by the auditors.
- 2) Figure in the brackets pertains to perious year.
- 3) Personal guarantee of the Narendra kumar Sureka, Pradeepkumar Sureka and Smt. Urmiladevi Sureka has been provided for the facilities sanctioned to the Company- Refer Note 19.

Compensation of Key management personnel	31.03.2018	31.03.2017
Short-term benefits	1,550,000	1,200,000
Post employment benefits *	-	-
	1,550,000	1,200,000

* Remuneration does not include gratuity as employee wise break up is not available.

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Note 38: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total borrowings less cash & cash equivalents, bank deposit (including earmarked balances) and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

(Amount in ₹)

	2017-18	2016-17	2015-16
Equity share capital	131,792,500	131,792,500	131,792,500
Other equity	(8,696,479)	(6,931,540)	(6,977,273)
Total Equity (A)	123,096,021	124,860,960	124,815,227
Non-current borrowings	1,400,076	3,368,606	5,265,617
Short term borrowings	75,386,543	64,085,901	65,010,266
Current maturities of long term borrowing	685,911	325,048	294,241
Gross Debt (B)	77,472,530	67,779,555	70,570,124
Total Capital (A+B)	200,568,551	192,640,515	195,385,351
Gross Debt as above	77,472,530	67,779,555	70,570,124
Less: Current investments	-	-	-
Less: Cash and cash equivalents	201,106	477,662.13	1,318,969.78
Less: Other balances with bank (including earmarked balances)	1,037,491	995,784	995,784
Net Debt (C)	76,233,933	66,306,109	68,255,370
Net debt to equity	0.62	0.53	0.55

Note 39: Financial Instruments and Risk Review**A). Financial Instruments****Fair value measurement hierarchy**

The fair value of financial instruments as below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows

Level 1: Quoted prices (unadjusted) in active markets: This level of hierarchy includes financial assets or liabilities that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

Level 2: Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Valuation techniques with significant unobservable inputs: This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables presents the carrying value and Fair value measurement hierarchy of each category of financial assets and liabilities

(Amount in ₹)

	31.03.2018		31.03.2017		31.03.2016	
	Carrying Amount	Level 1	Carrying Amount	Level 1	Carrying Amount	Level 1
Financial Assets						
Financial assets measured at fair value through profit and loss						
Investments (refer note 5)	500,000	-	500,000	-	500,000	-
Financial assets measured at amortised cost						
Trade receivables	64,868,529	-	98,370,445	-	88,124,579	-
Cash and cash equivalents	201,106	-	477,662	-	1,318,970	-
Loans	621,165	-	621,165	-	621,165	-
Other financial assets	1,804,823	-	1,719,976	-	1,699,940	-
	67,495,622	-	101,189,249	-	91,764,654	-
Financial Liabilities						
Financial liabilities measured at amortised cost						
Borrowings	76,786,619	-	67,454,507	-	70,275,883	-
Trade payables	37,435,345	-	51,480,012	-	37,119,968	-
Other financial liabilities	1,799,240	-	1,153,643	-	1,261,411	-
	116,021,204	-	120,088,162	-	108,657,262	-

There have been no financial assets and financial liabilities which has been fair valued under level 1,2 and 3 categories therefore no details for the same given in the table above.

Valuation

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

B). Financial Risk Management Framework

The Company's business activities are exposed to a variety of financial risks, namely credit risk, liquidity risk and market risk (currency risk and interest rate risk). The Company's management and the Board of Directors has the overall responsibility for establishing and governing the Company's risk management framework. The Board of Directors which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee and Board of Directors of the Company.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Financial instruments that are subject to credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material credit risk.

Trade Receivable: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract.

Expected credit loss assessment

This Company makes provision for expected credit losses on trade receivable using provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting period.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	(Amount in ₹)	
	31 March 2018	31 March 2017
Balance as at beginning of the year	871,572	512,742
Impairment loss recognised	-	358,830
Provisions written-back during the year	(66,894)	-
Balance as at end of the year	804,678	871,572

Management believes that the unimpaired amounts that are past due by more than 365 days are fully collectible, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers credit ratings, of that are available.

Credit risk on cash and cash equivalents, other bank balances with bank is limited as the Company generally invest in deposits with banks. Investments primarily include investment in liquid mutual fund units.

The Company's maximum exposure to credit risk as at 31st March, 2018, 2017 and 1st April, 2016 is the carrying value of each class of financial assets

ii). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities. Cash flows in foreign currencies are translated using the period end spot rates.

(Amount in ₹)

Particulars	Carring Value	31.03.2018		
		0-1 years	1-3 years	above 3 years
Borrowings	77472529.68	75923741.55	1298440.74	250347.39
Trade payables	37435345.25	37435345.25	0.00	0.00
Other financial liabilities	1113328.78	1113328.78	0.00	0.00
Total	116021203.71	114472415.58	1298440.74	250347.39

Particulars	Carring Value	31.03.2017		
		0-1 years	1-3 years	above 3 years
Borrowings	67779554.72	64410948.72	3368606.00	0.00
Trade payables	51480012.00	51480012.00	0.00	0.00
Other financial liabilities	828595.00	828595.00	0.00	0.00
Total	120088161.72	116719555.72	3368606.00	0.00

Particulars	Carring Value	31.03.2016		
		0-1 years	1-3 years	above 3 years
Borrowings	70570124.07	65304507.67	5265616.40	0.00
Trade payables	37119968.00	37119968.00	0.00	0.00
Other financial liabilities	967170.00	967170.00	0.00	0.00
Total	108657262.07	103391645.67	5265616.40	0.00

iii) Market Risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a). Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue. As at 31st March, 2018, the net unhedged exposure to the Company on holding assets (trade receivables) other than in their functional currency is as under.

The Company is exposed to foreign exchange risk arising from US Dollar.

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
	US \$	Amount in ₹	US \$	Amount in ₹	US \$	Amount in ₹
Receivables	128,697	8,370,983	1,188	79,821	-	-
unhedged exposure	128,697	8,370,983	1,188	79,821	-	-

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net unhedged exposure

	(Amount in ₹)	
	31.03.2018	31.03.2017
1% Depreciation in INR		
Impact on Statement of profit and loss	83,710	798
1% Appreciation in INR		
Impact on Statement of profit and loss	(83,710)	(798)

b). Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to borrowing obligations.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows.

	(Amount in ₹)		
	31.03.2018	31.03.2017	31.03.2016
Long term borrowing-fixed rate instruments	2,085,987	497,779	792,021
Short term borrowing-floating rate instruments	72,621,057	64,085,901	65,010,266
	74,707,044	64,583,680	65,802,287

Impact on Interest Expenses for the year on 1% change in Interest rate

	(Amount in ₹)	
	31.03.2018	31.03.2017
1% Increase in interest rates		
Impact on Statement of profit and loss	(726,211)	(640,859)
1% Decrease in interest rates		
Impact on Statement of profit and loss	726,211	640,859

Note 40 :

The company operates in a single segment i.e. textile having the same risk and return. Hence reporting as per Indian Accounting Standard (Ind AS) 108 "Operating Segments" is not applicable.

Note 41: Leases :

The company has taken industrial gala under operating lease or on leave and license basis. These is generally not non-cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has given refundable interest free security deposit in accordance with the agreed terms. The rent paid in accordance with these agreement is debited to the statement of profit and loss for the year.

The company has given industrial gala under operating lease or on leave and license basis. These is generally not non-cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has taken refundable interest free security deposit in accordance with the agreed terms. The rent received in accordance with these agreement is credited to the statement of profit and loss for the year.

Note 42: Income Tax Matters

The income tax assessments of the company have been completed upto assessment Year 2015-2016.

Note 43: During an earlier year , a Memorandum of Understanding (MOU) was entered between the company and its two directors. As per the terms of MOU , the company will use the power supplied by the meters standing in the name of such directors and makes payment of electricity bills directly to the power supply company.

Note 44: Disclosure under section 186(4) of the Companies Act, 2013

The required details of the investments made during the year and investments outstanding as on 31.03.2018 are given in note 5 to the financial statements.

Note 45 : First time adoption of Indian Accounting Standards (Ind AS)**A. Transition to Ind AS:**

"For the purposes of reporting as set out in Note 2.1(A), the Company has transitioned the basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening IndAS balance sheet at 1 April 2016 (the "transition date"). In preparing opening Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the financial performance, cash flows and financial position is explained in this note."

B. Mandatory exceptions to retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

i) Estimates

On assessment of estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under IGAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

ii) Classification and measurement of financial assets/liabilities

The classification of financial assets to be measured at amortised cost or fair value through profit & loss is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

C. Optional exemptions from retrospective application

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Companies adopting Ind AS

for the first time to take certain exemptions from the full retrospective application of Ind AS during the transition. The Company has accordingly on transition to Ind AS availed the following key exemptions:

- i) Deemed cost for property, plant and equipment

The Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

- D. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- i) Reconciliation of Equity as at 1st April, 2016 and 31st March, 2017
 ii) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017
 iii) Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

- i) Reconciliation of Equity as at 1st April, 2016 and 31st March, 2017

(Amount in ₹)

Particulars	Ref No.	As at 31.03.2017 -IGAAP	Ind AS	As at 31.03.2017	As at 01.04.2016-I GAAP	Ind AS	As at 01.04.2016
ASSETS							
Non-current assets							
Property, Plant and Equipment		22652428.08	0.00	22652428.08	30108152.69	0.00	30108152.69
Intangible assets		0.00	0.00	0.00	0.00	0.00	0.00
Investment Property		1095989.00	0.00	1095989.00	1095989.00	0.00	1095989.00
Financial Assets		0.00	0.00	0.00	0.00	0.00	0.00
(i) Investments		500000.00	0.00	500000.00	500000.00	0.00	500000.00
(ii) Loans		621165.00	0.00	621165.00	621165.00	0.00	621165.00
(iii) Others		995784.00	0.00	995784.00	995784.00	0.00	995784.00
Deferred tax assets (net)	4	9921708.00	259338.00	10181046.00	10256931.00	28490.00	10285421.00
Other non-current assets		84787.50	0.00	84787.50	84787.50	0.00	84787.50
Current assets							
Inventories		112441624.00	0.00	112441624.00	97981444.00	0.00	97981444.00
Financial Assets		0.00	0.00	0.00	0.00	0.00	0.00
(i) Trade receivables	1	99242016.98	(871572.00)	98370444.98	88637321.00	(512742.00)	88124579.00
(ii) Cash and cash equivalents		477662.13	0.00	477662.13	1318969.78	0.00	1318969.78
(iii) Other financial assets		724192.43	0.00	724192.43	704156.43	0.00	704156.43
Other current assets		5686277.00	0.00	5686277.00	5842114.00	0.00	5842114.00
TOTAL		254443634.12	(612234.00)	253831400.12	238146814.40	(484252.00)	237662562.40
Equity							
Equity Share capital		131792500.00	0.00	131792500.00	131792500.00	0.00	131792500.00
Other Equity		(6351595.60)	(579944.00)	(6931539.60)	(6913559.67)	(63713.00)	(6977272.67)

(Amount in ₹)

Particulars	Ref No.	As at 31.03.2017 -IGAAP	Ind AS	As at 31.03.2017	As at 01.04.2016-I GAAP	Ind AS	As at 01.04.2016
LIABILITIES							
Non-current liabilities							
Financial Liabilities							
(i) Borrowings	2	3400896.00	(32290.00)	3368606.00	5686155.70	(420539.00)	5265616.70
Provisions		797048.00	0.00	797048.00	2190664.00	0.00	2190664.00
Current liabilities							
Financial Liabilities							
(i) Borrowings		64085900.72	0.00	64085900.72	65010266.37	0.00	65010266.37
(ii) Trade payables		51480012.00	0.00	51480012.00	37119968.00	0.00	37119968.00
(iii) Other financial liabilities		1153643.00	0.00	1153643.00	1261411.00	0.00	1261411.00
Other current liabilities		7264763.00	0.00	7264763.00	1409837.00	0.00	1409837.00
Provisions		304096.00	0.00	304096.00	56165.00	0.00	56165.00
Current Tax Liabilities (Net)		516371.00	0.00	516371.00	533407.00	0.00	533407.00
TOTAL		254443634.12	(612234.00)	253831400.12	238146814.40	(484252.00)	237662562.40

(Amount in ₹)

Particulars	Ref. No	For the year ended 31.03.2017-I GAAP	Ind AS	For the year ended 31.03.2017
Revenue from operations		280541936.73	0.00	280541936.73
Other income		776297.75	0.00	776297.75
Total Revenue		281318234.48	0.00	281318234.48
Expenses:				
Cost of materials consumed		70739798.00	0.00	70739798.00
Purchases of Stock-in-Trade		167542670.00	0.00	167542670.00
Changes in inventories		(13948284.00)	0.00	-13948284.00
Employee benefits expense	3	14498526.00	1787275.00	16285801.00
Finance costs	2	8780528.00	388249.00	9168777.00
Depreciation and amortization expense		7398452.30	0.00	7398452.30
Other expenses	1	25198152.86	358830.00	25556982.86
Total expenses		280209843.16	2534354.00	282744197.16
Profit before exceptional items and tax		1108391.33	(2534354.00)	(1425962.67)
Exceptional items:				
Profit before tax		1,108,391.33	(2534354.00)	(1425962.67)

(Amount in ₹)

Particulars	Ref. No	For the year ended 31.03.2017-I GAAP	Ind AS	For the year ended 31.03.2017
Tax expense:				
(1) Current tax		211,204	-	211,204
(2) Deferred tax	4	335,223	(783,116)	(447,893)
		546,427	(783,116)	(236,689)
Profit after tax for the year		561,964	(1,751,238)	(1,189,274)
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Items that will not be reclassified to profit or loss				
3 Remeasurement of post employment benefit obligations		-	1,787,275	1,787,275
4 Income tax relating to above item		-	552,268	552,268
Total other Comprehensive Income		-	1,235,007	1,235,007
Total Comprehensive Income for the period		561,964	(516,231)	45,733

1 Trade receivables

The Company has valued trade receivables at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss.

2 Borrowings

In accordance with Ind AS 109 "Financial Instruments", transaction costs on borrowing are required to be considered as effective finance costs and recognised in the statement of profit and loss using the effective interest rate. Consequently, transaction costs recognised directly in equity or amortised using a different approach under the Previous GAAP has been reversed and are now recognised through the statement of profit and loss using the effective interest rate.

3 Employee benefits & Other comprehensive Income

In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the Previous GAAP.

Under Ind AS, all items of income and expense recognised during the year are included in the profit or loss for the year, unless Ind AS requires or permits otherwise. Items that are not recognised in profit or loss but are shown in the statement of profit and loss as other comprehensive income include re-measurement gains or losses on defined benefit plans. The concept of other comprehensive Income did not exist under the Previous GAAP.

4 Deferred Taxes

In accordance with Ind AS 12, "Income Taxes", the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach. The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re-

measurement changes.

iii) Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Note 46: The Company has reclassified previous year figures to conform to this year's classification.

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
(Firm Registration no. 106247W)

Pradip Mehta
Partner
Membership no. 035447

Mumbai, 30th May'2018

For and on behalf of the Board of
Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN 01963265

Archit Sureka
Chief Financial Officer

Pradeep Kumar Sureka
Whole Time Director
DIN 01632706

Mamta Jain
Company Secretary

Mumbai, 30th May'2018

TUNI TEXTILE MILLS LIMITED

CIN: L17120MH1987PLC043996

Regd. Office : 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002

Tel : +91 22 2201 4577, Email : info@tunitextiles.com; Website : www.tunitextiles.com

Form No. MGT – 11, PROXY FORM / BALLOT FORM

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2014)

Name of the Member _____

Registered Address _____

Folio No. / DP/Client ID _____ Email Id _____

I/We being the members of _____ Shares of Tuni Textile Mills Ltd., hereby appoint -

1. _____
having email Id _____ Signature _____ or failing him
2. _____
having email Id _____ Signature _____ or failing him
3. _____
having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held at Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049 on Tuesday, 25th September 2018 at 2.30 P.M. and at any adjournment thereof in respect of such resolution(s) as are indicated below :

Ordinary Business :		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2018		
2.	Re-appointment of Mrs. Urmila Devi Sureka, Director, who retires by rotation, eligible, offers himself for re-appointment		
3.	Ratification of Appointment of M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W) as Auditors and to fix their remuneration.		
Special Business :			
4.	Appointment of Mr. Alakh Vijaykant Deora as Independent Director for the period of 5 years		
5.	Appointment of Mr. Mahendra Shyambihar Agarwal as Independent Director for the period of 5 years		
6.	Appointment of Mr. Narendra Kr. Sureka as Managing Director for the period of 3 years		

Affix
Revenue
Stamp
₹ 1/-

Signed this _____ day of _____ 2018

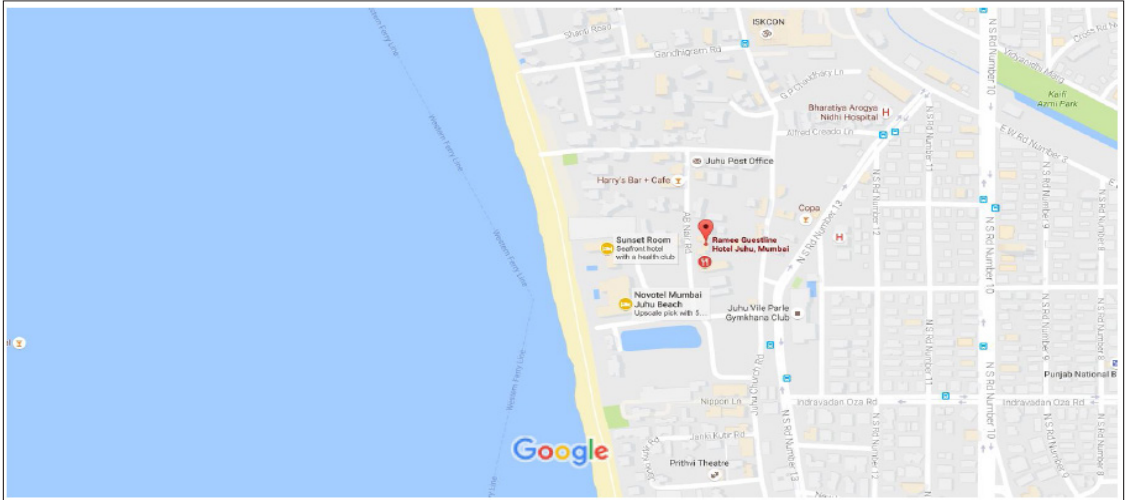
Sign. of Shareholder _____ Sign. of Proxy _____

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. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31st Annual General Meeting.

Route Map

Location Plan of Registered Office (Venue of AGM) of M/s. Tuni Textile Mills Limited



TUNI TEXTILE MILLS LIMITED

CIN: L17120MH1987PLC043996

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ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID		
	Name and Address of the Shareholder	

- I hereby record my presence at the 31st Annual General Meeting of the Company, to be held on Tuesday, 25th September 2018 at 2.30 P.M. at Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049 and at any adjournment thereof.
- Signature of the Shareholder/Proxy Present
- Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
- Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**ELECTRONIC VOTING PARTICULARS**

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
- Please read the Instructions printed under the Item No. 29 to the Notice dated 30th May 2018 of the 31st Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 22.09.2018 and ends at 5.00 P.M. on 24.09.2018, the e-voting module shall be disabled by CDSL for voting thereafter.

No gift of any nature will be distributed at the Annual General Meeting

TUNI TEXTILE MILLS LIMITED

CIN: L17120MH1987PLC043996

Regd. Office : 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002

Tel : +91 22 2201 4577, Email : info@tunitextiles.com; Website : www.tunitextiles.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No.	:		
PAN No.	:		
E-mail ID	:		
Telephone Nos. with STD Code	:	+91	
Name and Signatures	:	1.	
		2.	
		3.	

Thanking you,

For Tuni Textile Mills Limited

S/d-

Mamta Jain

Company Secretary & Compliance Officer

If undelivered please return to :
TUNI TEXTILE MILLS LIMITED
63/71, Dadiseth Agiyari Lane, 3rd Floor, Mumbai-400 002.