

MOHITE INDUSTRIES LTD.



Dt.06.09.2019

To,
Manager - Corporate Relationship Dept.
BSE Limited Phiroze Jeejeebhoy Towers
Dalal Street Mumbai- 400001

Dear Sir,

Code -532140

Ref. Reg 34 of the Listing Regulations 2015
Sub. Annual Report 2019+

We are submitting herewith the Notice of AGM 2019 and Annual Report 2019
Please take it on records.

For Mohite Industries Limited

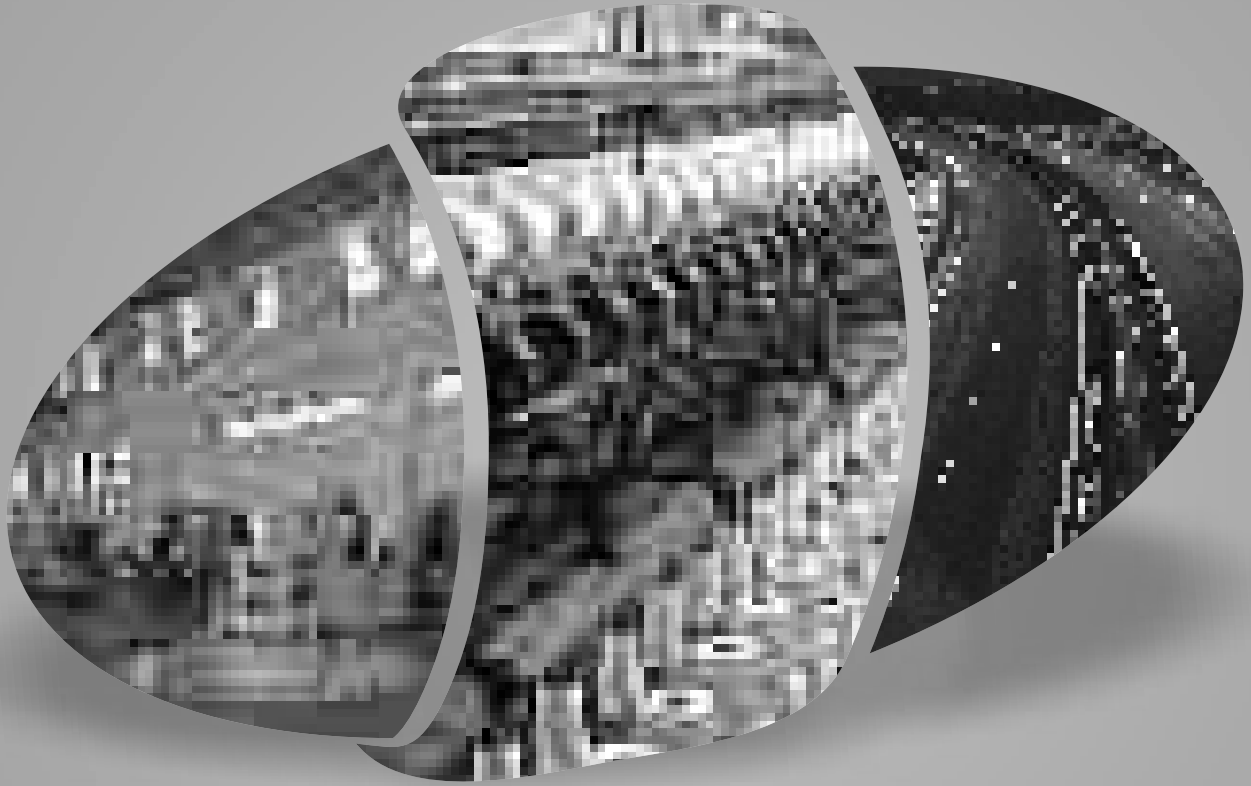

Ashwini Kalekar
Company Secretary





SHIVAJI MOHITE
GROUP

MOHITE INDUSTRIES LTD.



2018-19

28th ANNUAL REPORT

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BOARD OF DIRECTORS

| | |
|-------------------------------------|------------------------------------|
| Mr. Shivaji R. Mohite | Managing Director |
| Mrs. Monika S. Mohite | Joint Managing Director |
| Mr. Abhay S. Bhide | Wholetime/Executive Director & CEO |
| Mr. Vijay M. Nawandhar | Independent Director |
| Mr. Ranjeet D. Patil | Independent Director |
| Mr. Sangramsinh S. Nimbalkar | Independent Director |
| (Resigned on 14/01/2019) | |
| Mr. Shankar H. Patil | Independent Director |

SPINNING UNIT &
REGISTERED OFFICE
R.S.No. 347, Ambapwadi Phata,
NH - 4, Vadgaon,
Tal - Hatkanangale,
Dist.- Kolhapur INDIA 416112
web - www.mohite.com
Fax - +91 230 2471229
email - mohitex@bsnl.in
Phone - +91 230 2471230 to 33

HYDRO-ELECTRIC
POWER PROJECT
Radhanagari Hydro
Power Project
Radhanagari Dam foot ,
A/p-Fejiwade,
Tal- Radhanagari
Dist - Kolhapur.

BANKERS
Bank of Baroda,
Shahupuri, Kolhapur

AUDITOR
Prashant Hirawdekar & Associates
Chartered Accountants,
Kolhapur

INTERNAL AUDITORS
N. M. Pathan & Co.
Chartered Accountants,
Kolhapur

COST AUDITOR
Mr. Sudhakar V. Vhatte
Cost & Management
Accountant, Solapur

SECRETARIAL AUDITOR
Mr. Dilip D. Pange
Company Secretary
in Practice, Kolhapur

CHIEF FINANCE OFFICER
Priyanka Abhijit Patil

COMPANY SECRETARY
CS Ashvini Prataprao Kalekar

DIRECTOR'S REPORT

Dear Shareholders,

Your Director's have pleasure in presenting the 28th Annual Report of the Company along with the Audited Financial Statements and Auditor's report for the year ended 31st March, 2019.

1. FINANCIAL RESULTS :

(₹ In Lakhs)

| Particulars | For the year ended on 31 st March 19 (Standalone) | For the year ended on 31 st March 19 (Consolidated) | For the year ended on 31 st March 18 |
|---|--|--|---|
| Income from Operations | | | |
| a) Revenue from Business Operations | 11649.85 | 11649.85 | 10319.48 |
| b) Other Income | 11.03 | 11.03 | 6.03 |
| Total Income from Operation | 11660.88 | 11660.88 | 10325.51 |
| Profit Before Finance costs, Depreciation , Tax | 1988.91 | 1988.62 | 1741.11 |
| Less : Finance Costs | 1059.58 | 1059.58 | 905.33 |
| Profit before Depreciation, Tax | 929.32 | 929.04 | 835.78 |
| Less : Depreciation | 727.50 | 727.50 | 719.03 |
| Profit before Tax | 201.82 | 201.54 | 116.75 |
| Less - Current Tax | 42.50 | 42.50 | 21.50 |
| Less - Previous year adjustment of Tax | - | - | - |
| Less -Deferred Tax | (53.81) | (53.81) | (41.72) |
| Profit/ (Loss) for the period from continuing operations | 213.13 | 212.85 | 136.97 |
| Other Comprehensive Income Net of Tax | - | - | - |
| Total Comprehensive Income After Tax | 213.13 | 212.85 | 136.97 |
| Amount Transferred to General Reserve | - | - | - |
| Balance of Profit Brought Forward | - | - | - |
| Short Provision of Income Tax | - | - | - |
| Depreciation Reversal | - | - | - |
| Balance carried to Balance Sheet | 6872.59 | 6872.30 | 6659.45 |
| Earning per share (Basic)/ (Diluted) | 1.06 | 1.06 | 1.69 |

Performance Review-

During the Financial year under review the Company has achieved Revenue of ₹11649.85 Lakhs and that for previous year was ₹10319.48 Lakhs. The Company incurs net Profit (after tax) of ₹ 213.13 Lakhs during the year and that for previous year there was net loss (after tax) of ₹136.97 Lakhs.

Further last quarter of financial year 2018-19, the company acquired subsidiary i.e. Solitaire Constructions Private Limited and company hereby presenting first Consolidated Financials as on 31st March 2019 after acquisition. The Consolidated performance also presented above.

The performance of the company and state of affairs has been comprehensively covered in the management discussion and analysis report.

2. DIVIDEND

The Board of Directors do not recommend the payment of dividend for the financial year 2018-19.

3. TRANSFER TO RESERVES

There is no any amount transferred to any reserve during the year under consideration.

4. DIRECTORS & KMP

The Board of directors is duly constituted the detailed composition of which is given in Corporate Governance Report forming part of this report. In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Director Mr. Shivaji Ramchandra Mohite (DIN: 00425441), retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends for her re-appointment.

Mr. Abhay S. Bhide (DIN:05307473) was reappointed as Wholetime Director of the Company for next five years with effect from 01st October,2018 during the year.

Mr. Sangramsinh S. Nimbalkar (DIN 00508548), Non-Executive & Independent Director of the Company has resigned during the year under consideration w.e. f 14th January 2019 and even after his resignation the constitution of the Board of Director remained as required by law hence casual vacancy was not filled.

The Board has reappointed Mr. Shivaji Ramchandra Mohite (DIN: 00425441) as Managing Director of the Company and Mrs. Monika Shivaji Mohite (DIN: 00425614) as Joint Managing Director of the Company for a period of five years with effect from 1st October, 2019 and recommended their reappointment for shareholders approval in forthcoming annual general meeting.

Mr. Shreyas S. Alatar, Chief finance officer of the Company resigned during the year. Casual Vacancy caused thereby was filled by appointment of Priyanka Abhijit Patil as Chief Finance officer of the Company w.e.f. 29th March 2019

Besides above there are no any other changes in composition of the Board.

5. COMMITTEES OF THE BOARD

There are five Committees of the Board and there was change in composition of any Committee during the year.

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

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

6. AUDIT COMMITTEE

The Company has duly constituted Audit Committee. The details as to composition and functioning of the committee are provided in the Report on Corporate Governance. All recommendations made by Audit committee were accepted by the Board during year under consideration.

7. MEETINGS OF THE BOARD

The Board met seven times during the year, the details of which are given in the Report on Corporate Governance. All meetings are duly convened.

8. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013 the Board hereby submit its responsibility Statement :-

- (a) in the preparation of the annual accounts for FY 2018-19, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2018-19 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. ANNUAL PERFORMANCE EVALUATION

Pursuant to the governing provisions of the Companies Act, 2013, the Listing Regulations and Guidance Note on Board Evaluation issued by SEBI, a formal annual evaluation was carried out by the Board of its own performance and that of its Committees and the performance of Individual Directors. During the year under review, one meeting of the Independent Directors of the Company was held, without the presence of Non-Independent Directors, Managing Director and

management representatives, wherein the performance of Non-Independent Directors, Chairman), Managing Director and the Board of Directors as a whole was reviewed. The review of performance of the Chairman of the Company was carried out, inter alia, taking into account the views of the Non-Executive Directors and Managing Director. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of the Board, its Committees and Individual Directors was carried out by the entire Board, excluding the director being evaluated, inter alia, taking into account the criteria for evaluation formulated by the Nomination and Remuneration Committee. The Board, its Committees and Directors evaluation provided a formal process of communication in raising issues that might not otherwise be vetted by the Board, with the underlying objectives to develop an action plan to enhance the Board performance, inter alia, by ensuring compliance with the requirements of the Companies Act, 2013 and code of corporate governance as enshrined in the Listing Regulations.

The structured evaluation process was focused on identifying areas of improvement, if any, such as creating balance of power between the Board and management, long term strategy, more effectively fulfilling the Board's oversight responsibilities, the adequacy of committee(s) structures, the assessment of Board culture to ascertain whether the same is conducive to attract right individuals to join the Board and updating the evaluation process itself.

A review of fiduciary duties of the Board, governance policy adopted by the Company and acquaintance and familiarisation of Independent Directors with the Company and its business model, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. and contribution by each director, committees of the Board was also carried out during the process of evaluation. The appraisal of the Managing Director & Chief Executive Officer and his level of engagement in the affairs of the Company was an important component of the Board evaluation.

The final evaluation was thereafter deliberated and assessed taking into account inputs from the Board about evaluation of Individual Directors and various Committees of the Board and suggesting action plan for further enhancing Board performance and plan for next Board, its Committee(s) and individual directors evaluation.

10. PUBLIC DEPOSIT

During the year under review the Company has not accepted any deposit within the meaning of Section 73 and Section 76 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rule 2014.

11. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT 9 is attached to this Report as Annexure I.

12. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on Bombay Stock Exchange Limited, (BSE). The Company has duly paid the listing fees to Bombay Stock Exchange Limited for the Financial Year 2019-20.

13. REMUNERATION POLICY

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee (NRC) has adopted a terms of reference which, inter alia, deals with the criteria for identification of members of the Board of Directors and selection/appointment of the Key Managerial Personnel/Senior Management Personnel of the Company. The NRC recommends appointment of Director/appointment or re-appointment of Managing Director based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed thereunder and Listing Regulations. The NRC, in addition to ensuring diversity of race and gender, also considers the impact the appointee would have on Board's balance of professional experience, background, view points, skills and areas of expertise.

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee has also adopted the Remuneration Policy for the Directors, Key Managerial personnel and Senior Managerial personnel. The guiding principles of the Remuneration Policy are stated in the Report on Corporate Governance, which forms part of the Annual Report.

14. RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives. Additionally, the Audit Committee, Risk Management Committee of Board of Directors assess and monitor regularly the framework for identification, evaluation and prioritization of risks, mechanism to mitigate risks, process that methodically track governance objectives, risk ownership/accountability, compliance with policies and decisions that are set through the governance process, risks to those objectives and services and effectiveness of risk mitigation and controls besides

inherent risks associated with the products/goods dealt with by the Company as well as execution of business. Your Company's approach to address business risks and compliance functions is comprehensive across both the business segments and includes periodic review of such risks and a framework for mitigating and reporting mechanism of such risks. In addition, the policies and procedures have been designed with an intent to ensure safeguarding of Company's assets, the prevention and detection of frauds and errors.

There are no risks which in opinion of the Board threaten the existence of the company. From last few years the board majorly dealing with risk associated with sluggish market which affected the performance of company during concern periods. But the Board tries to overcome it by adopting various active measures like marketing, quality improvement, shifting some extent to fabric manufacturing along with yarn production etc.

The management is committed to ensure effective internal financial controls environment, which provides assurance on the efficiency of Company's business operations coupled with adherence to its established policies, safety/security of its assets besides orderly and legitimate conduct of business in the circumstances, which may reasonably be foreseen. The Company has defined organisation structure, authority levels, delegated powers, internal procedures, rules and guidelines for conducting business transactions. The Company's system and process relating to internal controls and procedures for financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules made thereunder and all other applicable regulatory/statutory guidelines, etc. for disclosures with reference to financial statements.

Your Company's internal control systems are supplemented by an extensive program of internal audit by an independent firm of Chartered Accountants. Internal audits are conducted at regular intervals and a summary of the observations and recommendations of such audits are placed before the Audit Committee. The Internal Auditors as well as the Audit Committee conduct an evaluation of the adequacy and effectiveness of the system of internal financial controls system on an ongoing basis.

The Board has also implemented systems to ensure compliance of all applicable laws to the Company which were effective and operative.

15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

As per provisions of the Companies (Amendment) Act 2017, the company does not incur any Corporate social responsibility liability for FY 2018-19 and also for current FY 2019-20 as it doesn't fulfill the criteria applicable.

But the Company has duly constituted Corporate Social Responsibility (CSR) Committee as provisions relating to same were applicable to company under as per old criteria and company continued with same CSR Committee. The Committee has framed the CSR Policy on Corporate Social Responsibility as per Schedule VII of the Companies Act, 2013 which is disclosed on website of the company under sub-heading Corporate Governance - heading Investor Relations. PARVATI MOHITE FOUNDATION, a Sec. 8 Company, has been incorporated as sole purpose vehicle to undertake CSR activities. But still no CSR activities are undertaken by the Company.

The details as per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 are annexed herewith as Annexure II.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions that were entered into by the Company during the financial year under review were generally on arms' length basis and in the ordinary course of business. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is given in Annexure III, which is attached hereto and forms a part of the Directors' Report. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large. All related party transactions are placed before the meeting(s) of Audit Committee for its approval.

Prior omnibus approval of the Audit Committee is obtained on an annual basis, for a financial year, for the transactions which are of a foreseen and repetitive in nature. The statement giving details of all related party transactions entered into pursuant to the omnibus approval together with relevant documents/information are placed before the Audit Committee for review and updation on quarterly basis. The Company's Policy on materiality of Related Party Transactions and dealing with Related Party Transactions, as approved by the Board of Directors, is uploaded on the Company's website and can be accessed at weblink: http://www.mohite.com/pdf/new_data/Policy%20on%20Dealing%20with%20Related%20Party%20Transactions.pdf

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

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

18. MATERIAL CHANGES AND COMMITMENT OCCURRED DURING THE YEAR UNDER REVIEW AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was no other changes occurred during the year under consideration affecting financial position of the Company.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of Loans, Guarantees and Investments in pursuance to Section 186 of the Companies Act, 2013 have been disclosed in the financial statements read together with Notes annexed to and forming an integral part of the financial statements..

20. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by of the Auditors of the company or by Practicing Company Secretary in their respective Reports.

21. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their declarations to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Mr. Sangramsinh S. Nimbalkar (DIN 00508548) , Non-Executive & Independent Director of the Company has resigned during the year under consideration w.e. f 14th January 2019 due to his personal reason and even after his resignation the constitution of the Board of Director remained as required by law hence casual vacancy was not filled.

The confirmation was given by Mr. Sangramsinh S. Nimbalkar that, there was no any other material reason than is his person reason for resigning from post as Independent Director.

22. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124, 125 of the Companies Act, 2013 there was no any pending unclaimed or unpaid Interim Dividend relating to any previous years due for remittance to Investor Education and Protection Fund (IEPF).

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

There was no order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

During year under consideration Books of Company were inspected under section 206(5) of the Companies Act 2013 and reply to observation submitted in this financial year but still final order is not issued.

24. WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism Policy /Whistle blower Policy to provide mechanism for reporting genuine concerns or grievance. The details of the Vigil Mechanism Policy//Whistle blower Policy is explained in the Report on Corporate Governance and also posted on the website of the Company. We affirm that during the financial year 2018-19, no employee or director was denied access to the Chairman of the Audit Committee.

25. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Secretarial Audit Report received from Shri. Dilip Pange, Practicing Company Secretary, Kolhapur is appended as Annexure IV and forms part of this report. Report is non-qualified. Mr. Dilip Pange, Kolhapur Membership No.6423, CP No.2516, is reappointed as Secretarial Auditor of the company for year 2019-20.

26. INTERNAL AUDIT

The Internal Auditors of the company conducts financial, operational and management audit of various functions and areas. Their reports are placed before the Audit Committee and appropriate actions as deemed fit are initiated based on the reports.

M/S N. M. PATHAN & CO, Chartered Accountants, Kolhapur (proprietor MR. NEEHAL PATHAN, Membership No130017) were appointed as Internal Auditors of the Company for F.Y. 2018-19.

The Board has reappointed M/s. N. M. Pathan & Co, (Proprietor Mr. Neehal Pathan, Membership No.130017) Chartered Accountants, Kolhapur as its Internal Auditor for FY.2019-20.

27. CORPORATE GOVERNANCE

The Company has Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the following have been made a part of the Annual Report and are attached to this report:

- Management Discussion and Analysis Report
- Report on Corporate Governance
- Auditors' Certificate regarding compliance of conditions of Corporate Governance
- Confirmation by CEO as to compliance of Code of Conduct

28. PARTICULARS OF EMPLOYEES REMUNERATION

There is no employee in the company which comes under provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .Details of remuneration paid to all the directors / employees and details of the ratio of remuneration of each Director to the median employee's remuneration is provided in Corporate Governance Report and Annexure-V & VI to this Report.

29. AUDITORS

M/s PRASHANT HIRAWDEKAR & ASSOCIATES, Chartered Accountants, Kolhapur proprietor HIRAWDEKAR PRASHANT SUBHASH (having membership number 133498) was appointed as statutory Auditors of the Company for five years i.e. up to conclusion of thirty first Annual General Meeting of the Company to be held in year 2022,subject to ratification in each succeeding Annual General Meeting . However, after the amendment in Section 139 of the Act, effective 7th May, 2018, ratification by members every year for the appointment of the Statutory Auditors is no longer required. The Company has received eligibility cum consent letter from him expressing his willingness to be continued as Statutory Auditor. He is not disqualified from being appointed as Auditor.

30. COST AUDITORS AND COST RECORDS

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company has appointed Shri. S. V. Vhatte, Cost & Management Accountant, Solapur as Cost Auditors of the Company to conduct audit of cost records maintained by the Company for year 2018-19 at a remuneration of ₹ 75000/- (Rupees Seventy Five Thousand Only) plus taxes and out of pocket expenses. A resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for FY 2019-20 is provided in the Notice of the ensuing Annual General Meeting.

The Cost accounts and records as required to be maintained under Section 148 (1) of Act are duly made and maintained by the Company.

31. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

Your Company has acquired a subsidiary namely Solitaire Constructions Private Limited, belongs to same promoter group as that of your company and the subsidiary company is a non-material non-listed Indian Subsidiary company. The subsidiary has recently undertaken its business activity i.e. construction and allied infrastructure sectors.

A Statement containing the salient features of the financial statements of subsidiary company as prescribed under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of The Companies (Accounts) Rules, 2014 is attached as per the prescribed format and forms a part of the Annual Report. In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary company will be available on the Company's website www.mohite.com.

32. CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company as of and for the year ended March 31, 2019 have also been prepared in the same form and manner as that of the Company and are in accordance with the applicable provisions of the Act and the rules and regulations made thereunder, read with Indian Accounting Standard (Ind AS)-110 "Consolidated Financial Statements forms a part of the Annual Report.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo for the year under review is given as "Annexure VII".

34. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORK PLAKHE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was filed during year under consideration. No complaint was pending at the beginning or end of the year under review.

35. ACKNOWLEDGMENT :

Your Directors wishes to thank the employees for their dedication and the excellence they have displayed in conducting the operations of the Company. Directors also place on record their sincere thanks to bankers, customers, suppliers, business associates, consultants, market intermediaries, various Government Authorities for their continued support extended to the Company during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed.

on behalf of the Board
MOHITE INDUSTRIES LTD.

Place : Vadgaon, Kolhapur
Date : 27th August, 2019

Shivaji Mohite
MD DIN 00425441

ANNEXURE - I

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

As on the financial year ended on 31ST MARCH 2019

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| 1 | CIN | L40108MH1990PLC058774 |
| 2 | Registration Date | 31 st October 1990 |
| 3 | Name of the Company | MOHITE INDUSTRIES LIMITED |
| 4 | Category / Sub-Category of the Company | Public Company Limited By Shares Indian Non-Government Company |
| 5 | Address of the Registered office and contact details | R. S. No. 347, Ambapwadi Phata, NH-4, Vadgaon, Tal-Hatkanangale, Dist- Kolhapur - 416112 Phone - +91 230 2471230 to 33 Fax - +91 230 2471229 email - mohitex@bsnl.in web - www.mohite.com |
| 6 | Whether listed company | Yes |
| 7 | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Private limited C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai MH 400083 Tel. No. - 022 -49186270 (for Investor) 022- 49186000 Fax No. - 022- 49186060 Email - rnt.helpdesk@linkintime.co.in |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ Service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Manufacturing 100% Cotton Yarn | 13119 | 99.64 |
| 2 | Generation of Hydro Electric Power | 35101 | 16.97 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of Shares held | Applicable Section |
|---|---------------------------|--------------------------------------|------------------|--------------------|
| Solitaire Constructions Private Limited Parvati-Kunj Plot No. 1, C.S. No. 250/B/1A/4 Nagala Park, Near Nagoba Mandir, Kolhapur, Maharashtra India – 416003 | U45202PN2003 PTC018306 | Subsidiary | 52.94 | 2(87)(ii) |

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

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------|-----------------|-------------------|---|----------|-----------------|----------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total Shares | % of Total | |
| A. Promoters | | | | | | | | | |
| 1. Indian | | | | | | | | | |
| Individual/ HUF | 13832663 | - | 13832663 | 68.8202 | 13832663 | - | 13832663 | 68.8202 | NIL |
| Central Govt. | - | - | - | - | - | - | - | - | - |
| State Govt. (s) | - | - | - | - | - | - | - | - | - |
| Bodies Corporate | - | - | - | - | - | - | - | - | - |
| Banks/FI | - | - | - | - | - | - | - | - | - |
| Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total of (A)(1) | 13832663 | - | 13832663 | 68.8202 | 13832663 | - | 13832663 | 68.8202 | NIL |
| 2. Foreign | | | | | | | | | |
| NRI Individuals | - | - | - | - | - | - | - | - | - |
| Other Individuals | - | - | - | - | - | - | - | - | - |
| Bodies Corporates | - | - | - | - | - | - | - | - | - |
| Banks/FI | - | - | - | - | - | - | - | - | - |
| Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total of (A)(2) | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoters (A)= A(1)+A(2) | 13832663 | - | 13832663 | 68.8202 | 13832663 | - | 13832663 | 68.8202 | NIL |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| Mutual Funds | - | - | - | - | - | - | - | - | - |
| Bank/FI | - | - | - | - | - | - | - | - | - |
| Central Govt. | - | - | - | - | - | - | - | - | - |
| State Govt.(s) | - | - | - | - | - | - | - | - | - |
| Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| Insurance Companies | - | - | - | - | - | - | - | - | - |
| Foreign Portfolio Investors | - | - | - | - | - | - | - | - | - |
| Foreign Venture Capital Fund | - | - | - | - | - | - | - | - | - |
| Other (Specify) | - | - | - | - | - | - | - | - | - |
| Sub-Total of (B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a. Bodies Corp. | | | | | | | | | |
| i) Indian | 2887152.00 | 1862300 | 4749452.00 | 23.6295 | 2316283 | 1862300 | 4178583 | 20.7893 | (2.8402) |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b. Individual | | | | | | | | | |
| i) Individual Shareholders holding Nominal Share Capital up to ₹ 1 Lakhs | 515455 | 57521 | 572976 | 2.8507 | 522467 | 52021 | 574488 | 2.8581 | 0.0074 |
| ii) Individual Shareholders holding Nominal Share Capital in Excess of ₹1 Lakhs | 743971 | - | 743971 | 3.7014 | 638727 | - | 638727 | 3.1778 | (0.5236) |

| 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 Shares | % of Total | |
| c. Any Other (Specify) | | | | | | | | | |
| i) NRI(Repat) | 3050 | - | 3050 | 0.0152 | 3050 | - | 3050 | 0.0152 | NIL |
| ii)NRI (Non- Repat) | - | - | - | - | - | - | - | - | - |
| iii)OCB | - | - | - | - | - | - | - | - | - |
| iv)Trust | 2050 | - | 2050 | 0.0102 | 2050 | - | 2050 | 0.0102 | NIL |
| v)Clearing Member | 64820 | - | 64820 | 0.3225 | 55024 | - | 55024 | 0.2738 | (0.0487) |
| vi)Hindu Undivided Family | 43140 | - | 43140 | 0.2146 | 613122 | - | 613122 | 3.0504 | 2.8358 |
| vii)Director & Relative of Director | 87578 | - | 87578 | 0.4357 | 201993 | - | 201993 | 1.005 | 0.5693 |
| Sub-Total of (B)(2) | 4347216 | 1919821 | 6267037 | 31.1798 | 4352716 | 1914321 | 6267037 | 31.1798 | (0.0001) |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 4347216 | 1919821 | 6267037 | 31.1798 | 4352716 | 1914321 | 6267037 | 31.1798 | (0.0001) |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 18179879 | 1919821 | 20099700 | 100 | 18185379 | 1914321 | 20099700 | 100 | (0.0001) |

(ii) Shareholding of Promoters And Promoters Group

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in shareholding during the year |
|---------|---------------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Shivaji Ramchandra Mohite | 9176324 | 45.654 | 19.4910 | 9176324 | 45.654 | 4.5654 | NIL |
| 2 | Monika Shivaji Mohite | 4656339 | 23.1662 | 0 | 4656339 | 23.1662 | 0 | NIL |
| | Total | 13832663 | 68.8202 | 19.4910 | 13832663 | 68.82 | 4.5654 | NIL |

iii) Change in Promoters' Shareholding (Please Specify, if there is no change)- Not Applicable

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

| Sr. No. | Name of Promoter | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | PATIL AGRO TECH LLP | | | | |
| A. | At the beginning of the year | 971900 | 4.8354 | | |
| B. | Changes During The year (Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc): | | | | |
| | Date | Reason | | | |
| | | | | | |
| C. | At the end of the year | | | 971900 | 4.8354 |

2. WARNER WINE INDUSTRIES LTD

| | | | | | |
|----|---|--------|--------|--------|--------|
| A. | At the beginning of the year | 890400 | 4.4299 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | Date | Reason | | | |
| | | | | 890400 | 4.4299 |
| C. | At the end of the year | | | 890400 | 4.4299 |

3. VISHWANATH MINERALS AND METALS PRIVATE LIMITED

| | | | | | |
|----|---|--------|--------|--------|--------|
| A. | At the beginning of the year | 848200 | 4.2200 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | Date | Reason | | | |
| | | | - | - | |
| C. | At the end of the year | | | 848200 | 4.2200 |

4. GREENLAND BIOTECH LLP

| | | | | | |
|----|---|--------|--------|--------|--------|
| A. | At the beginning of the year | 787200 | 3.9165 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | Date | Reason | | | |
| | | | - | - | |
| C. | At the end of the year | | | 787200 | 3.9165 |

5. SHRI GANESH SEEDS PRIVATE LIMITED

| | | | | | |
|----|---|--------|--------|--------|--------|
| A. | At the beginning of the year | 459825 | 2.2877 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | Date | Reason | | | |
| | - | - | - | - | 459825 |
| C. | At the end of the year | | | 459825 | 2.2877 |

6. JITENDRA KUMAR RANKA (HUF)

| | | | | | |
|----|---|------------|--------|--------|--------|
| A. | At the beginning of the year | 0 | 0 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | Date | Reason | | | |
| | 25.01.2019 | Market Buy | 237527 | 1.1817 | 237527 |
| | 01.02.2019 | Market Buy | 44465 | 0.2212 | 281992 |
| C. | At End of the year | | - | - | 281992 |

7. RAJENDRA KUMAR RANKA (HUF)

| | | | | | | |
|----|---|------------|--------|--------|--------|--------|
| A. | At the beginning of the year | | 0 | 0 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | |
| | Date | Reason | | | | |
| | 25.01.2019 | Market Buy | 232930 | 1.1589 | 278050 | 1.3834 |
| | 01.02.2019 | Market Buy | 45120 | 0.2245 | 278050 | 1.3834 |
| C. | At End of the year | | - | - | 278050 | 1.3834 |

8. PREMLATA RAMESH SARAOGI

| | | | | | | |
|----|---|--------|--------|--------|--------|--------|
| A. | At the beginning of the year | | 201150 | 1.0008 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | |
| | Date | Reason | | | | |
| | | | - | - | 201150 | 1.0008 |
| C. | At End of the year | | | | 201150 | 1.0008 |

9. GLOBE FINCAP LIMITED

| | | | | | | |
|----|---|--------|-------|--------|-------|--------|
| A. | At the beginning of the year | | 99145 | 0.4933 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | |
| | Date | Reason | | | | |
| | - | - | | | | |
| C. | At the end of the year | | | | 99145 | 0.4933 |

10. RUPA VIPUL SHAHA

| | | | | | | |
|----|---|-----------|-------|--------|-------|--------|
| A. | At the beginning of the year | | 97260 | 0.4839 | | |
| B. | Changes During The year (Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | | |
| | Date | Reason | | | | |
| | - | no change | | | 97260 | 0.4839 |
| C. | At the end of the year | | | | 97260 | 0.4839 |

V Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name of Director / KMP | Shareholding at the beginning of the year | | Shareholding at the End of the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Mr. Shivaji Ramchandra Mohite (Chairman & Managing Director) | 9176324 | 45.6540 | 9176324 | 45.6540 |
| 2. | Mrs. Monika Shivaji Mohite (Joint Managing director) | 4656339 | 23.1662 | 4656339 | 23.1662 |
| 3. | Mr. Abhay Shamrao Bhide (Whole time Director) | - | - | - | - |
| 4. | Mr. Vijay Madanlal Nawandhar (Director) | 40000 Equity Shares held Jointly with Vinod Madanlal Nawandhar & 2500 Equity Shares held Individually | 0.2114 | 40000 Equity Shares held Jointly with Vinod Madanlal Nawandhar & 2500 Equity Shares held Individually | 0.2114 |
| 5. | Mr. Ranjeet Dinkarrao Patil (Director) (cease to be Independent Director w.e. f 14 th Jan 2019) | - | - | - | - |
| 6. | Mr. Sangramsinh Subhashrao Nimbalkar (Director) | - | - | - | - |
| 7. | Mr. Shankar Hindurao Patil (Director) | - | - | - | - |
| 8. | Mrs. Priyanka Abhijit Patil (Gavali) (Chief Finance Officer) | - | - | - | - |
| 9. | Ms. Ashvini Prataprao Kalekar (Company Secretary) | - | - | - | - |

VI. INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment) (₹ In Lacs)

| Particulars | Secured Loans excluding deposits | Deposits / Unsecured Loans | Total Indebtedness |
|--|----------------------------------|----------------------------|--------------------|
| Indebtedness at the beginning of the financial year | | | |
| Principal Amount | 8376.97 | 32.48 | 8409.45 |
| Interest due but not paid | - | - | -- |
| Interest accrued but not due | - | - | - |
| Total (i+ii+iii) | 8376.97 | 32.48 | 8409.45 |
| Change in Indebtedness during the financial year | | | |
| Addition | - | - | - |
| Deletion | 208.85 | 13.57 | 222.42 |
| Net Change | 208.85 | 13.57 | 222.42 |
| Indebtedness at the end of the financial year | | | |
| Principal Amount | 8168.12 | 18.91 | 8187.03 |
| Interest due but not paid | - | - | -- |
| Interest accrued but not due | - | - | - |
| Total (i+ii+iii) | 8168.12 | 18.91 | 8187.03 |
| At End of the year | 8168.12 | 18.91 | 8187.03 |

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

(₹ In Lacs)

| Sl. No. | Particulars Of Remuneration | Name Of MD/WTD/ Manager | | | Total Amount |
|---------|--|---|------------------------|-------------------------|---------------|
| | | Shivaji Mohite (MD) | Monika Mohite (Jt. MD) | Abhay Bhide (WTD & KMP) | |
| | Gross Salary | | | | |
| | (A) Salary As Per Provisions Contained In Section 17(1) Of The Income-Tax Act,1961 | 48.17 | 24.17 | 38.22 | 110.56 |
| | (B) Value Of Perquisites U/S17(2) Income-Tax Act,1961 | - | - | - | - |
| | (C) Profits In Lieu Of Salary Under Section 17(3) Income- Tax Act, 1961 | - | - | - | - |
| | Stock Option | - | - | - | - |
| | Sweat Equity | - | - | - | - |
| | Commission | | | | |
| | - as % of profit | - | - | - | - |
| | - others (Contribution to PF) | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (A) | 48.17 | 24.17 | 38.22 | 110.56 |
| | Ceiling as per the Act | As per Section 197 and Schedule V of The Companies Act 2013 | | | |

B. Remuneration to other directors:

(₹ In Lakhs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|---|-----------------------------|--|----------------------------|---------------|
| | | Mr. Vijay Madanlal Nawandhar | Mr. Ranjeet Dinkarrao Patil | Mr. Sangramsinh Subhashrao Nimbalkar (cease to be Independent Director w.e.f 14 th Jan 2019) | Mr. Shankar Hindurao Patil | |
| | Independent Directors | | | | | |
| | • Fee for attending board committee meetings | | | | | |
| | • Commission | | | | | |
| | • Others, please specify | | | | | |
| | Total (1) | | | | | |
| | Other Non-Executive Directors | | | | | |
| | • Fee for attending board committee meetings | | | | | |
| | • Commission | | | | | |
| | • Others(Consultancy fees and cannot be recognised as Managerial Remuneration) | | | | | |
| | Total (2) | | | NIL | | |
| | | As per Section 197 and Schedule V of The Companies Act 2013 | | | | |
| | Total (B) = (1+2) | | | | | NIL |
| | Total Managerial Remuneration | | | | | 110.56 |
| | Overall Ceiling as per the Act | As per Section 197 and Schedule V of The Companies Act 2013 | | | | |

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

(₹ In Lakhs)

| Sl. No. | Particulars Of Remuneration | Key Managerial Personnel | | | | Total Amount |
|---------|--|--------------------------|--|---|---------------------------------------|--------------|
| | | CEO | CFO (Shreyas Alatkar) (cease to be CFO from 30 th May 2018) | CFO (Priyanka Abhijit Patil) (w.e.f. 29 th March 2019) | (Company Secretary) (Ashvini Kalekar) | |
| 1 | Gross Salary | | | | | |
| | (A) Salary as Per Provisions Contained In Section 17(1) of The Income-Tax Act,1961 | -- | -- | -- | 2.88 | 2.88 |
| | (B) Value Of Perquisites U/S17(2) Income-Tax Act, 1961 | -- | -- | -- | -- | -- |
| | (C) Profits In Lieu of Salary Under Section 17(3) Income- Tax Act, 1961 | -- | -- | -- | -- | -- |
| 2 | Stock Option | -- | -- | -- | -- | -- |
| 3 | Sweat Equity | -- | -- | -- | -- | -- |
| 4 | Commission | -- | -- | -- | -- | -- |
| | - as % of profit | -- | -- | -- | -- | -- |
| | - others, specify... | -- | -- | -- | -- | -- |
| 5 | Others, please specify | -- | -- | -- | 2.88 | 2.88 |
| | Total | | | | | |
| | Ceiling as per the Act | -- | -- | -- | -- | -- |
| | Overall Ceiling as per the Act | -- | -- | -- | -- | -- |

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NOT APPLICABLE

During year under consideration Books of Company were inspected under section 206(5) of the Companies Act 2013 and reply to observation submitted in this financial year but still final order is not issued.

| Type | Section Of The Companies Act Sec.87 | Brief Description | Details Of Penalty / Punishment /Compounding Fees Imposed | Authority [RD / NCLT / COURT] | Appeal Made, If Any (Give Details) |
|---|-------------------------------------|-------------------|---|-------------------------------|------------------------------------|
| A. COMPANY Penalty Punishment Compounding | | | | | |
| B. DIRECTORS Penalty Punishment Compounding | | | Nil | | |
| C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding | | | | | |

On behalf of the Board
MOHITE INDUSTRIES LIMITED

Date : 27th August, 2019

Place : Vadgaon

SHIVAJI MOHITE
 Managing Director
 DIN 00425441

MONIKA MOHITE
 Joint Managing Director
 DIN 00425614

ANNEXURE - II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

| | Particulars | Details |
|----|---|--|
| 1 | A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs | The Company has adopted CSR Policy and the details of policy are displayed on website of the Company . Weblink for same is http://www.mohite.com/pdf/newdata/CSR%20Policy%20---.pdf |
| 2 | The Composition of the CSR Committee. | Mr. Shivaji R. Mohite, - Chairman Mr. Abhay Shamrao Bhide, - Member Mr. Vijay Madanlal Nawandhar, - Member |
| 3 | Average net profit of the company for last three financial years | ₹ 3.09 Lakhs. |
| 4. | Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above) During 2018-19 company has not incurred any CSR liability. | Nil |
| 5 | Details of CSR spent during the financial year. a) Total amount to be spent for the financial year b) Amount unspent, if any c) Manner in which the amount spent during the financial year | On recommendation of CSR Committee the Board has undertaken formation of Section 8 Company to undertake projects in various areas. Accordingly 'Parvati Mohite Foundation' a Section 8 Company is formed to undertake exclusively CSR activities. The Committee is in process to undertake various CSR activities through 'Parvati Mohite Foundation' Total amount Unspent aggregate of last 4 years is ₹ 47.89 Lakhs. CSR Liability for FY 2018-19 is NIL. |
| 6 | In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount: | 'Parvati Mohite Foundation' a Section 8 Company is formed to undertake exclusively CSR activities .The CSR Committee is in the process of identifying and undertaking the CSR projects to be undertaken by 'Parvati Mohite Foundation'. |

The implementation and monitoring of CSR Policy will be in compliance with CSR objectives and Policy of the company.

Date : 27th August, 2019
Place : Vadgaon, Kolhapur

SHIVAJI R. MOHITE
Managing Director
Chairman of CSR Committee

MR. ABHAY BHIDE
Wholetime director
Member of CSR Committee

ANNEXURE - III

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

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

- (1) The Company has not entered into any contract or arrangement or transaction with its related parties, which is not at arm's length during the year ended on March 31, 2019.

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

| | | | |
|----|---|--|--|
| 1. | Name of the related party and nature of relationship | Solitaire Constructions Private Limited (same promoter group company & now become subsidiary) | Chirag Sanditext Private Limited (same promoter group company) |
| 2. | Nature of contracts/ arrangements/ transactions | Subscription to Shares of the company and thereby acquiring 52.94 % Paid up Equity shares of the Company (Amt. of Investment ₹ 225000/-) | Loans & advances (outstanding) |
| 3. | Duration of the contracts/arrangements/transactions | NA | NA |
| 4. | Salient terms of the contracts or arrangement or transactions including the value, if any, (Financial Year 2018-19) | NA | NA |
| 5. | Date of approval by the Board, if any | 14 January 2019 | 30 May 2018 |
| 6. | Amount paid as advances | NA | Outstanding ₹ 3,38,98,110/- |

On behalf of the Board
MOHITE INDUSTRIES LIMITED

SHIVAJI MOHITE
Managing Director
DIN 00425441

MONIKA MOHITE
Joint Managing Director
DIN 00425614

Date : 27th August, 2019
Place : Vadgaon, Kolhapur

ANNEXURE - IV

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March 2019

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

To,
The Members,
Mohite Industries Limited
R. S. NO. 347, Ambapwadi Phata,
N.H. 4, Vadgaon, Kolhapur -416112

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Mohite Industries Limited ("the Company") for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
(Not applicable during Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(Not applicable during Audit Period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014
(Not applicable during Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not applicable during Audit Period)
 - (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable during Audit Period).
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
(Not applicable during Audit Period)

- (vi) The Company has complied with following other laws applicable to the Company –
- (a) The Factories Act, 1948 & the Rules Made there under.
 - (b) The Water (Prevention and Control of Pollution) Act 1974 & the Rules Made there under.
 - (c) The Air (Prevention and Control of Pollution) Act 1981 & the Rules Made there under.
 - (d) The Employees Provident Fund and Miscellaneous Provisions Act 1952.
 - (e) The Minimum Wages Act, 1948 and the Rules Made there under.
 - (f) The Payment of Wages Act, 1936 & the Rules Made there under.
 - (g) The Payment of Gratuity Act, 1972 & the Rules Made there under.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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

I further report that

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

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

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

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

I further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs. I specifically noted here below mentioned facts that

- 1) The casual vacancy caused by resignation of previous chief finance officer of the company was filled by appointing Priyanka Abhijit Patil as Chief Finance officer of the Company w.e.f. 29th March 2019. Vacancy was filled after gap of about 10 months while it was mandatory to fill it within 6 months as per provisions of sec 203(4) of the Companies Act 2013.
- 2) During year under consideration company has not incurred any CSR liability but previous years CSR liabilities are still pending and the company still has not undertaken any CSR activity and no money spent for same in order to discharge those pending liabilities.
- 3) During year under consideration Books of Company were inspected under section 206(5) of the Companies Act 2013 and reply to observation submitted in this financial year but still final order is not issued.
- 4) During period under review Mr. Sangramsinh S. Nimbalkar (DIN 00508548), Non-Executive & Independent Director of the Company has resigned during the year under consideration w.e.f 14th January 2019. The vacancy caused by resignation is not filled because after resignation of independent director composition of the board remains as per requirement of law and board resolved not to fill the same.

For DILIP PANGE & ASSOCIATES
Proprietor

MR. DILIP PANGE

Practicing Company Secretaries
FCS No. 6423
CP No. 2516

Date : 30th May, 2019
Place : Vadgaon, Kolhapur

To,
The Members,
Mohite Industries Limited
R. S. No. 347, Ambapwadi Phata,
N.H. 4, Vadgaon, Kolhapur -416112

My report of above date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the company my responsibility is to express an opinion on these secretarial records based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed here provide a reasonable basis for my opinion.
3. I am not required to verify the correctness and appropriateness of financial records and books of account of the company as it is part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever required, I 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. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For DILIP PANGE & ASSOCIATES
Proprietor

MR. DILIP PANGE
Practicing Company Secretaries
FCS No. 6423
CP No. 2516

Date : 30th May, 2019
Place : Vadgaon, Kolhapur

ANNEXURE – V

Disclosure pursuant to section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014

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

Median Remuneration (Annual) of Employees (including workers) for the financial year 2018-19. ₹ 162941/- per annum (₹ In Lakhs)

| Sr. No. | Name of Director | The ratio of remuneration of each director to the median remuneration of the employees |
|---------|----------------------------------|--|
| 1 | Shivaji Ramchandra Mohite(MD) | 29.56 |
| 2 | Monika Shivaji Mohite (Joint MD) | 14.83 |
| 3 | Abhay Shamrao Bhide (WTD) | 23.45 |

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

| | | |
|---|--|----------------|
| 1 | Shivaji Ramchandra Mohite(MD) | Not Applicable |
| 2 | Monika Shivaji Mohite (Joint MD) | Not Applicable |
| 3 | Abhay Shamrao Bhide (WTD) | Not Applicable |
| 4 | Shreyas Sanjay Alarkar (Chief Finance Officer resigned during the year) | Not Applicable |
| 5 | Priyanka Abhijit Patil (appointed on 29 th March 2019) | Not Applicable |
| 6 | Ashvini Kalekar (Company Secretary) | Not Applicable |

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

12.28

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

326

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

Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year is 21.30 % while there was increase in Managerial Remuneration during last year by 3.48%.

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

Date : 27th August, 2019

Place : Vadgaon, Kolhapur

SHIVAJI R. MOHITE

Managing Director

MR. RANJEET DINKARRAO PATIL

Chairman of Nomination &
Remuneration Committee

ANNEXURE VI

Information as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I Names of the top ten employees of the Company in terms of remuneration drawn

| Sr. No. | Name of employee | Designation | Remuneration received (Amt. in Lakhs) | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | Age (in Year) Last employment | Last employment held before joining the Company | The percentage of equity shares held by the employee in the Company within the meaning of Clause (iii) of sub-rule (2) Rule 5 | Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|---------|--------------------------------|-------------------------------|---------------------------------------|--|---|------------------------------------|-------------------------------|---|---|---|
| 1 | Shivaji Ramchandra Mohite | Managing Director | 48.17 | Contractual | B Com | 14/09/2001 | 51 | NA | 45.6540 | Monika Shivaji Mohite |
| 2 | Abhay Shamrao Bhide | Wholetime /Executive Director | 38.22 | Contractual | B Tech | 20/12/2008 | 46 | Company-Nagreeka Exports Ltd., Yavluj, Tal-Panhala Dist-Kolhapur Designation-Vice President | NIL | NA |
| 3 | Monika Shivaji Mohite | Joint Managing Director | 24.17 | Contractual | M. A | 01/10/2009 | 44 | NA | 23.1662 | Shivaji Ramchandra Mohite |
| 4 | Shivalingappa Shivappa Magadam | General Manager | 13.77 | Permanent | D.TT | 02/01/2005 | 54 | Company-Malaprabha Co-Op Spinning Mill Ltd.,Savundati,Karnatak Designation-Manager Production | NIL | NA |
| 5 | Anil Madhukar Sawant | General Manager (Eng) | 7.60 | Permanent | D.I.E. | 26/03/2018 | 51 | Company-Jamshri Ranjitsinghji Spinning & Weaving Mill Solapur. Designation-Manager Engineering | NIL | NA |
| 6 | Sachin Krishnath Jadhav | Sr.Manager (Finance& | 6.34 | Permanent | B.Com, M.B.A | 28/05/2009 | 43 | Company-Anshul Steels Ltd.,Five Star MIDC Kolhapur Designation-Accounts Officer | NIL | NA |
| 7 | Kiran Maruti Mohite | Sr.Manager(Hr & Admi | 5.65 | Permanent | M.S.W. (P.M&L.W.) | 11/07/2007 | 43 | Company-Wagpcos Ltd.,Warananagar Tal-Panhala Dist-Kolhapur Designation- Labour Officer | NIL | NA |
| 8 | Yashwant Diwakar Page | Sr.Manager (Comm) | 5.65 | Permanent | B.Com | 01/02/2009 | 49 | Company-Amit Spinning Ltd.,Tangaon Tal-Karveer Dist-Kolhapur Designation- Sr.Officer Excise | NIL | NA |
| 9 | Deelip Dhondiram Darekar | Manager (Production) | 5.43 | Permanent | D.T.M | 12/10/1998 | 43 | NA | NIL | NA |
| 10 | Manshing Pratap Otari | Manager (Engineering) | 5.10 | Permanent | D.I.E. | 24/07/2007 | 48 | Company- B P L Service station ,Pune Designation-Service Engineer | NIL | NA |

II No employees of the Company was drawing remuneration of ₹ 8,50,000/- p.m. or ₹ 1,02,00,000/- p.a.

III Name of employees who were employed throughout the Financial Year 2018-19 or part thereof and were paid remuneration in excess of Managing Director or Whole-time Director or Manager and holds along with his spouse and dependent children not less than 2% of equity shares of the Company.- NIL

IV None of employees are relative of any Director or Manager of the Company

ANNEXURE VII TO THE DIRECTORS REPORT

Information under Section 134 of the Companies act, 2013 read with the Companies (Accounts) Rules 2014 and forming part of the Directors Report for the financial year ended on 31st March 2019.

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken:

The Company has been taking continuous steps to conserve the energy and minimize energy cost at all levels. Regular efforts are made for optimization of process parameters, improving the operational efficiencies and reducing water and energy consumption. While undertaking expansion, modernization and technological up gradation of production facilities, due consideration is given to energy efficient plant and equipment's with multi product capabilities.

(b) Total energy consumption and energy consumption per unit of production in the prescribed Form 'A' Attached.

| FORM 'A' | | |
|---|----------------|----------------|
| Form for disclosure of particulars with respect to conservation of energy | | (₹ In Lakhs) |
| Particulars | 2018-19 | 2017-18 |
| A. Total Unit Generation through Own Hydro Electric Power Project | 25999495 | 19479620 |
| Less: Transmission Loss | 1875892 | 1854230 |
| Net in Our Account | 24123603 | 17625390 |
| Power & Fuel Consumption Electricity : | | |
| Total Consumption during the year : (Kwh) | 18808184 | 17158189 |
| Total Amount (₹) | 10,90,52,400/- | 11,55,01,144/- |
| Own Generation through : | | |
| Hydro Electric Power Project (Kwh) | 17049104 | 12951315 |
| Purchased Units (Kwh) | 1759080 | 4206874 |
| Sale to MSEDCL (Kwh) | 7074499 | 4429840 |
| Banking Units | NIL | 244235 |
| B. Power Consumption per unit of Production of Finished Goods: | | |
| Power Units Consumed / Production | 3.91 | 3.98 |

B. TECHNOLOGY ABSORPTION:

Efforts made in Technology Absorption as per Form 'B' given below:

FORM B

RESEARCH AND DEVELOPMENT (R & D)

- We have analyzed the market requirement and installed new Slub and Compact Cotton Yarn System in the plant to cater the required demand and analyzed Viscous and Polyester Yarn which showed good results.
- Specific areas in which R & D has been carried out by the Company:
R & D activities are carried out continuously to produce good quality of Yarn and Fabric for exports.
- Benefits derived as a result of the above R & D :
With the result of the R & D activities carried out, the Company has been able to produce quality Yarn.
- Future Plan of Action:
The Company continues its efforts to maximize its productivity and at the same time enhance quality of its products.
- Expenditure on R & D
Expenditure on R & D has been shown under respective heads of expenditure in the profit and loss account as no separate account is maintained.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company is constantly making efforts to adopt latest technology wherever possible to improve quality of product, productivity and efficiency of the machineries. The company is also at a continuous endeavor to improve the efficiency of process by way of deep study of new technologies and exchange of information with other mills and machinery manufacturers.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Total Foreign Exchange used and earned.

| Particulars | 31-Mar-19 | 31-Mar-18 |
|------------------------------------|------------------|------------------|
| Foreign Exchange Earned | | |
| Direct Export | - | - |
| | - | - |
| Foreign Exchange Used | | |
| Imported Spares | 31.38 | 53.98 |
| Imported Machinery | 84.16 | 69.68 |
| | 115.54 | 123.66 |
| Net Foreign Exchange Earned | -115.54 | -123.66 |

For **MOHITE INDUSTRIES LIMITED**

Date : 27th August, 2019
Place : Vadgaon, Kolhapur

SHIVAJI MOHITE
 Managing Director
 DIN 00425441

MONIKA MOHITE
 Joint Managing Director
 DIN 00425614

CORPORATE GOVERNANCE REPORT

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance refers to systems and policies that influence a corporation's administration. It involved regulatory mechanism and the roles and relationships between a company's management, board, shareholders and other stakeholders.

The importance of Corporate Governance lies in its contribution both to business prosperity and to accountability. Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and business prosperity with the ultimate objective of realising long term shareholder value, whilst taking into account the interest of all other stakeholders for wealth creation.

The Company will continue its efforts towards raising its standard in Corporate Governance and will also review its systems and procedures constantly in order to keep pace with the changing economic environment. The Company has complied with the applicable requirements of Corporate Governance and the Disclosures as contained in this Report are in accordance with Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter referred to as "the Listing Regulations").

Corporate Governance at the Mohite Industries Ltd. is a continuing process and is based on belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.

This report put before you how Corporate Governance provisions were complied with.

BOARD OF DIRECTORS AND COMMITTEES

i) Composition :

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The present strength of the Board of Directors is six (6) including one Woman Director. The number of Independent Directors on the Board are three (3), which is half of the total number of Directors as laid down under Regulation 17 of the Listing Regulations. The composition of the Board of Directors is also in conformity with the provisions of Section 149 of the Companies Act, 2013.

None of the Directors on the Board is a member in more than Ten (10) Board level committees or acts as chairman of more than Five (5) Board level committees across all the public limited companies (listed or unlisted) in which he/she is a Director. The necessary disclosures regarding Committee memberships/ chairmanships have been made by the Directors. None of the Independent Directors serves as such on the Board of more than Seven (7) listed companies. Further, the Independent Directors do not serve as Whole-Time Director on the Board of any listed company. The Independent Non-Executive Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and individually have submitted a declaration that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of Board of Directors, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Mr. Sangramsinh S. Nimbalkar (DIN 00508548) , Non-Executive & Independent Director of the Company has resigned during the year under consideration w.e. f 14th January 2019 due to his personal reason and even after his resignation the constitution of the Board of Director remained as required by law hence casual vacancy was not filled.

The confirmation was given by Mr. Sangramsinh S. Nimbalkar that, there was no any other material reason than is his person reason for resigning from post as Independent Director.

The Board of Directors is constituted as below.

| Name of the Director | Designation |
|---|--|
| Executive Directors- Mr. Shivaji R. Mohite Mrs. Monika S. Mohite Mr. Abhay S. Bhide | Managing Director Joint Managing Director Wholetime/Executive Director |
| Independent Directors Mr. Vijay M. Nawandhar Mr. Ranjit D. Patil Mr. Shankar H. Patil | Director Director Director |

Brief Profile of the Directors –

1. **Mr. Shivaji R. Mohite** (DIN 00425441) aged 51 year; Promoter, Chairman & Managing Director of the Company. He is Bachelor of Commerce and has more than 22 years' experience in administration and management.
2. **Mrs. Monika S. Mohite** (DIN 00425614) aged 44 years, Promoter & Joint Managing Director of the Company. She has educational qualification as M. A. (English Literature) having experience of more than 16 years in administration.
3. **Mr. Abhay S. Bhide** (DIN 05307473) aged 46 years, Wholetime Director of the Company. He has educational qualification as B Tech and he has more than 21 years, vast experience in spinning industry especially cotton. Besides this he is well versed with erection and implementation of spinning project. He has got training at Ritter in Europe and USA for cotton.
4. **Mr. Vijay M. Nawandhar** (DIN 00218197) aged 60 years, Non-Executive & Independent Director of the Company and Practicing Chartered Accountant by Profession.
5. **Mr. Ranjeet D. Patil** (DIN 02496342) aged 54 years, Non-Executive & Independent Director of the Company successful businessman in Earth Moving Business and Dozer ripper for more than 25 years and also having experience of construction of Irrigation Projects.
6. **Mr. Shankar H. Patil** (DIN 03198638) aged 58 years, Non-Executive & Independent Director of the Company and he has experience of running banking, Construction and hotel Industry in Kolhapur region since more than 25 years. He has keen interest in agriculture also.

Inter-se Relationship among Directors –

Mr. Shivaji R. Mohite, Chairman and Managing Director and Mrs. Monika S. Mohite Joint. Managing Director of the Company are related to each other as husband-wife. Beside this there is no inter-se relationship among the directors.

A skill matrix setting out the core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business (es) and sector(s) for it to function effectively and those actually available with the Board are stated below:

- a) Knowledge and insight of Company's businesses of textile manufacturing and hydroelectric power , strategic plans, major risks/threats and potential opportunities and knowledge of the industry segments in which the Company operates.
 - b) Behavioral Skills comprising of, interalia, attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company, adequate commitment and maintenance of confidentiality, sales and marketing, administration, and decision making.
 - c) Financial and Management skills.
 - d) Technical and professional skills
 - e) Knowledge of legal regulations to the extent apply and extend to the Company
- i) **Meetings of the Board of Directors**

The meetings of the Board of Directors are held at the Registered Office of the Company at R.S.No.347, Ambapwadi Phata, Off NH-4, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur - 416 112. During the year under review, seven Board Meetings were held on 30-05-2018, 14-08-2018, 01-10-2018, 14-11-2018, 14-01-2019, 14-02-2019, and 29-03-2019. The Agenda and the Explanatory Notes for each meeting are circulated in advance to all the Directors. Every Director is free to suggest the inclusion of the items on the Agenda.

The attendance of the Board of Directors at the Meetings held during the year, number of other Directorships & Memberships of Committees as on March 31, 2019 is as follows:

| Name of Director & Category of Directorship | No. of Board meetings attended | Attendance at last AGM | No. of other Directorships | No. of outside Committee position(s) held | |
|---|--------------------------------|------------------------|----------------------------|---|----------|
| | | | | Member | Chairman |
| Mr. Shivaji R. Mohite (CMD) | 07 | Yes | 19 | 2 | 2 |
| Mrs. Monika S .Mohite (Joint MD) | 07 | Yes | 19 | - | - |
| Mr. Abhay S. Bhide (Wholetime Director) | 07 | Yes | 01 | 4 | - |
| Mr. Vijay M. Nawandhar (Non Executive & Independent Director) | 06 | Yes | 02 | 5 | 2 |
| Mr. Ranjeet D. Patil (Non Executive & Independent Director) | 07 | Yes | 01 | 3 | 1 |
| Mr. Sangramsinh S. Nimbalkar (Non-Executive & Independent Director) (Cease to be director w.e. f 14 th January 2019) | 04 | No | NA | - | - |
| Mr. Shankar H. Patil (Non Executive & Independent Director) | 05 | No | 03 | 2 | - |

The directorship held above is including alternate directorship and directorship in foreign companies, Section 8 Companies & Private Limited Companies. And also above directorship includes directorship in only one public and only one listed company.

Independent Directors Meeting (Section 149(8) & Clause VII of Schedule IV of the Companies Act 2013) –

During the year under review, the Independent Directors met on November 14th, 2018, inter alia to discuss evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.

All the Independent Directors were present at the Meeting.

Familiarization Programme –

No new independent directors were appointed during the year and familiarization program for existing independent director including meeting with key officials of the Company was conducted after their appointment the details of which disclosed on website of the Company www.mohite.com.

Independent Directors has given declaration of Independence and all they fulfill the criteria u/sec .149(6)

Draft letter of appointment is available on the website of the Company www.mohite.com.

iii) BOARD COMMITTEES

The Company has currently five committees of board of directors i.e. the Audit Committee, the Nomination & Remuneration Committee, the Risk Management Committee, the Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The constitution of Risk Management Committee is not applicable to the Company but as company has this Committee from previous period so company continued with this Committee during the year. The Board is responsible for constituting, assigning and co-opting the Members of the Committee.

(i) Audit committee –

The Board has constituted a well-qualified Audit Committee Majority of Members of Committee are Independent Directors including Chairman.

(a) **Terms of Reference** -The Audit Committee is responsible for:

- Overseeing the Company's financial reporting process and disclosure of its financial information.
- Recommending appointment, remuneration and terms of appointment of auditors
- Reviewing and discussing with the Statutory Auditors, Internal Auditors and Cost auditor.
- Reviewing major accounting policies and practices and adoption of applicable Accounting Standards.
- Review the adequacy & effectiveness of the Company's Internal Control System.
- Oversee & review the functioning of a Vigil Mechanism
- Disclosure of contingent liabilities.
- Reviewing the risk management mechanisms of the Company.
- Reviewing and approving related party transactions.
- Reviewing the quarterly and half-yearly financial results and the annual financial statements before they are submitted to the Board.

- Reviewing operations, new initiatives and performance.
- Review of loan utilization and/ or advances from, investment by holding in subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

(b) The composition of Committee changed during the year under consideration .Now it consist of four members out of which three are nonexecutive and independent directors and one is executive director. The Committee met 5 times during the year on 30-05-2018, 14-08-2018,14-11-2018, 14-01-2019 & 14-02-2019. The attendance of Members of the Meeting was as follows:

| Name | Status | No. of Meetings attended |
|---|----------|--------------------------|
| Mr. Vijay M. Nawandhar | Chairman | 5 |
| Mr. Sangramsinh S. Nimbalkar (Ceased to be member w.e.f. 14.01.2019) | Member | 3 |
| Mr. Ranjit D. Patil | Member | 5 |
| Mr. Abhay S. Bhide | Member | 5 |
| Mr. Shankar H. Patil (appointment as member w.e.f. 14.01.2019) | Member | 2 |

The Audit committee adheres to the SEBI Guidelines in terms of quorum for its meetings, functioning, role and powers as also set out in the Companies Act, 2013 and Secretarial Standards.

All members of audit committee were present at Annual General Meeting of the Company.

(ii) Nomination & Remuneration Committee:

The Nomination & Remuneration Committee comprising of three members all are non-executive- independent Directors.

(a) Terms of reference:

- To review, assess and recommend the appointment of senior employees and to review their remuneration packages.
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors, KMPs and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

(b) The composition of Committee changed during the year under consideration .The Committee met five times during the year on 30-05-2018, 14-08-2018,14-11-2018, 14-01-2019 & 29-03-2019 The Composition of the Committee was not changed during the year. The Composition and attendance of Members of the Meetings was as follows :

| Name | Status | No. of Meetings attended |
|---|----------|--------------------------|
| Mr. Ranjit D. Patil | Chairman | 5 |
| Mr. Sangramsinh S. Nimbalkar (Ceased to be member w.e.f. 14.01.2019) | Member | 3 |
| Mr. Vijay M. Nawandhar | Member | 5 |
| Mr. Shankar H. Patil (appointment as member w.e.f. 14.01.2019) | Member | 2 |

(c) Remuneration Of Directors and Evaluation Criteria-

Relevant content of Remuneration Policy of the Company are given below

Qualifications for appointment of Directors (including Independent Directors)

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile/hydro power industry experience;
- d) Other appropriate qualification/experience to support /meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made thereunder and as per provisions of SEBI (LODR) Reg.2015.

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

Positive attributes of Directors (including Independent Directors):

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

Independence Review Procedures

Annual Review

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

Individual Director's Independence Determinations

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

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

Notice of Change of Independent Status

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

Criteria for appointment of KMP/Senior Management -

To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;

To practice and encourage professionalism and transparent working environment;

To build teams and carry the team members along for achieving the goals/objectives and corporate mission;

To adhere strictly to code of conduct

Term -

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI (LODR) Reg.2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing/Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

Evaluation -

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

Removal -

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

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

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

Remuneration to Non-executive / Independent Director –

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force and as may be decided by the Committee / Board / shareholders.

Independent Directors ("ID") and Non-Independent Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. The payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

Quantum of sitting fees may be subject to review on a periodic basis, as required.

In addition to the sitting fees and commission, the Company may pay to any Director the reasonable expenditure incurred by him while performing his/her duty as director, for attending any boards/committee meeting, general meeting, court convened meeting, creditors meeting etc.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and provisions under SEBI (LODR)Regulation 2015, as amended from time to time.

Above mentioned qualification for director, positive attributes of directors are also applicable in case of Non-Executive /Independent Directors. Also in addition to that Non-executive directors shall be expertise and experienced personalities so as to have a diverse Board in fields like Manufacturing, finance, taxation, marketing, law, general management etc.

d) Details of remuneration paid to the directors are as follows:

(₹ In Lakhs)

| Name | Salary | Consultancy Fee | Perquisites | Contribution to PF | Total |
|--|--------|-----------------|-------------|--------------------|-------|
| Mr. Shivaji Mohite | 48.17 | -- | -- | -- | 48.17 |
| Mrs.Monika Mohite | 24.17 | -- | -- | -- | 24.17 |
| Mr. Abhay Bhide | 38.22 | -- | -- | -- | 38.22 |
| Mr.Vijay Nawandhar | -- | -- | -- | -- | -- |
| Mr. Ranjeet D. Patil | -- | -- | -- | -- | -- |
| Mr. Sangramsinh Nimbalkar (Ceased to be member w.e.f. 14.01.2019) | -- | -- | -- | -- | -- |
| Mr. Shankar H. Patil | -- | -- | -- | -- | -- |

(iii) Stakeholders' Relationship Committee:

- (a) Terms of reference
- Redressal of investors' complaints.
 - Allotment of Shares, approval of transfer & transmission of shares, issue of duplicate Share certificates and new certificates on split/consolidation/renewal etc.
 - To approve the transfer of shares lodged with the Company.
 - To approve or authorise transmission/consolidation/ sub-division/dematerialisation or rematerialisation of equity shares of the Company;
 - Resolving the grievances of the shareholders including complaints related to transfer /transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
 - Review of measures taken for effective exercise of voting rights by shareholders;
 - Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agents;
 - Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company

(b) Composition

The Composition of committee changed during year under consideration. The 'Stakeholders' Relationship Committee' presently comprising two non-executive directors and one executive director. The composition of the Committee was not changed during the year. The Committee held Four meetings on 30-05-2018, 14-08-2018, 14-11-2018 & 14-02-2019 The attendance of Members at the said Meetings was as follows;

| Name | Status | No. of Meetings attended |
|---|----------|--------------------------|
| Mr. Vijay M. Nawandhar | Chairman | 4 |
| Mr. Sangramsinh S. Nimbalkar (Ceased to be member w.e.f. 14.01.2019) | Member | 3 |
| Mr. Abhay S. Bhide | Member | 4 |
| Mr. Ranjeet D. Patil (appointed as member w.e.f 14.01.2019) | Member | 1 |

(c) Name, Designation and Contact Details of Compliance Officer

Ashvini Prataprao Kalekar
Company Secretary
R. S. 347, Ambapwadi Phata, P. B. No. 1, Off N. H. 4,
Vadgaon, Tal. Hatkanangale, Dist – Kolhapur 416112
Maharashtra – MH Phone 0230-2471230

- (d) During the year no complaints were received from the investors and there were no complaints pending at end of the year.

(iv) Risk Management Committee

The Company has Risk Management Committee. The composition of the Committee was not changed during the year. The Composition of the Committee as at 31st March, 2019 and the details of Members participation at the Meetings of the Committee are as under

| Name | Status | No. of Meetings attended |
|---------------------|----------|--------------------------|
| Mr. Shivaji Mohite | Chairman | 4 |
| Mr. Abhay Bhide | Member | 4 |
| Mr. Vijay Nawandhar | Member | 4 |

During the year, four Meetings were held on 30-05-2018, 14-08-2018, 14-11-2018 & 14-02-2019

The committee reviewed the Company's risk management practices which include review of risks to the achievement of key business objectives covering growth, profitability, and actions taken to mitigate the risk.

The Company has in place mechanism to inform Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by senior management employees through the means of a properly defined framework. The Company has laid down Risk management policy.

v) Corporate Social Responsibility Committee

In order to comply with provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee. The composition of the Committee was not changed during the year. The Composition of the Committee as at 31st March, 2019 and the details of Members participation at the Meetings of the Committee are as under:

| Name | Status | No. of Meetings attended |
|------------------------|----------|--------------------------|
| Mr. Shivaji Mohite | Chairman | 2 |
| Mr. Vijay M. Nawandhar | Member | 2 |
| Mr. Abhay Bhide | Member | 2 |

During the year, two Meetings were held on 14-08-2018 & 14-02-2019..

Terms of reference of the Committee inter alia, include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy as specified in Schedule VII to the Companies Act, 2013;
- to finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution/ implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- Monitor the Corporate Social Responsibility Policy, Review it, the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report.

OTHER INFORMATION

(i) Risk Management Framework:

The Company has in place mechanism to provide guidance regarding the management of risk to support the achievement of corporate objectives, protect staff/workers and business assets and ensure financial sustainability. The Board of Directors, Audit Committee, Risk Management Committee, staff & employees all are part of this framework. It involves recognition, assessment, analysis, evaluation of the risk.

(ii) Code of Conduct:

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company to provide them guidance and help to recognize and deal with ethical issues, provide mechanisms to report unethical conduct and foster a culture of honesty and accountability. The code governs the actions and working relationships of board members, officers and all other employees of the Company in dealing with fellow employees, guests, competitors, vendors, and suppliers, governmental & other agencies. It is the commitment to honest & ethical personal conduct, transparency, compliance of Law, health & safety etc.

Mr. Shivaji R. Mohite the Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

As per provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted Code of Fair disclosure for Prevention of Insider Trading which contains practices and procedures for fair disclosure of unpublished price sensitive information and regulating, monitoring and reporting of trading by insiders to be adopted by the Company and seeks to ensure timely, fair and adequate disclosure of price sensitive information to the investor & to enable them to take informed investment decisions with regard to the Company's Securities.

The procedure is prescribed to ensure that such information is not misused for any personal advantage.

The Company has laid down a code of conduct for all Board Members and senior management personnel of the Company. The declaration of Managing Director given below.

| | | |
|---|---------------------------|------------------------|
| To the Shareholders of Mohite Industries Ltd. | | |
| Sub. Compliance with Code of Conduct | | |
| The Board has laid down a code of conduct for all Board Members and Senior Management of the Company. As per Regulation 17 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We hereby confirm and declare that the Boards Members and Senior Management have affirmed compliance with the Code of Conduct. | | |
| Date : 27 th August, 2019 | Mr. Shivaji Mohite | Mr. Abhay Bhide |
| Place : Vadgaon, Kolhapur | Managing Director | Wholetime Director |

(iii) General Body Meeting

The last three Annual General Meetings of the Company were held at registered office of the Company at R.S. No.347, Ambapwadi Phata, Off N.H.4, P.B. No 1, Vadgaon, Tal. Hatkanangale, Dist.-Kolhapur as under:

| Financial Year | Date | Time |
|----------------|---------------------------------|------------|
| 2017-2018 | 25 th September 2018 | 10.30 a.m. |
| 2016-2017 | 27 th September 2017 | 10.30 a.m. |
| 2015-2016 | 24 th September 2016 | 11.00 a.m. |

The following Special Resolutions were passed by the members at the last three Annual General meeting.

Annual General Meeting held on 25th September, 2018

Reappointment of Mr. Abhay S. Bhide (DIN: 05307473) as Wholetime Director of the Company for period of five years

Annual General Meeting held on 27th September, 2017

No any special resolution was passed

Annual General Meeting held on 24th September, 2016

- i) Re-appointment Mr. Shivaji R. Mohite as Chairman & Director of the Company
- ii) Re-appointment Mrs. Monika S. Mohite as Joint Managing Director of the Company

No Special Resolution was passed through Postal Ballot in last year.

(iv) Other Disclosures:

- (a) During the year, there was no any transaction of material nature entered into with any related party that may have potential conflict with the interests of listed entity. The policy on dealing with Related Party Transactions is available on Company's website www.mohite.com

- (b) Details of compliance with mandatory requirements –

There were no instances of non-compliance of any matter related to the capital markets, by the Company, no penalties imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market and also the Company has complied with all the mandatory requirements of the Listing Regulations.

- (c) Vigil Mechanism/Whistle Blower Policy–

The Company has to adopt Vigil Mechanism Policy/Whistle Blower Policy under Section 177(9) of the Companies act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as under Provisions of Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 to provide mechanism for reporting genuine concerns or grievance and covers disclosure of any unethical and improper or malpractices and events which have taken place/suspected to take place and also safeguards against victimization of directors or employees or any other person who avail the mechanism. Vigil Mechanism/Whistle Blower Policy is also available on the website of the Company www.mohite.com

Disclosure of Accounting Treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(d) CEO / CFO Certification:

As required under Regulation 17(8) of the Listing Regulations, a certificate from Mr. Shivaji Mohite, Managing Director and Abhay Bhide, Wholetime Director of the Company, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs, was placed before the board.

(e) Means of communication:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in The Financial Express (English Newspaper) and other local language newspaper like Sakal (Marathi). The results are simultaneously posted on the website of the Company at <http://www.mohite.com/>. Also the Company's Website contains updated information as to financial results, public announcement, shareholding patterns, Annual Reports etc.

Company also registered with SCORES (SEBI Complaints Redressal System).

(f) the policy for determining 'material' subsidiaries' is disclosed on website of the company www.mohite.com

(g) the policy dealing with related party transactions is disclosed on website of the company www.mohite.com

(h) Management discussion & Analysis forms integral part of this Annual Report.

(i) Compliance as to requirement of corporate governance report and discretionary requirements as specified in Part E of Schedule II –

The Company has complied with all requirement of sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulation 2015. Also Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulation 2015 and necessary disclosures thereto are made in this report.

Modified opinion in Audit Report: The Company's financial statement for the year ended on 31st March, 2019 does not contain any modified opinion.

GENERAL SHAREHOLDERS' INFORMATION

(i) Annual General Meeting:

The Annual General Meeting of the Company will be convened on Monday, 30th September, 2019 at 10.30 a.m. at the registered office of the Company located at 'R.S.No.347, Ambapwadi Phata, Off. NH-4, P.B. No. 1, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur – 416 112.

(ii) Financial Calendar:

Financial Year: The Company follows the period of 1st April to 31st March, as the Financial Year.

| | Event | Period |
|------|---|----------------------------------|
| i) | Annual Results of 2018-2019 | 30 th May, 2019 |
| ii) | Quarterly results June 30 th , 2019 | Second Week of August, 2019 |
| iii) | Annual General Meeting | 30 th September, 2019 |
| iv) | Quarterly results September 30 th , 2019 | Second Week of November, 2019 |
| v) | Quarterly results December 31 st , 2019 | Second Week of February, 2020 |
| vi) | Annual results March 2019-2020 | Fourth Week of May, 2020 |

(iii) Book Closure:

The Register of member will remain closed from the Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive)

(iv) Listing of Equity shares on Stock Exchange:

The shares of the Company are listed on the Bombay Stock Exchange Limited (BSE). Listing fees for the year 2019-20 has been paid to the Bombay Stock Exchange Limited. The Company has paid custodial fees for the year 2019-2020 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them on March 31, 2019.

(v) **Stock Code:**

BSE – 532140 ISIN No. INE154B01015

(vi) **Corporate Identification Number of the Company**

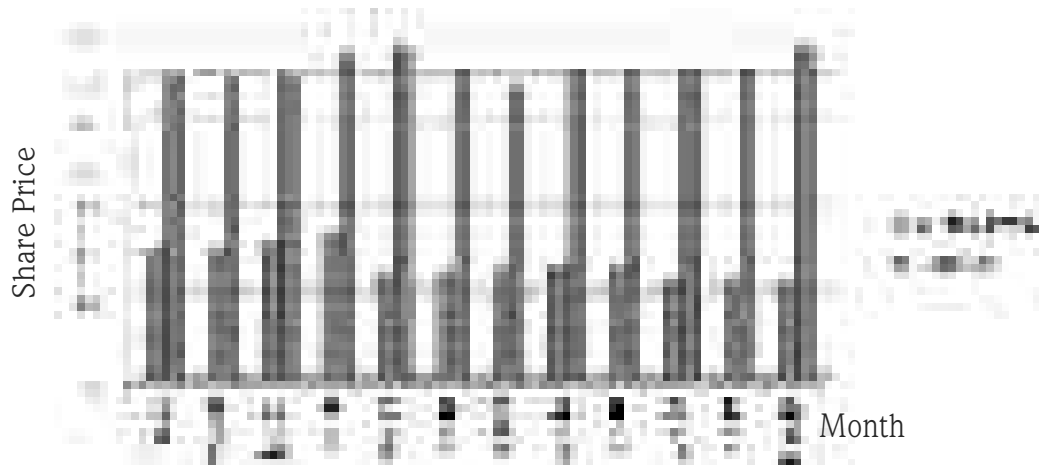
L40108MH1990PLC058774

(vii) **Stock market price data for the year 2018-19**

The opening/closing, high / low market price of the shares during the financial year 2018-19 at the BSE Ltd is given as below

| Month | Open Price | High Price | Low Price | Close Price | No. of Shares Traded |
|--------|------------|------------|-----------|-------------|----------------------|
| Apr-18 | 16.40 | 16.40 | 15.00 | 15.00 | 527 |
| May-18 | 15.00 | 15.95 | 14.25 | 15.50 | 4276 |
| Jun-18 | 15.25 | 16.00 | 15.25 | 16.00 | 3055 |
| Jul-18 | 16.00 | 16.75 | 15.25 | 16.75 | 1100 |
| Aug-18 | 17.50 | 17.50 | 12.60 | 12.60 | 3024 |
| Sep-18 | 12.60 | 12.92 | 11.97 | 12.35 | 4443 |
| Oct-18 | 12.95 | 13.45 | 12.90 | 13.00 | 2628 |
| Nov-18 | 12.35 | 13.58 | 11.75 | 13.58 | 1528 |
| Dec-18 | 14.20 | 14.89 | 13.45 | 13.45 | 1367 |
| Jan-19 | 12.78 | 13.25 | 11.40 | 11.40 | 573023 |
| Feb-19 | 11.40 | 12.50 | 11.30 | 11.30 | 5900 |
| Mar-19 | 11.30 | 11.84 | 10.69 | 11.64 | 652 |

viii) **Performance in Comparison with BSE Sensex –**



For BSE Sensex base is 1000

(ix) **Registrar and Share Transfer Agents :**

Link Intime India Pvt. Ltd.,

C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai MH 400083

Phone :- 022-25963838 Fax :- 022-25946969 Tel. No. 022-49186270 (for Investor) 022-49186000

Fax No. – 022-49186060 Email – rnt.helpdesk@linkintime.co.in

(vi) **Share Transfer System:**

As per notification issued by the Securities and Exchange Board of India (SEBI), the trading in Company's equity shares on the stock exchanges is permitted only in dematerialised form for all classes of investors. All transactions in connection with transfer, transmission, etc. during the year under review were processed by the Registrar and Share Transfer Agents of the Company to expedite the process of share transfer, the powers for processing of share transfer have been delegated to the Registrar and Share Transfer Agent of the Company.

The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

Two demat request were received during year under consideration and Number of shares dematerialized are 5500

Distribution of Shareholding as on March 31, 2019

| Sr. No. | Shares Range | Shareholders | % | Number | % |
|---------|--------------|--------------|-----------------|-----------------|-----------------|
| 1 | Up to 500 | 744 | 70.2550 | 131289 | 0.6532 |
| 2 | 501-1000 | 128 | 12.0869 | 102649 | 0.5107 |
| 3 | 1001-2000 | 57 | 5.3824 | 87471 | 0.4352 |
| 4 | 2001-3000 | 30 | 2.8329 | 72578 | 0.3611 |
| 5 | 3001-4000 | 13 | 1.2276 | 45719 | 0.2275 |
| 6 | 4001-5000 | 23 | 2.1719 | 111248 | 0.5535 |
| 7 | 5001-10000 | 19 | 1.7941 | 142566 | 0.7093 |
| 8 | 10001& above | 45 | 4.2493 | 19406180 | 96.5496 |
| | Total | 1059 | 100.0000 | 20099700 | 100.0000 |

(xii) Categories of Shareholders as on March 31, 2019

| Sr. No. | Category | No of Shares held | % as to Total Issued & Paid up Shares |
|---------|------------------------|-------------------|---------------------------------------|
| 1 | Clearing Member | 55024 | 0.2738 |
| 2 | Directors | 13875163 | 69.0316 |
| 3 | Hindu Undivided Family | 613122 | 3.0504 |
| 4 | Non Resident Indians | 3050 | 0.0152 |
| 5 | Other Bodies Corporate | 4178583 | 20.7893 |
| 6 | Public | 1213215 | 06.0360 |
| 7 | Relatives of Director | 159493 | 0.7935 |
| 8 | Trusts | 2050 | 0.0102 |
| | Total | 20099700 | 100 |

(xiii) Dematerialization of shares:

As on March 31, 2019, 90.48% of the Company's total paid up capital representing 18185379 shares was held in dematerialized form and the balance 9.52% representing 1914321 shares were held in physical form.

(xiv) Convertible Instruments:

The Company has not issued any ADRs/GDRs/Warrants or any convertible instruments during financial year ended 31st March, 2019.

(xv) Plant location :

Manufacturing facilities of the Company are located at :

- Spinning Unit - R.S.No.347, Ambapwadi Phata, Off. N.H.4 , P.B.NO.1, Vadgaon, Tal. Hatkanangale, Dist. Kolhapur-416 112.
- Radhanagari Hydro Electric Power Project, Gat.No.222, at Fejiwade, Tal- Radhanagari Dist-Kolhapur.

(xvi) Auditors' Certificate on Compliance of Conditions of Corporate Governance

The certificate is attached as annexure to the Report.

(xvii) Address for correspondence:

- Shareholders correspondence as to share transfer, share transmission, change request and other such queries should be directed to Company's Registrar and Transfer Agent whose address is given below:

Link Intime India Pvt. Ltd.

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai Mumbai City MH 400083

Tel.No. - 022 49186270 (for Investor)

022 49186000 Fax No. - 022 49186060

Email – rnt.helpdesk@linkintime.co.in, bonds.helpdesk@linkintime.co.in

- Shareholders can also send their queries to below mentioned address

Compliance Officer

Mohite Industries Limited

R.S.No.347, Ambapwadi Phata, Off NH-4, P.B.No.1, Vadgaon, Tal – Hatkanangale, Dist – Kolhapur – 416 112, Maharashtra State, India.

Phone – 0230-2471230-33, Fax – 0230-2471229

email- mohitex@bsnl.in, cs@mohite.com

(xviii) Disclosure With Respect To Unclaimed Suspense Account

Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company has to transfer to the 'Unclaimed Securities Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of unclaimed shares to be transferred to unclaimed Suspense Account pursuant to the provisions as prescribed under Clause F of Schedule V of Listing Regulations are as under:

| Particulars | No. of Shareholders | No. of Equity Shares |
|--|---------------------|----------------------|
| Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2019 | 3 | 1500 |

Company is in process of transferring those shares to 'Unclaimed Securities Suspense Account'

(xix) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

(Amount in ₹)

| Sr. No | Particulars | Financial year 2018-19 |
|--------|---------------------------|------------------------|
| 1. | Statutory audit | 60,000 |
| 2. | Tax Audit | 10,000 |
| 3 | Other expenses reimbursed | -- |

(xx) Certificate from Practicing Company Secretary:

A certificate from Practicing Company Secretary stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is also annexed herewith.

(xxi) The Company has not raised any funds through preferential allotment or qualified institutions Placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2018-19.

(xxii) Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended on 31st March, 2019.

On behalf of the Board
MOHITE INDUSTRIES LIMITED

Date : 27th August, 2019
Place : Vadgaon, Kolhapur

SHIVAJI MOHITE
Managing Director
DIN 00425441

MONIKA MOHITE
Joint Managing Director
DIN 00425614

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V(E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mohite Industries Limited

I have examined the compliance of conditions of Corporate Governance by MOHITE INDUSTRIES LIMITED (“the Company”), for the year ended on March 31, 2019, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for period 01st April, 2018 to 31st March 2019.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in above Listing Regulations, as applicable.

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

For **PRASHANT HIRAWDEKAR & ASSOCIATES**
Chartered Accountants, Kolhapur.

Place : Vadgaon, Kolhapur
Date : 30th May 2019

Prashant Subhash Hirawdekar
Proprietor
M. No. 133498

COMPLIANCE CERTIFICATE BY CEO / CFO

The Board of Directors,
Mohite Industries Limited
Vadgaon, Kolhapur

We Shivaji Mohite, Chairman & Managing Director and Abhay Shamrao Bhide, Wholetime Director of the Mohite Industries Limited, to the best of our knowledge and belief, certify that-

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian AS .
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

Place : Vadgaon, Kolhapur
Date : 27th August, 2019

Shivaji Mohite
MD DIN 00425441

Abhay Bhide
CEO & Executive Director

CERTIFICATE FROM PRACTISING COMPANY SECRETARY

[Pursuant to clause 10(i) of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I hereby certify that none of the Directors on the Board of the Mohite Industries Limited (CIN: L40108MH1990PLC058774) ("the Company"), have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs or any such Statutory Authority.

on behalf of the Board
MOHITE INDUSTRIES LTD.

Place : Vadgaon, Kolhapur

Date : 30th May, 2019

Mr. Dilip Pange
Practicing Company Secretary
FCS No. 6423
CP No. 2516

MANAGEMENT DISCUSSION & ANALYSIS

The management of Mohite Industries Limited presents the analysis of business performance of the Company for the year 2018-19 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

1. INDUSTRY STRUCTURE & DEVELOPMENTS

During the year under report, the domestic as well as export market for yarn remained volatile. As there was a down fall in export of textiles products, the price of yarn in the domestic market lowered drastically.

However, the management has already switched over to Compact and Slub yarn from normal quality yarn, falling price did not affect as these special quality yarns are having fix market and price.

2. OPPORTUNITIES AND THREATS

The management has an opportunity to further improve the quality of Compact yarn so as to fetch more price than the present. Also the management has an opportunity to explore export markets for the compact yarn.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Segment-wise performance is given in Note No. 24B(iv) to financial statements.

4. MANAGEMENT PERCEPTION OF RISKS & CONCERNS

Taking into Account the cotton availability, demand for yarn and lucrative price the management does not foresee any risk factor. However, there is concern over the technology of the present machinery which is quite old. Hence it is imperative to go for modernization of the plant to sustain in competition with other mills as regards quality and productivity.

5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has well defined internal control systems. Internal Audit in the organization measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board. Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of the business.

6. HUMAN RESOURCES DEVELOPMENT & INDUSTRIAL RELATIONS :

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relation has peaceful and harmonious situation.

7. FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS :

a) Production of our Company of 100% cotton yarn was 4696.44 MT during the year 2018-19 as against production of 4308.87 MT during the year 2017-18. Sale of Cotton Yarn & Fabric was ₹ 9846.66 Lakhs during the year 2018-19 as compared to sales of ₹ 8660.67 Lakhs during the year 2017-18. Sale of Cotton Waste was ₹ 83.87 Lakhs during the year 2018-19 as compared to sale of ₹104.29 Lakhs during the year 2017-18.

b) Job Work of 100 % cotton yarn was 110.61 MT during the year 2018-19 as against Job Work of 13.37 MT during the year 2017-18. Job Work Income was Rs.18.65 Lakhs in the year 2018-19 as compared to Job Work Income of ₹3.59 Lakhs in the year 2017-18.

c) Generation of Hydro Power was 2,59,99,495 Kwh units during the year 2018-19 and transmitted to Textile Division (Intersegment) 1,70,49,104 Kwh as against generation of 1,94,79,620 Kwh units during the year 2017-18 and transmitted to Textile Division (Intersegment)) 1,29,51,315 Kwh units. Transmission Loss of units was 9.48 % during the year 2018-19 against 9.92 % during the year 2017-18. Balance Units Sale to MSEDCL during the 2018-19 is 70,74,499 Kwh Units as against units sale of 44,29,840 Kwh Units for the year 2017-18.

d) Production of Yarn during the year 2018-19 was Increased by 8.25 % and Sales of Yarn and Fabric during the year 2018-19 were increased by 12.04% as compared to previous year.

e) The Direct Export & Merchant Export of Yarn was ₹1372.94 Lakhs during the year 2018-19 as compared to Direct Export & Merchant Export of Yarn and Fabric of ₹ 244.93 Lakhs during the year 2017-18.

f) RAW MATERIAL

Total raw material (Cotton + Yarn + Waste) cost for the year 2018-19 was ₹ 6870.70 Lakhs compared to ₹5482.91 Lakhs for the previous year. Cost of material consumed to sales ratio (Cotton + Yarn + Waste) for the period ended 31.03.19 is 69.19% as compared to 54.27 % for the previous year.

g) POWER AND FUEL

The cost of power was ₹1090.52 Lakhs for the year 2018-19 as compared to ₹1155.01 Lakhs for the year 2017-18. Cost of power is ₹ 22.69 per kg of the production for the year 2018-19 as compared to power cost of ₹26.81 per kg of production for the previous year.

h) SALARY AND WAGES (EMPLOYEES BENEFIT COSTS)

The salary and wages & other employee benefits cost was ₹1097.32 Lakhs for the year 2018-19 as compared to ₹1113.04 Lakhs for the year 2017-18. The Company has taken step to fully provide for the gratuity liability.

i) INTEREST AND FINANCE COST

The interest and finance cost was ₹1048.56 Lakhs for the year 2018-19 compared to ₹ 905.33 Lakhs for the year 2017-18.

j) PROFITABILITY

The Company earned Profit before Depreciation, Interest and Tax of ₹1977.88 Lakhs in the current year as against ₹1741.11 Lakhs in the previous year. The Company earned Profit before Depreciation and Tax of ₹929.32 Lakhs in the current year as compared to ₹ 835.78 Lakhs in the previous year.

The Company earned Profit before Tax (after interest and depreciation) of ₹ 201.82 Lakhs and Profit after Tax of ₹116.75 Lakhs for the current financial year under review as against ₹ 406.90 Lakhs and ₹ 347.97 Lakhs respectively, for the previous financial year.

k) RESOURCE MOBILISATION

The Gross Fixed Assets (excluding capital work in progress) as at 31st March, 2018 were ₹ 18693.29 Lakhs as compared to ₹ 18276.67 Lakhs in the previous year. During the year, the Company had purchased fixed assets amounting to ₹416.62 Lakhs.

There were no debtors outstanding for more than six months in the year under review. (Previous Year Nil). Inventory level as on 31st March, 2018 was ₹ 4114.31 Lakhs, as against ₹ 3608.48 Lakhs in the previous year.

i) DETAILS OF SIGNIFICANT CHANGES AS COMPARED TO PREVIOUS YEAR IN KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATION

| Ratio | 2018-19 | 2017-18 | Variation |
|-----------------------------|---------|---------|-----------|
| Inventory Turnover | 34.40% | 39.84% | 5.44% |
| Interest Coverage Ratio | 1.19 | 1.13 | 0.06 |
| Current Ratio | 2.95 | 2.74 | 0.21 |
| Debt Equity Ratio | 0.92 | 0.97 | 0.05 |
| Operating Profit Margin (%) | 30.29% | 33.37% | -3.08% |
| Net Profit Margin (%) | 1.83% | 1.33% | 0.50% |

m) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.]

on behalf of the Board
MOHITE INDUSTRIES LTD.

Place : Vadgaon, Kolhapur
Date : 27th August, 2019

Shivaji Mohite
MD DIN 00425441

Monika Mohite
Jt. MD DIN 00425614

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Mohite Industries Limited** (“the Company”), which comprise the Balance Sheet as at **31st March, 2019**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“IndAS”) and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit, total comprehensive income & its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

Based on the circumstances and facts of the audit entity, in our opinion, there were no such key audit matters that required special attention or judgement by us.

Information other than the standalone financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report 2018-19, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the IND AS standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income & cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for the audit of standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Cash Flow Statement the dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) 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 the best of our information and according to the explanations given to us:
- There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of subsection(11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the “Annexure B” a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

Place: Vadgaon, Kolhapur

Date : 30th May, 2019

For **PRASHANT HIRAWDEKAR & ASSOCIATES**
CHARTERED ACCOUNTANTS

Prashant Subhash Hirawdekar

Proprietor

Membership No. 133498

Annexure “A” to the Independent Auditors' Report

(Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act)
We have audited the internal financial controls over financial reporting of the Company as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 2019, 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 issued by the ICAI.

Place: Vadgaon, Kolhapur

Date : 30th May, 2019

For **PRASHANT HIRAWDEKAR & ASSOCIATES**
CHARTERED ACCOUNTANTS

Prashant Subhash Hirawdekar

Proprietor

Membership No. 133498

Annexure “B” to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report on even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Major items of fixed assets were physically verified during the year by the management in accordance with regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us and representation obtained from the management, the title deeds of immovable properties are held in the name of the Company.
- ii The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.
- iii. The Company has granted unsecured loan to company required to be covered in the register maintained under section 189 of the Act.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.
- vii (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax (GST), cess and other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2019, which were outstanding for a period of more than six months from the date they became payable.
(b) There are no disputed dues which have remained unpaid as on 31st March, 2019 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax or GST.
- viii. On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to banks. The Company does not have any loans or borrowings from government in the books of accounts at any time during the year.
- ix. The Company did not raise any money by way of initial / further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x. Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them under section 192 of the Act. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Vadgaon, Kolhapur

Date : 30th May, 2019

For **PRASHANT HIRAWDEKAR & ASSOCIATES**
CHARTERED ACCOUNTANTS

Prashant Subhash Hirawdekar

Proprietor

Membership No. 133498

STANDALONE BALANCE SHEET as at 31st March, 2019

(Amount In ₹)

| No | PARTICULARS | Note | 31 st March 2019 | 31 st March 2018 |
|----------|---|------|-----------------------------|-----------------------------|
| A | ASSETS - | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property Plant and Equipments | 2(a) | 709,118,568 | 762,820,281 |
| | (b) Capital work-in-progress | 2(b) | 42,361,643 | 2,138,467 |
| | (c) Financial Assets : | | | |
| | (i) Investments | 3(a) | 1,585,100 | 1,360,100 |
| | (ii) Loans- Security Deposit | 3(b) | 10,462,837 | 3,210,341 |
| | Total non-current Assets | | 763,528,148 | 769,529,188 |
| 2 | Current Assets | | | |
| | (a) Inventories | 4 | 401,227,000 | 411,431,000 |
| | (b) Financial Assets : | | | |
| | (i) Trade Receivables | 5 | 415,550,609 | 422,382,527 |
| | (ii) Cash and Cash equivalents | 6 | 187,765 | 524,525 |
| | (iii) Bank Balance other than (ii)above | 6 | 6,969,604 | 14,683,874 |
| | (iv) Loans & Advances | 7 | 199,338,432 | 168,340,594 |
| | Total Current Assets | | 1,023,273,410 | 1,017,362,520 |
| | Total Assets | | 1,786,801,558 | 1,786,891,708 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | EQUITY | | | |
| | (a) Equity Share Capital | 8 | 200,997,000 | 200,997,000 |
| | (b) Other Equity | 9 | 687,258,983 | 665,945,932 |
| | Total Equity | | 888,255,983 | 866,942,932 |
| | Liabilities | | | |
| 2 | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Long-Term borrowings | 10 | 527,364,300 | 519,606,360 |
| | (b) Deferred Tax Liabilities (Net) | 11 | 24,511,963 | 29,893,088 |
| | Total Non- Current Liabilities | | 551,876,263 | 549,499,448 |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Short-Term Borrowings | 12 | 218,526,668 | 248,521,167 |
| | (ii) Trade Payables | 13 | | |
| | a) Due to Medium & Small Enterprises | | 6,598,230 | 5,321,430 |
| | b) Due to other than Medium & Small Enterprises | | 28,265,104 | 27,733,570 |
| | (iii) Other Financial Liabilities | 14 | 72,818,520 | 72,818,520 |
| | (b) Other Current Liabilities | 15 | 20,460,790 | 16,054,641 |
| | (c) Provision | | - | - |
| | Total Current Liabilities | | 346,669,312 | 370,449,328 |
| | Total Equity and Liabilities | | 1,786,801,558 | 1,786,891,708 |
| | Significant Accounting Policies and Notes to Accounts | 1 | | |

As per our separate report attached
for **PRASHANT HIRAWDEKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors of
MOHITE INDUSTRIES LTD.

Prashant S Hirawdekar
Proprietor
Mem. No. 133498

Shivaji Mohite
MD DIN 00425441

Monika Mohite
Jt. MD DIN 00425614

Place : Kolhapur
Date : 30th May 2019

Abhay Bhide
Director & CEO
DIN 05307473

Ashvini Kalekar
Company Secretary

Priyanka Patil
CFO

STANDALONE STATEMENT OF PROFIT & LOSS for the year ended on 31st March, 2019 (Amount In ₹)

| No | PARTICULARS | Note | 31 st March 2019 | 31 st March 2018 |
|-----------|---|------|-----------------------------|-----------------------------|
| 1 | Income | | | |
| | Net Revenue From Operation | 16 | 1,164,648,188 | 1,025,224,502 |
| | Revenue from Operations | 17 | 336,729 | 6,723,237 |
| | Other Income | 18 | 1,103,135 | 603,001 |
| | Total Revenue : | | 1,166,088,052 | 1,032,550,740 |
| 2 | Expenses | | | |
| | Cost of Material Consumed | 19 | 687,070,328 | 583,456,883 |
| | Changes in inventories of Finished Goods | 20 | 16,441,000 | (4,401,000) |
| | Work in Progress and Stock-in-trade | | | |
| | Employee Benefit Expenses | 21 | 105,410,727 | 111,303,652 |
| | Finance Costs | 22 | 105,958,776 | 90,532,753 |
| | Depreciation and Amortisation Expenses | 23 | 72,749,999 | 71,903,080 |
| | Operating and Other Expenses | 24 | 158,275,296 | 168,080,593 |
| | Total Expenses : | | 1,145,906,126 | 1,020,875,961 |
| 3 | Profit Before Exceptional and Extra Ordinary Item and tax (1-2) | | 20,181,926 | 11,674,779 |
| 4 | Exceptional Items | | - | - |
| 5 | Profit Before Tax (3-4) | | 20,181,926 | 11,674,779 |
| 6 | Tax Expenses | | | |
| | (i) Current Tax | | 4,250,000 | 2,150,000 |
| | (ii) Deferred Tax | | (5,381,125) | (4,171,827) |
| 7 | Profit/(Loss) for the period from continuing operations (5-6) | | 21,313,051 | 13,696,606 |
| 8 | Other Comprehensive Income that will not be reclassified to Profit or Loss | | | |
| | (i) Re-measurements gains/(Losses) on defined benefit plans | | - | - |
| | (ii) Income Tax effect on above | | - | - |
| | Total Other Comprehensive Income | | - | - |
| 9 | Total Comprehensive Income for the Period (7+8) | | 21,313,051 | 13,696,606 |
| 10 | Paid-Up Equity Shares Capital (face value of ₹10 each fully paid up) | | 200,997,000 | 200,997,000 |
| 11 | Earning per equity share (EPS) (Face value of ₹10 each) | | | |
| | (i) Basic (in ₹) (not annualised) | | 1.06 | 0.68 |
| | (ii) Diluted (in ₹) (not annualised) | | 1.06 | 0.68 |

As per our separate report attached
for **PRASHANT HIRAWDEKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors of
MOHITE INDUSTRIES LTD.

Prashant S Hirawdekar
Proprietor
Mem. No. 133498

Shivaji Mohite
MD DIN 00425441

Monika Mohite
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Place : Kolhapur
Date : 30th May 2019

Abhay Bhide
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Priyanka Patil
CFO

STANDALONE CASH FLOW STATEMENT for the year ended on 31st March, 2019

(Amount In ₹)

| No | PARTICULARS | Note | 31 st March 2019 | 31 st March 2018 |
|-----------|--|------|-----------------------------|-----------------------------|
| A. | Cash flow from Operating Activities | | | |
| | Net Profit before Tax | | 20,181,926 | 11,674,779 |
| | Adjustments for : | | | |
| | Depreciation | | 72,749,999 | 71,903,080 |
| | Interest & Finance Charges | | 105,958,776 | 90,064,951 |
| | Extraordinary Items | | - | - |
| | Profit on Sale of Land | | - | - |
| | Dividend Received | | - | (135,200) |
| | Operating profit before working capital changes | | 198,890,701 | 173,507,611 |
| | Adjustments for : | | | |
| | (Increase) / Decrease in : | | | |
| | Trade & Other Receivables | | 6,831,918 | 10,043,713 |
| | Inventories | | 10,204,000 | (50,583,000) |
| | Increase / (Decrease) in : | | | |
| | Trade Payables & Other Liabilities | | 4,406,149 | (16,910,453) |
| | Cash generation from operations | | 220,332,768 | 116,057,871 |
| | Less: Taxes Paid | | 2,565,530 | 304,451 |
| | Net Cash flow from Operating Activities | | 222,898,298 | 116,362,322 |
| B. | Cash flow from Investing Activities | | | |
| | Purchase of Fixed Assets | | (59,271,462) | (43,050,866) |
| | Investment in Shares | | - | - |
| | Proceeds from Sale of Fixed Assets | | - | 567,101 |
| | Dividend Received | | - | 135,200 |
| | Net Cash flow from Investing Activities before extraordinary items | | (59,271,462) | (42,348,565) |
| | Less: Extraordinary Items | | | |
| | Performance guarantee payment & expenditure incurred during current year (refer note 24B(vii)) | | - | - |
| | Net Cash flow from Investing Activities after extraordinary items | | (59,271,462) | (42,348,565) |
| C. | Cash flow from Financing Activities | | | |
| | Proceeds from Long Term Borrowings (Net) | | 9,115,631 | 182,461,215 |
| | Proceeds from Short Term Borrowings (Net) | | (29,994,499) | (145,650,971) |
| | Proceeds from Unsecured Borrowings | | (1,357,691) | (19,679,622) |
| | Interest & Finance Charges | | (105,958,776) | (90,532,752) |
| | Net Cash flow from Financing Activities | | (128,195,336) | (73,402,131) |
| | Net Increase / (Decrease) in Cash & Cash Equivalents | | 35,431,500 | 611,626 |
| | Cash & Bank Balances as on 31/03/2018 | | 15,208,399 | 14,128,970 |
| | Cash & Bank Balances as on 31/03/2019 | | 7,157,369 | 15,208,398 |

As per our separate report attached
for **PRASHANT HIRAWDEKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors of
MOHITE INDUSTRIES LTD.

Prashant S Hirawdekar
Proprietor
Mem. No. 133498

Shivaji Mohite
MD DIN 00425441

Monika Mohite
Jt. MD DIN 00425614

Place : Kolhapur
Date : 30th May 2019

Abhay Bhide
Director & CEO
DIN 05307473

Ashvini Kalekar
Company Secretary

Priyanka Patil
CFO

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2019

NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Preparation :

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

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

The financial statements for the year ended 31st March 2019 (including comparatives) are duly adopted by the Board on 30th May, 2019 for consideration and approval by shareholders.

II. Summary of accounting policies :

1. Overall considerations

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

2. Revenue Recognition

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

i) Sale of Products:

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

ii) Interest Income:

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

3. Property, plant and equipment

i) Freehold land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any.

Cost includes:

a) Purchase Price

b) Taxes and Duties

c) Labour cost and

d) Directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes excise duty, value added tax, service tax, and GST to the extent credit of the duty or tax is availed of.

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

ii) Component Accounting:

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

iii) Other cost:

All other repairs and maintenance cost are charged to the statement of profit and loss during their reporting period in which they are incurred. Profit or Losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other income/ (loss).

iv) Depreciation and amortization:

- a) Depreciation is recognized on a straight-line basis, over the useful life of the buildings and other equipment as prescribed under Schedule II of the Companies Act, 2013.
- b) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset as evaluated on technical assessment on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013
- c) On tangible fixed assets added/disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

v) Ind AS Transition:

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

4) Impairment:

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

5) Financial Assets classification and subsequent measurement of Financial Assets :

i. Trade receivables

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

ii. Derecognition of financial assets

A financial asset is derecognised only when;

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) The Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

There are no such de-recognitions.

6) Financial Liabilities:

i. Classification, subsequent measurement and de-recognition of financial liabilities

a. Classification

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

b. Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

7) Inventories

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

i. Raw materials

Raw materials are valued at cost of purchase, net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use.

ii. Work-in-process and Finished Goods

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials.

iii. Stores and spares

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

8) Income Taxes

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

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

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

9) Post-employment benefits and short-term employee benefits

i. Short term obligations:

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

ii. Other long term employee benefits obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service. They are, therefore, recognised and provided for at the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

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

iii. Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined contribution plan such as Gratuity & provident fund

Gratuity obligation:

The company has created The Employees Group Gratuity fund which has taken gratuity cum life insurance policy from LIC of India. Premium on said policy is calculated by LIC & Conveyed to us on the basic of Project unit credit Method. The same is accounted for in books of accounts.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The provident fund contributions are made to EPFO.

Bonus Payable:

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

10) Provisions and contingent liabilities

I. Provisions:

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

ii. Contingent liabilities:

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

| | Particulars | 2018-19 | 2017-18 |
|----|--|---------|---------|
| 1. | Claims not acknowledged as debts in respect of matters in appeals. | - | - |
| 2. | Commitments | | |
| | a) Estimated amount of contracts remaining to be executed | - | - |
| | b) Other Commitments : | | |
| | Guarantee given by banks, counter guaranteed by the Company | 199.63 | 263.57 |
| | c) Other Significant Commitments | - | - |

11) Earnings per share:

The company presents the basic and diluted EPS data. Basic and diluted EPS is computed by dividing the profit for the period attributable to the shareholders of the company by the weighted average number of shares outstanding during the period .

Earnings Per Share:

| Particulars | 2018-19 | 2017-18 |
|---|----------------|----------------|
| Net Profit after Taxation | 2,13,13,051.00 | 1,36,96,606.29 |
| Average No. of Equity Shares Outstanding | 2,00,99,700.00 | 2,00,99,700.00 |
| Basic and Diluted Earnings per Share (EPS) in ₹ | 1.06 | 0.68 |

12) Cash and Cash equivalents and Cash Flow Statement:

Statement of cash flow is prepared segregating the cash flow into operating, investing and financing activities. Cash Flow from Operating activity is reported using indirect method adjusting the net profit for the effects of :

- Changes during the period in inventories and operating receivables/ payables transactions of non-cash nature.
- All other items for which cash effects are investing and financing cash flows.

13) Segment reporting :

Segment have been identified on the basis of Accounting Standard on Segment Reporting AS -17

Segment Segment-wise information for the year ended March 31, 2019.

(Amount In ₹)

| Particulars | 2018-19 | 2017-18 |
|---|------------------|------------------|
| 1. Segment Revenue | | |
| a) Textiles | 9,949.19 | 8,768.55 |
| b) Hydro Power | 1,697.29 | 1,483.68 |
| Total : | 11,646.48 | 10,252.24 |
| Less : Inter segment revenue | 1,201.85 | 906.96 |
| Net sales /income from operations : | 10,444.63 | 8,846.93 |
| 2. Segment Results - Profit/(Loss) before tax & interest | | |
| a) Textiles | 119.26 | 45.93 |
| b) Hydro Power | 1,131.11 | 971.47 |
| Total : | 1,250.37 | 1,017.40 |
| Less : | | |
| i) Interest | 900.65 | 900.65 |
| ii) Other un-allocable expenditure net of unallocable income | -- | -- |
| Profit Before Tax : | 116.75 | 116.75 |
| 3. Segment Assets | | |
| a) Textiles | 10,615.14 | 11,703.79 |
| b) Hydro Power | 7,295.38 | 6,165.13 |
| Total : | 17,910.52 | 17,868.92 |
| 4. Segment Liabilities | | |
| a) Textiles | 9,029.33 | 9,184.31 |
| b) Hydro Power | 9.93 | 15.18 |
| Total : | 9,039.26 | 9,199.49 |

14) Borrowing costs:

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

15) Related party disclosure as per Ind AS 24

Following are the related parties as per Accounting Standard 18

| Name of the Party | Relation | Nature of Transaction | 2018-19 | 2017-18 |
|---------------------------|----------------|-----------------------|-----------|-----------|
| Shivaji Ramchandra Mohite | CMD | Remuneration | 48,16,800 | 48,16,800 |
| Monika Shivaji Mohite | Jt. MD | Remuneration | 24,16,800 | 24,16,800 |
| Abhay Shamrao Bhide | Director & CEO | Remuneration | 38,22,000 | 34,50,392 |

Apart from above no significant transactions took place with related parties during the year. There are no write offs/write backs of any amount of any of the related party during the year

III) Significant management judgment in applying accounting policies and estimation of uncertainty while preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

(1) Significant management judgment

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

(2) Recognition of deferred tax assets

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

(3) Estimation of uncertainty

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

a. Impairment of non-financial assets

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

b. Useful lives of depreciable assets

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

c. Inventories

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

d. Current and non-current classification

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

As per our separate report attached
for **PRASHANT HIRAWDEKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors of
MOHITE INDUSTRIES LTD.

Prashant S Hirawdekar
Proprietor
Mem. No. 133498

Shivaji Mohite
MD DIN 00425441

Monika Mohite
Jt. MD DIN 00425614

Place : Kolhapur
Date : 30th May 2019

Abhay Bhide
Director & CEO
DIN 05307473

Ashvini Kalekar
Company Secretary

Priyanka Patil
CFO

Note 2 (a)
Property, Plant and Equipment (PPE)

| No | Particulars | GROSS BLOCK | | | DEPRECIATION | | Net Block | |
|---------------------------|--|----------------------|-------------------|-----------|----------------------|-------------------|--------------------|--------------------|
| | | as on 01.04.2018 | Additions | Disposals | as on 01.04.2018 | for the year | as at 31.3.2019 | as at 31.3.2018 |
| 1) TANGIBLE ASSETS | | | | | | | | |
| (a) | Land | 4,655,353 | - | - | - | - | 4,655,353 | 4,655,353 |
| (b) | Kagal MIDC Land | 13,883,400 | - | - | - | - | 13,883,400 | 13,883,400 |
| (c) | Flat | 30,716,403 | 1,416,298 | - | 126,232 | 661,777 | 31,470,924 | 30,590,171 |
| (d) | Factory Building | 355,587,799 | - | - | 124,391,992 | 7,695,301 | 223,500,506 | 231,195,807 |
| (e) | Plant & Machinery | 1,333,873,065 | 16,776,445 | - | 885,632,775 | 55,068,678 | 409,948,057 | 448,240,290 |
| (f) | Electrical Installation | 46,500,193 | 291,191 | - | 31,858,013 | 2,842,398 | 12,090,973 | 14,642,180 |
| (g) | Office Equipment | 9,427,601 | 449,428 | - | 8,188,599 | 212,935 | 1,475,495 | 1,239,002 |
| (h) | Laboratory Equipments (Imported) | 10,025,557 | - | - | 9,480,881 | 4,641 | 540,035 | 544,676 |
| (i) | Vehicles | 50,696,596 | - | - | 35,156,943 | 5,667,483 | 9,872,170 | 15,539,652 |
| (j) | Furniture & Fixtures | 10,765,245 | 114,924 | - | 8,634,879 | 616,869 | 1,628,421 | 2,130,366 |
| (k) | D. G. Sets - Imported Equipments Below ₹5000 | 3,187,661 | - | - | 3,028,278 | 106,149 | 53,234 | 159,383 |
| | TOTAL | 1,869,318,873 | 19,048,286 | - | 1,106,498,592 | 72,749,999 | 709,118,568 | 762,820,280 |

Note 2 (a)
Property, Plant and Equipment (PPE)

| | Particulars | GROSS BLOCK | | | DEPRECIATION | | Net Block | |
|---------------------------|---|----------------------|-------------------|----------------|----------------------|-------------------|--------------------|--------------------|
| | | as on 01.04.2017 | Additions | Disposals | as on 01.04.2017 | for the year | as at 31.3.2018 | as at 31.3.2017 |
| 1) TANGIBLE ASSETS | | | | | | | | |
| (a) | Land | 4,655,353 | - | - | - | - | 4,655,353 | 4,655,353 |
| (b) | Kagal MIDC Land | 13,883,400 | - | - | - | - | 13,883,400 | 13,883,400 |
| (c) | Flat | - | 30,716,403 | - | - | 126,232 | 30,590,171 | - |
| (d) | Factory Building | 354,956,397 | 631,402 | - | 116,642,369 | 7,749,623 | 231,195,807 | 238,314,028 |
| (e) | Plant & Machinery | 1,326,699,475 | 7,425,690 | 252,101 | 830,963,887 | 54,668,888 | 448,240,290 | 495,735,588 |
| (f) | Electrical Installation | 45,789,209 | 710,984 | - | 29,027,739 | 2,830,274 | 14,642,180 | 16,761,470 |
| (g) | Office Equipment | 9,054,357 | 373,244 | - | 7,963,452 | 225,147 | 1,239,002 | 1,090,905 |
| (h) | Laboratory Equipments (Imported) | 10,025,557 | - | - | 9,462,317 | 18,564 | 544,676 | 563,240 |
| (i) | Vehicles | 49,146,447 | 1,865,149 | 315,000 | 29,489,460 | 5,667,483 | 15,539,653 | 19,656,987 |
| (j) | Furniture & Fixtures | 10,258,851 | 506,394 | - | 8,018,010 | 616,869 | 2,130,366 | 2,240,841 |
| (k) | D. G. Sets - Imported Equipments Below ₹ 5000 | 3,187,661 | - | - | 3,028,278 | - | 159,383 | 159,383 |
| | TOTAL | 1,827,666,814 | 42,229,267 | 567,101 | 1,034,605,620 | 71,903,080 | 762,820,281 | 793,061,194 |

Note 2 (b)**Capital Work in Progress**

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | Net Block | |
|------------------------------------|------------------|-------------------|-----------|------------------|--------------|-----------------|-------------------|------------------|
| | as on 01.04.2018 | Additions | Disposals | as on 01.04.2018 | for the year | As at 31.3.2019 | as at 31.3.2019 | as at 31.3.2018 |
| 2) CAPITAL WORK IN PROGRESS | | | | | | | | |
| (a) P & M Capital WIP-Textile | 2,047,382 | 40,223,176 | - | - | - | - | 42,270,558 | 2,047,382 |
| (b) P & M Capital WIP-Hydro | 91,085 | - | - | - | - | - | 91,085 | 91,085 |
| TOTAL | 2,138,467 | 40,223,176 | - | - | - | - | 42,361,643 | 2,138,467 |

Note 2 (b)**Capital Work in Progress**

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | Net Block | |
|------------------------------------|------------------|----------------|-----------|------------------|--------------|-----------------|------------------|------------------|
| | as on 01.04.2017 | Additions | Disposals | as on 01.04.2017 | for the year | As at 31.3.2018 | as at 31.3.2018 | as at 31.3.2017 |
| 2) CAPITAL WORK IN PROGRESS | | | | | | | | |
| (a) P & M Capital WIP-Textile | 1,225,783 | 821,599 | - | - | - | - | 2,047,382 | 1,225,783 |
| (b) P & M Capital WIP-Hydro | 91,085 | - | - | - | - | - | 91,085 | 91,085 |
| TOTAL | 1,316,868 | 821,599 | - | - | - | - | 2,138,467 | 1,316,868 |

(Amount In ₹)

(Amount In ₹)

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|-------------------------------------|--------------------------------------|
|-------------|-------------------------------------|--------------------------------------|

Note No. 3 (a)

| | | |
|--|------------------|------------------|
| (i) Investments | | |
| Investment in Quoted Shares | - | - |
| Investment in Unquoted Shares | | |
| Share of Parshwanath Co-op Bank Ltd. 2000 Equity Shares of ₹ 25/- each (at cost) | 185,100 | 185,100 |
| Kallappana Awade Ichalkaranji J. Co. Bank Ltd 1000 Equity Shares of ₹500/- each (at cost) | 500,000 | 500,000 |
| Mahalaxmi Co. op. Bank Ltd. 175000 Equity Shares of ₹1 each (at Cost) | 175,000 | 175,000 |
| Rajarambapu Sah.Bank Ltd. 50000 Equity Shares of ₹ 2/- each (at Cost) | 500,000 | 500,000 |
| Solitaire Constructions Pvt Ltd. 22500 Shares of ₹10 Each (at cost) | 225,000 | - |
| TOTAL : | 1,585,100 | 1,360,100 |

Note No. 3 (b)

| | | |
|--|-------------------|------------------|
| (ii) Long Term - Security Deposit | | |
| Telephone/ MSEB/ Water Deposit | 10,462,837 | 3,210,341 |
| TOTAL : | 10,462,837 | 3,210,341 |

Note No. 4

| | | |
|--|--------------------|--------------------|
| Current Assets - | | |
| (a) Inventories | | |
| (i) Raw Material | 143,604,000 | 146,157,000 |
| (ii) Finished Goods | 159,910,000 | 166,440,000 |
| (iii) Stock in Process | 65,215,000 | 70,014,000 |
| (iv) Stores, Spares & Packing Material | 12,565,000 | 3,775,000 |
| (v) Waste | 19,933,000 | 25,045,000 |
| TOTAL : | 401,227,000 | 411,431,000 |

Note No. 5

| | | |
|---|--------------------|--------------------|
| (b) Financial Assets | | |
| (i) Trade Receivables | 415,550,609 | 422,382,527 |
| Due to Micro & Small Enterprises | | |
| Due to other than Micro & Small Enterprises | | |
| Other Debts | - | - |
| TOTAL : | 415,550,609 | 422,382,527 |

Note No. 6

| | | |
|--|------------------|-------------------|
| (ii) Cash and Cash Equivalents | 187,765 | 524,525 |
| (iii) Bank Balance other than (ii) above | | |
| (i) In Current Account | 617,354 | 1,433,221 |
| (ii) In Fixed Deposits & Recurring Deposits | 6,352,250 | 13,250,653 |
| TOTAL : | 6,969,604 | 14,683,874 |
| (iii) Other Bank Balance - Dividend Warrant Accounts (Earmarked balances with banks- Dividend Warrant Accounts) | - | - |
| TOTAL : | 7,157,369 | 15,208,399 |

(Amount In ₹)

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|----------------------------------|-----------------------------------|
|-------------|----------------------------------|-----------------------------------|

Note No. 7

| | | |
|--|--------------------|--------------------|
| (iv) Loans- Short - Term Loans & Advances | | |
| Staff Advance | 383,574 | 113,500 |
| Prepaid expenses | 5,292,958 | 5,200,063 |
| Advance Income Tax/TDS/MAT | 38,418,134 | 27,857,438 |
| Advances Recoverable/MVAT/REC | 153,441,721 | 136,496,667 |
| Cenvat/Duty Drawback/PLA | 1,802,045 | (1,327,073) |
| TOTAL : | 199,338,432 | 168,340,594 |

EQUITY AND LIABILITIES**Note No. 8**

| | | |
|--|--------------------|--------------------|
| EQUITY | | |
| (a) Equity Share Capital | | |
| Authorised | 260,000,000 | 260,000,000 |
| 26000000 Equity Shares of ₹ 10/- each (Previous Year 26000000 Equity Shares of ₹ 10/- each) | | |
| Issued, Subscribed & Paid Up | 200,997,000 | 200,997,000 |
| 20099700 Equity Shares of ₹ 10/- each fully paid up (Previous Year 20099700 Equity Shares of ₹ 10/- each) | | |
| TOTAL : | 200,997,000 | 200,997,000 |

Note -

- a) Equity Shareholders List holding more than 5% of equity shares along with the number of equity shares held is as given below

| Name of Shareholder | 31.03.2019 | | 31.03.2018 | |
|---------------------------|------------|---------------|------------|---------------|
| | % | No. of Shares | % | No. of Shares |
| Shivaji Ramchandra Mohite | 45.65 | 9,176,324 | 45.65 | 9,176,324 |
| Monika Shivaji Mohite | 23.17 | 4,656,339 | 23.17 | 4,656,339 |

- b) The Company has only one class of equity share of par value ₹ 10. Each holder of the equity shares is entitled to one vote per share.
- c) During the previous Five years, the company has not issued bonus shares/bought back shares/ issued shares for consideration other than cash

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|----------------------------------|-----------------------------------|
|-------------|----------------------------------|-----------------------------------|

Note No. 9

| | | |
|---------------------------------------|--------------------|--------------------|
| (b) Other Equity | | |
| General Reserve | 665,945,932 | 652,249,325 |
| Add: Current Year | - | - |
| Sub Total : | 665,945,932 | 652,249,325 |
| Add : Net Profit for the Current Year | 21,313,051 | 13,696,606 |
| Less : Short Provision of Income Tax | - | - |
| TOTAL : | 687,258,983 | 665,945,932 |

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|----------------------------------|-----------------------------------|
|-------------|----------------------------------|-----------------------------------|

LIABILITIES**Non Current Liabilities****Note No. 10**

| | | |
|--|--------------------|--------------------|
| (a) Financial Liabilities : | | |
| (i) Long Term Borrowings | | |
| a) Term Loan from Banks/Financial Institutions | 525,473,537 | 516,357,906 |
| b) Other Loans from Banks | - | - |
| Sub Total: | 525,473,537 | 516,357,906 |
| Unsecured Loans from Directors | 1,890,763 | 3,248,454 |
| Sub Total : | 1,890,763 | 3,248,454 |
| TOTAL : | 527,364,300 | 519,606,360 |

Notes :

- LIC loan against policy is availed against assignment of Key Man Insurance Policies
- LIC loan against property is secured by exclusive first charge on personal property of directors located at Plot No.1 Survey No. 250B/1A/4, E Ward, Nagala Park, Kolhapur
- Daimler Finance Vehicle Loan is secured by hypothecation of respective vehicle against which loan is sanctioned.

Note No. 11

| | | |
|------------------------------------|-------------------|-------------------|
| (C) Deferred Tax Liabilities (Net) | 24,511,963 | 29,893,088 |
| TOTAL : | 24,511,963 | 29,893,088 |

Current Liabilities**Note No. 12**

| | | |
|----------------------------------|--------------------|--------------------|
| Financial Liabilities | | |
| Short Term Borrowings from Banks | | |
| i. Bank of Baroda | 218,526,668 | 183,591,932 |
| ii. IDBI Bank Ltd. | - | (14,041) |
| iii. State Bank of India | - | 64,943,277 |
| TOTAL : | 218,526,668 | 248,521,167 |

Notes :

Working Capital Facility in (i) is secured by First Charge on Entire stock of Raw Material, Stock in Process, finished Goods, Consumables, Stores and spare, book debts on pari passu with other bank (present & future) loan from other banks mentioned in (ii) & (iii) are closed in current year.

Note No. 13

| | | |
|---|-------------------|-------------------|
| (iii) Trade Payable | | |
| Due to Micro & Small Enterprises | 6,598,230 | 5,321,430 |
| Due to other than Micro & Small Enterprises | 28,265,104 | 27,733,570 |
| TOTAL : | 34,863,334 | 33,055,000 |

Note No. 14

| | | |
|---------------------------------------|-------------------|-------------------|
| (iii) Other Financial Liabilities | | |
| Current Maturities of Long Term Loans | 72,818,520 | 72,818,520 |
| Advance from Customers | - | - |
| Unpaid /Unclaimed Dividend | - | - |
| TOTAL : | 72,818,520 | 72,818,520 |

(Amount In ₹)

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|-------------------------------------|--------------------------------------|
|-------------|-------------------------------------|--------------------------------------|

Note No. 15

| | | |
|--------------------------------------|-------------------|-------------------|
| (b) Other Current Liabilities | | |
| Security Deposit payable | 991,803 | 1,407,291 |
| Provision for Income Tax | 17,155,671 | 12,905,671 |
| Statutory Liabilities | 496,122 | 966,936 |
| Provison for Expenses | 1,817,194 | 774,743 |
| TOTAL : | 20,460,790 | 16,054,641 |

Note No. 16

| | | |
|------------------------------------|----------------------|----------------------|
| Net Revenue From Operations | | |
| Export Sales | 137,293,509 | 24,493,115 |
| Domestic Sales | 840,761,277 | 831,767,148 |
| Cotton Waste Sales | 8,387,368 | 10,429,751 |
| Jobwork Income | 1,865,266 | 358,883 |
| Fabric Sale | 6,611,464 | 9,806,750 |
| Hydro Power Units & REC | 169,729,304 | 148,368,855 |
| TOTAL : | 1,164,648,188 | 1,025,224,502 |

Note No. 17

| | | |
|-------------------------------------|----------------|------------------|
| Other Operating Income | | |
| Exchange Gain | - | 59,234 |
| Electricity Charges Refund Received | - | 4,793,380 |
| Electricity Subsidy Received | 135,681 | 103,881 |
| Other Income | 201,048 | 1,766,742 |
| TOTAL : | 336,729 | 6,723,237 |

Note No. 18

| | | |
|-------------------------------------|------------------|----------------|
| Other Income | | |
| Income from non-current investments | | |
| a) Dividend Received | - | 135,200 |
| b) Interest Received | 1,103,135 | 467,801 |
| TOTAL : | 1,103,135 | 603,001 |

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|----------------------------------|-----------------------------------|
|-------------|----------------------------------|-----------------------------------|

Note No. 19

| | | |
|--|--------------------|--------------------|
| Cost of Materials Consumed | | |
| Raw Material Consumed | | |
| Opening Stock | 146,157,000 | 95,905,000 |
| Add: Purchases | 662,680,760 | 598,543,202 |
| Less Closing Stock | 143,604,000 | 146,157,000 |
| TOTAL : | 665,233,760 | 548,291,202 |
| Packing Material | | |
| Opening Stock | 1,400,000 | 3,812,000 |
| Add: Purchases | 13,979,024 | 12,093,304 |
| Less Closing Stock | 1,877,000 | 1,400,000 |
| TOTAL : | 13,502,024 | 14,505,304 |
| Stores & Spares Consumed | | |
| Opening Stock | 2,375,000 | 4,033,000 |
| Add: Purchases | 16,647,544 | 19,002,377 |
| Less Closing Stock | 10,688,000 | 2,375,000 |
| TOTAL : | 8,334,544 | 20,660,377 |
| Total Cost of Material Consumed : | 687,070,328 | 583,456,883 |

Note No. 20

| | | |
|---|--------------------|--------------------|
| Changes in Inventories of Finished Goods, Work-in-process & Stock-in-Trade | | |
| <u>Opening Stock</u> | | |
| Finished goods | 166,440,000 | 168,435,000 |
| Stock in Process | 70,014,000 | 68,577,000 |
| Waste | 25,045,000 | 20,086,000 |
| Total : | 261,499,000 | 257,098,000 |
| <u>Closing Stock</u> | | |
| Finished goods | 159,910,000 | 166,440,000 |
| Stock in Process | 65,215,000 | 70,014,000 |
| Waste | 19,933,000 | 25,045,000 |
| Total : | 245,058,000 | 261,499,000 |
| Increase/(Decrease) in Stock : | 16,441,000 | (4,401,000) |

Note No. 21

| | | |
|-----------------------------------|--------------------|--------------------|
| Employee Benefits Expenses | | |
| Salary, Wages, Stipend & Bonus | 88,967,134 | 105,297,330 |
| Provident fund & ESI Contribution | 15,214,371 | 4,999,759 |
| Staff /Labour Welfare Expenses | 1,229,222 | 1,006,563 |
| TOTAL : | 105,410,727 | 111,303,652 |

Note No. 22

| | | |
|------------------------------|--------------------|-------------------|
| Cost of Finance | | |
| Interest | 104,717,981 | 88,676,904 |
| Bank Charges & Other Charges | 1,240,795 | 1,855,849 |
| TOTAL : | 105,958,776 | 90,532,753 |

(Amount In ₹)

| Particulars | Current Year ended on 31/03/2019 | Previous Year ended on 31/03/2018 |
|-------------|-------------------------------------|--------------------------------------|
|-------------|-------------------------------------|--------------------------------------|

Note No. 23

| | | |
|--|-------------------|-------------------|
| Depreciation and amortization Expenses | 72,749,999 | 71,903,080 |
| TOTAL : | 72,749,999 | 71,903,080 |

Note No. 24

| | | |
|--|--------------------|--------------------|
| Manufacturing and Other Expenses | | |
| A) Manufacturing Expenses | | |
| Power & Fuel | 109,052,400 | 115,501,144 |
| Freight, Clearing & Forwarding | 2,475 | 489,037 |
| Repairs & Maintenance | 3,983,933 | 3,449,209 |
| Mixing, Unloading, Procurement Expenses | 8,007,800 | 5,007,110 |
| Factory General Expenses | 675,765 | 2,307,705 |
| Transaction/Scheduling/Application/Wheeling. Water Charges | 14,184,189 | 8,704,176 |
| Total A : | 135,906,562 | 135,458,381 |
| B) Other Expenses | | |
| Audit Fees | 70,000 | 80,000 |
| Advertisements | 149,200 | 129,031 |
| Clearing & Forwarding | 101,315 | 387,521 |
| Commission on Sales | 441,890 | 877,517 |
| Insurance | 1,681,098 | 4,569,330 |
| Legal and Professional Fees | 5,735,237 | 6,463,203 |
| Printing & Stationery | 178,176 | 134,932 |
| Postage, Telegram & Telephone | 350,069 | 399,560 |
| Travelling and Conveyance | 3,853,112 | 3,944,781 |
| Security Expenses | 4,321,597 | 4,660,604 |
| Rent, Rates Taxes & Repairs | 2,483,375 | 2,430,790 |
| REC Issuance Fees | 504,615 | - |
| Miscellaneous Expenses | 2,499,050 | 8,544,942 |
| Total B : | 22,368,734 | 32,622,212 |
| TOTAL (A + B) : | 158,275,296 | 168,080,593 |

