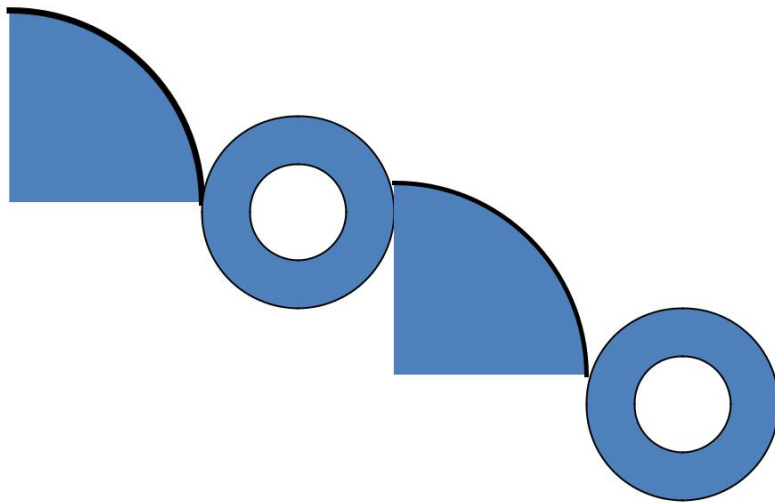


# 28<sup>th</sup> ANNUAL REPORT 2018-2019



## MAHALAXMI SEAMLESS LIMITED



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### NOTICE

Notice is hereby given that, the Twenty Eighth Annual General Meeting of the members of Mahalaxmi Seamless Limited will be held on Saturday, September 28, 2019 at 11.00 a.m. at the registered office of the Company at Pipenagar (Sukeli), Via- Nagothane, Tal-Roha, Maharashtra- 402 126 to transact the following business:

#### **ORDINARY BUSINESS**

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the report of Auditors and Board of Directors along with its annexures thereon and in this regard, pass the following resolutions as **Ordinary Resolutions**:

**"RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors along with its annexures and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Mr. Jiwanprakash Thakurdas Hingorani, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Jiwanprakash Thakurdas Hingorani (Din: 0217582), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To Ratify of Appointment of Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of **R. Sundaresan Aiyar & Co.**, Chartered Accountants, having Firm registration Number 110564, Mumbai as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirtieth Annual General Meeting of the Company to be held in the year 2022 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

#### **SPECIAL BUSINESS**

1. Consent of Shareholders to regularize the appointment of Mr. Sushil Jain who was appointed as additional director in the month of February, 2019 under Section 160 and 161 Of Companies Act, 2013 and in this regard to consider and if thought fit, to pass the following resolution with or without modification(s), as a **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 160 and 161 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof) and other applicable provisions, if any, Mr. Sushil Jain (DIN 00929268) who was appointed as an additional director in the meeting of the board of directors held on 2<sup>nd</sup> February, 2019 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom company has received a notice in writing proposing his name for the office of the director be and is hereby appointed as director of the company."

**Explanatory statement u/s 102 of the Companies Act, 2013**

**Item No. 1.**

The Board, at its meeting held on February 2nd, 2019 appointed Mr. Sushil Jain as an additional director of the company with immediate effect, pursuant to section 161 of the Companies Act, 2013. Hence he will hold office up to the date of the ensuring Annual General Meeting.

The Company has received from Mr. Sushil Jain consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) intimation in Form DIR8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail their services as Directors.

Accordingly, the Board recommends the resolution No. 3, in relation to appointment of Mr. Sushil Jain as Director, for the approval by the shareholders of the Company. All documents concerning these items are available for inspection at the Registered Office of the Company from 11 A.M. to 1 P.M. on all working days till the date of the forthcoming Annual General Meeting of shareholders.

Except Mr. Sushil Jain in case of resolution no. 3, none of the Directors of the Company is in any way concerned or interested in this resolution.

**By Order of the Board of Directors  
Mahalaxmi Seamless Limited**

**Place:** Mumbai  
**Date:** 06<sup>th</sup> September, 2019

**MADHAVPRASAD GOVINDRAM JALAN  
Chairman  
DIN: 00217236**

**Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and a proxy need not be a member of the company.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. **Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
3. Members/ Proxies should bring the enclosed attendance Slip duly filled in, for attending the Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 22<sup>nd</sup> September, 2019 to Saturday, 28th September, 2019 (both days inclusive).
5. Members are requested to notify any change in their address/ mandate/bank details immediately to the Share Registrars and Transfer Agents of the Company namely M/s Adroit Corporate Services Pvt. Limited
6. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.
7. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website <http://mahatubes.com/>

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Share Registrars and Transfer Agents.

9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.

10. All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays and Public Holidays between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.

11. Members desirous of obtaining any information as regards to the accounts and operations of the Company are requested to write at least one week before the meeting so that the same could be complied in advance.

12. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic form.

13. In terms of and in compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. The Members who have cast their votes by remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but shall not be allowed to cast vote again at the Meeting. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically. The Company is also providing facility for voting through ballot paper at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not cast their votes through remote e-voting.

14. The remote e-voting facility shall be opened from Wednesday, 25th September, 2019 at 09.00 A.M to Friday, 27th September, 2019 till 05.00 P.M. both days inclusive. The remote e-voting facility shall not be allowed beyond 5.00 p.m., During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

15. The Company has fixed Monday, 23<sup>rd</sup> September, 2019, as the cut off date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

16. Any person who becomes a member of the Company after the dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e, Monday, 23<sup>rd</sup> September, 2019, may obtain the User ID and Password by sending an email request to Mr. Shankar Suman at [shankarsuman@mahatubes.com](mailto:shankarsuman@mahatubes.com) or write to Mahalaxmi Seamless Limited, A-54, Virwani Industrial Estate, Western Express Highway, Goregaon - East, Mumbai - 400 063.

17. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Monday, 23<sup>rd</sup> September, 2019, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by ballot.

18. The Notice of the Meeting is being placed on the website of the Company viz., <http://mahatubes.com> and on the website of CDSL viz., [www.cdslindia.com](http://www.cdslindia.com).

19. Mrs. Neelakshee R. Marathe, Company Secretary in Whole Time Practice, (COP No. 9983) has been appointed as a Scrutinizer for conducting the voting by remote e-voting and voting by ballot at the Meeting in a fair and transparent manner.

20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, and thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than forty eight hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <http://mahatubes.com> and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com).

21. The instructions for members for voting electronically are as under: -

The voting period begins on Wednesday, 25th September, 2019 at 09.00 A.M to Friday, 27th September, 2019 till 05.00 P.M. both days inclusive. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Monday, 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

A. In case of members receiving e-mail:

(i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter</li> </ul>

	RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

B. In case of members receiving the physical copy:

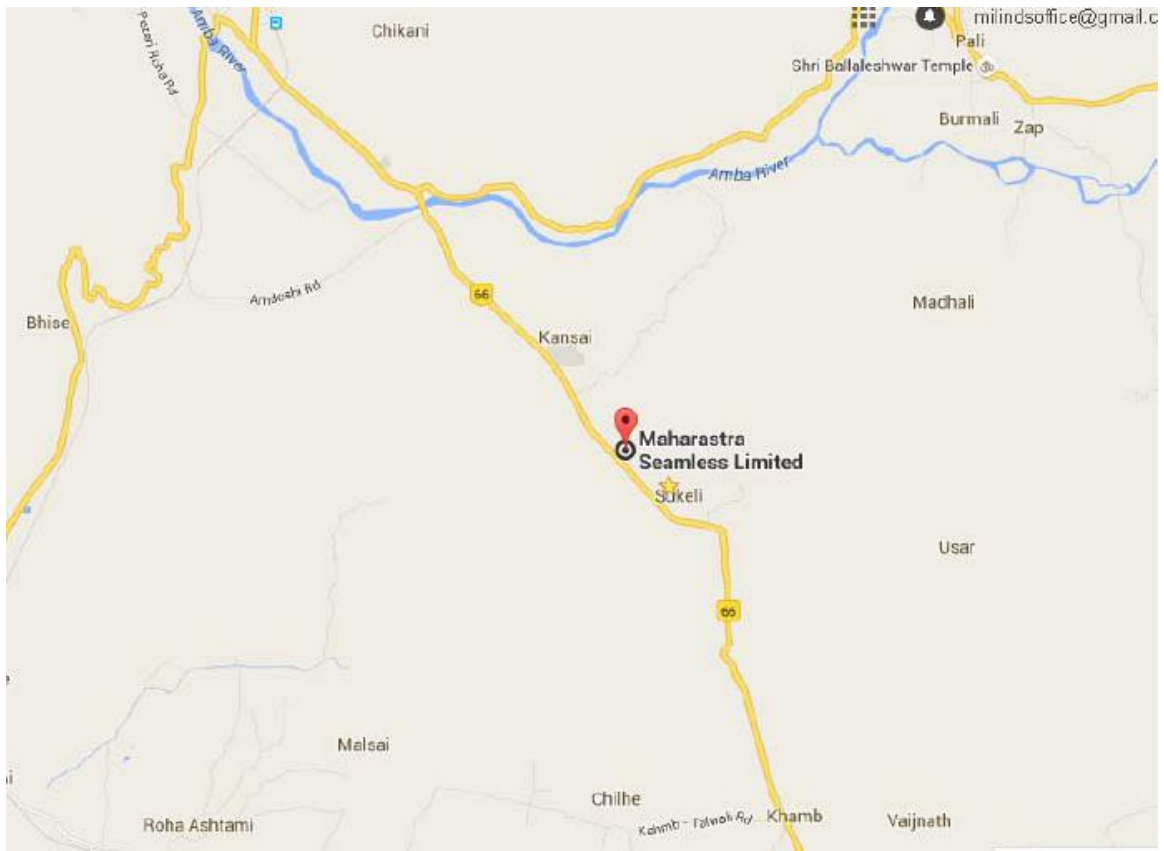
- (a) Please follow all steps from Sl. No. (i) to Sl. No. (xix) above to cast vote.
- (b) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**By Order of the Board of Directors  
Mahalaxmi Seamless Limited**

**Place:** Mumbai  
**Date:** 06<sup>th</sup> September, 2019

**MADHAVPRASAD GOVINDRAM JALAN  
CHAIRMAN  
DIN No. 00217236**

## Map to the Venue of the AGM



**Form No. MGT-11  
PROXY FORM**

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

**CIN:** L27108MH1991PLC061347

**Name of the Company:** MAHALAXMI SEAMLESS LIMITED

**Registered Office:** Pipenagar (Sukeli), Via-Nagothane, Tal-Roha, Maharashtra- 402  
126

Name of the member (s): Registered address : E-mail Id: Folio No/ Client Id : DP ID :
---

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company,  
hereby Appoint

1. Name :

Address :

E-mail Id :

Signature :....., or failing him/her

2. Name:

Address:

E-mail Id :

Signature:....., or failing him/her

3. Name:

Address:

E-mail Id :

Signature:....., or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the  
28<sup>th</sup> Annual general meeting of the company, to be held on Saturday, 28<sup>th</sup> September,  
2019 at 11.00 a.m. at Pipenagar (Sukeli), Via-Nagothane, Tal-Roha, Maharashtra - 402  
126.

Resolution No.

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors and Board of Directors thereon.
2. To appoint Mr. Jiwanprakash Thakurdas Hingorani (Din: 0217582) who retires by rotation and being eligible, offers herself for re-appointment as a Director.
3. To ratify appointment of Auditor and fix their Remuneration.
4. To regularize Mr. Sushil Jain of The Company.

Signed this..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

<b>Affix</b>
<b>Revenue</b>
<b>Stamp</b>

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**ATTENDANCE SLIP**

(To be handed over at the time of the Meeting)

Twenty Eighth Annual General Meeting  
28<sup>th</sup> September, 2019

I / We hereby record my / our presence at the Twenty Eighth Annual General Meeting of the Company held in the Conference Room at Pipenagar (Sukeli), Via-Nagothane, Tal-Roha, Maharashtra - 402 126 on Saturday, 28<sup>th</sup> September, 2019 at 11.00 A.M.

Full name of the Member  
(in BLOCK LETTERS) \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

Full name of Proxy  
(in BLOCK LETTERS) \_\_\_\_\_

\_\_\_\_\_

Signature of the member(s) or  
Proxy/proxies present

Resolution No.

- 1 To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors and Board of Directors thereon.
- 2 To appoint Mr. Jiwanprakash Thakurdas Hingorani (Din: 0217582) who retires by rotation and being eligible, offers herself for re-appointment as a Director.
3. To ratify appointment of Auditor and fix their Remuneration.
4. To regularize Mr. Sushil Jain of The Company.

**BOOK – POST**

If undelivered, please return to:  
**MAHALAXMI SEAMLESS LIMITED**  
**A-54, Virwani Industrial Estate,**  
**Western Express Highway,**  
**Goregaon (E),**  
**Mumbai - 400 063.**

**MAHALAXMI SEAMLESS LIMITED**  
Reg Office. Pipenagar (Sukeli) Via Nagothane, Taluka Roha Dist Raigad,  
Maharashtra-402126 CIN: L27108MH1991PLC061347 Email Id:  
vivekjalan@mahatubes.com

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**Director's Report**

To,

The Members,  
**Mahalaxmi Seamless Limited**

Your Directors have pleasure in presenting their **Twenty Eighth** Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

**1.Financial Summary Or Highlights/Performance Of The Company**

Particulars	Financial Year ended	
	31/03/2019( In Lakhs )	31/03/2018( In Lakhs )
Total Income	198.49	396.62
Expenditure	211.93	472.61
Profit / Loss before Tax	(13.44)	(100.01)
Taxes paid and provided	(4.36)	(0.30)
Profit / Loss after Tax	(9.08)	(99.70)
Transferred to Reserves	NIL	NIL
Proposed Final Dividend	NIL	NIL
Dividend distribution tax	NIL	NIL
Balance carried to Balance Sheet	(9.08)	(99.70)

**Operational Performance**

Although total revenue from operations has decreased by 50.05% to Rs. 1,98,49,442/-, the other income has increased from 6.32 lakhs to Rs. 11.16 lakhs.

### **Management Discussion & Analysis**

The detailed Management Discussion & Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

### **Dividend**

In view of the losses incurred by the Company during the financial year under review your Directors are unable to recommend any dividend for F.Y. 2018-2019.

### **Transfer to Reserves**

The Company has not transferred any amount to the Reserves during the Year under Review.

### **Brief Description of the Company's Working During The Year/State Of Companies' Affair**

The Company is engaged in the manufacturing of tubes .The Company has given its factory on lease to Jindal Saw Ltd.

### **Change in the Nature of Business, If any**

No Changes have occurred in the Nature of the Business during the Year under Review

### **Material Changes And Commitments, If Any, Affecting The Financial Position Of The Company Which Have Occurred Between The End Of The Financial Year Of The Company To Which The Financial Statements Relate And The Date Of The Report**

No Material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report. Only one change has occurred that the company has given its factory on lease to Jindal Saw Ltd.

### **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**

No Significant and Material Orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the Year under Review.

### **Details of Subsidiary/Joint Ventures/Associate Companies and Financial Performance thereof**

The Company has No Subsidiary or Associate Company.  
No Company has become or has ceased to become a Subsidiary/Associate Company during the Year under review.

### **Deposits**

Pursuant to Section 73 of the Companies Act, 2013 read with Rule 2 of the Companies (Acceptance of Deposit) Rules, 2014 the Company has not accepted any deposits during the year.

### **Auditors:**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s **R. Sundaresan Aiyar & Co.**, Chartered Accountants, appointed as a statutory auditors of the Company from the conclusion of the Twenty Sixth Annual General Meeting (AGM) of the Company held on September 29, 2017 till the conclusion of the Thirtieth AGM of the Company to be held in the year 2022, subject to the ratification of their appointment at every AGM, if required under law. Accordingly, the Board recommends for the ratification of appointment of M/s **R. Sundaresan Aiyar & Co.**, Chartered Accountants.

### **Secretarial auditors:**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed **Pratik Mewada & Co., Practicing Company Secretary** (Proprietor), Practicing under the name & style PCS Mr. Pratik M. Mewada, COP No: 20416 to undertake the Secretarial Audit of the Company for the year ended 31st March, 2019. The Secretarial Audit Report is annexed as Annexure. The Secretarial Audit Report for the financial year ended March 31, 2019 contains qualifications, reservations, adverse remarks or disclaimers which are replied suitably.

### **Cost Auditor:**

Cost Audit is not Applicable to the Company for the Financial Year 2018-19.

### **Auditors' Report**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

### **Issued Employee Stock Options / ESOP**

The Company has not issued employee stock options and does not have any scheme to fund its employees to purchase the shares of the Company

### **Issue of Sweat Equity**

The Company has not issued sweat equity shares during the year

### **Extract of Annual Return**

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as **Annexure I**.

**Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The Information Regarding Conservation of Energy & Technology Absorption is provided for in **Annexure II**

**Foreign Exchange Earnings and Outgo:**

**Amount (In lakhs)**

<b>Total Foreign Exchange Inflow</b>	-
<b>Total Foreign Exchange outflow</b>	-

**Directors:**

**A) Changes in Directors and Key Managerial Personnel**

**Appointments and changes in Designation during the Year under Review.**

During the year under review:

1. Mr. Chetan Jain and Mr. Manish Dalal resigned and Mr. Sushil Jain was appointed by board resolution dated 14<sup>th</sup> February, 2019.
2. Ms. Bindu Gupta was appointed as the Company Secretary on 1<sup>st</sup> December, 2018.

**B) Declaration by an Independent Director(s) and re- appointment, if any**

The Company has received Declaration from Independent directors Pursuant to the Provisions of Section 149 sub-section (6) of the Companies Act, 2013.

**C) Annual Evaluation Of Board Performance And Performance Of Its Committee And Of Director :**

Pursuant to the provisions of the Companies Act, 2013 the Board had carried out evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning. Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CEO. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

## **Meetings:**

### **i. Number of meetings of the Board of Directors:**

The Board of Directors of the Company has met 8 times during the Year under review

<b>Date of the meeting</b>	<b>No. of Directors attended the meeting</b>
30.05.2018	7
14.08.2018	7
07.09.2018	7
14.11.2018	7
01.12.2018	7
14.02.2019	7

### **ii. Number of meetings of the Audit Committee:**

During the Financial Year April 1, 2018 to March 31, 2019, 4 (Four) meetings were held on the following dates and all the Members and Chairman of the committee were present in all the meetings:

30<sup>th</sup> May, 2018, 7<sup>th</sup> September, 2018, 1<sup>st</sup> December, 2018 and 14<sup>th</sup> February, 2019.

### **iii. Number of meetings of Nomination and Remuneration Committee:**

During the Financial Year April 1, 2018 to March 31, 2019, 2 (Two) meetings were held on the following dates and all the Members and Chairman of the committee were present in all the meetings:

30<sup>th</sup> May, 2018 and 10<sup>th</sup> February, 2019.

### **iv. Number of Meetings of Stakeholder Relationship committee:**

During the Financial Year April 1, 2018 to March 31, 2019, 1 (One) meeting was held on the following date and all the Members and Chairman of the committee were present in all the meetings:

30<sup>th</sup> May, 2018.

## **Audit Committee**

Audit Committee of the Company as constituted by the Board is headed by Mr. Vivek Jalan with Mr. Jiwanprakash Thakurdas Hingorani and Mr. Chandrashekar Rajaram Kulkarni as Members. There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board. Committee has recommended to appoint **R. Sundaresan Aiyar & Co., Chartered Accountants**, having Firm registration Number 110564, Mumbai as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirtieth AGM of the Company to be held in the year 2022 to audit the accounts of five financial years starting from financial year ending 31st March, 2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors and All other recommendations made by the Audit Committee were accepted by the Board.

### **Nomination and Remuneration Committee**

Nomination and Remuneration Committee of the Company as constituted by the Board is headed by Mr. Vivek Jalan with Mr. Jiwanprakash Thakurdas Hingorani and Mr. Chandrashekar Rajaram Kulkarni as Members.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Details of the Remuneration Policy are given on the website <http://www.mahatubes.com/>

### **Stakeholder Relationship Committee:**

The Board has constituted Stakeholders Relationship Committee in accordance with the Provisions of the Companies Act, 2013.

Stakeholder and Relationship Committee of the Company as constituted by the Board is headed by Mr. Vivek Jalan with Mr. Jiwanprakash Thakurdas Hingorani and Mr. Chandrashekar Rajaram Kulkarni as Members.

### **Details of establishment of vigil mechanism for directors and employees**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

### **Internal Financial Controls**

Your Company has in place adequate internal financial controls with reference to financial statements. Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

### **Corporate Social Responsibility**

As a socially responsible Company, your Company has a strong sense of community responsibility.

The Company however, does not fall within the Criteria as laid down by the Act. Hence, it is not required to constitute a CSR Committee. Further the Company has been suffering a loss for the Last two Years; hence the Company has not formulated any Policy.

**Policy on prevention, prohibition and redressal of sexual harassment at workplace:**

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

Disclosure:

Number of complaints of sexual harassment received in the year	NIL
Number of complaints disposed off during the Year	NIL
Number of cases pending for more than ninety Days	NIL
Number of workshops or awareness programme against sexual harassment carried out	NIL
Nature of action taken by the employer or District Officer	NIL

**Particulars of loans, guarantees or investments under section 186**

During the year No Loans or Guarantees are not given nor are any Investments made by the Company under Section 186 of the Companies Act, 2013.

**Particulars of contracts or arrangements with related parties:**

The Particulars of Contracts or arrangements with related Parties is provided for in **Annexure III (AOC-2)**

**Risk Management**

Your Company has adopted a Risk Management Policy/ Plan in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

This risk management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies.

### **Related Party Transactions**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Listing Agreement. There were no materially significant Related Party Transactions made by the Company during the year.

All Related Party Transactions are placed before the Audit Committee for approval.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link: <http://www.mahatubes.com/> Details of the transactions with Related Parties are provided in the accompanying financial statements.

### **Criteria for determining qualifications, positive attributes and independence of a director:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations.

**Independence:** In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 and the Listing Regulations.

**Qualifications:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Companies Act, 2013 the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

### **Corporate Governance**

Regulation 15(2) of Stock Exchange Board Of India (Listing obligation and Disclosures Requirements), 2015 is not applicable to company for Financial year 2018-19 as its Paid-up Capital and Net worth is below the prescribed limit.

### **Particulars of Employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules. Hence, no particulars are required to be disclosed in this Report.

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows.

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2018-19 are given below:

<b>Directors</b>	<b>Ratio to Median</b>	<b>Percentage Increase in Remuneration</b>
Shri Madhav P Jalan	12.48:1	NIL
Shri Vivek Jalan	10.40:1	NIL
Smt. Mala Sharma	8.32:1	NIL

### **Directors' Responsibility Statement**

In terms of the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them and same as mentioned elsewhere in this

Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) They have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems are adequate and operating effectively.

### **Acknowledgement**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

**By Order of the board of Directors  
For Mahalaxmi Seamless Limited**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2018

\_\_\_\_\_  
**Vivek M. Jalan**  
**Wholetime Director**  
**DIN: 00114795**

\_\_\_\_\_  
**Madhavprasad G. Jalan**  
**Managing Director**  
**DIN: 0021723**

## Annexure 1

### Form No. MGT -9

#### EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March, 2016

[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:

- i) CIN: - L27108MH1991PLC061347
- ii) Registration Date: - 23/04/1991
- iii) Name of the Company: - MAHALAXMI SEAMLESS LIMITED
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Address of the registered office and contact details: PIPENAGAR (SUKELI)VIA NAGOTHANE,  
TALUKA - ROHA,  
DIST - RAIGAD,  
Maharashtra - 402 126.
- vi) Whether listed company Yes / ~~No~~
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Adroit Corporate Services Private Limited  
19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,  
Marol Naka, Andheri – (E), Mumbai – 400 059  
Phone Number:022 2859 0942

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

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

SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	manufacture of tubes, pipes and hollow profiles and of tube or pipe fittings of cast-iron,	2431	94.44%

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

<b>S. NO</b>	<b>NAME AND ADDRESS OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>HOLDING/ SUBSIDIARY / ASSOCIATE</b>	<b>% OF SHAREHOLDING</b>	<b>APPLICABLE SECTION</b>
NIL	NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL	NIL



a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other (Specify)									
<b>Sub Total : B(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non - Institutions</b>									
a) Bodies Corporates									
ai) Indian	681236	1800	683036	12.93	684937	1800	686737	13.00	0.07
a ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
bi) Individual Shareholder	1082138	434400	1516538	28.71	1076594	427400	1503994	28.48	-0.24
bii) Individual Shareholder	607634	0	607634	11.51	607634	0	607634	11.51	0.00
c) Any Other (Specify)									
c-1) Non Resident Indians	6871	65900	72771	1.38	7771	64800	72571	1.37	0.00
<b>Sub Total : B(2)</b>	<b>2377879</b>	<b>502100</b>	<b>2879979</b>	<b>54.53</b>	<b>2376936</b>	<b>494000</b>	<b>2870936</b>	<b>54.36</b>	<b>-0.17</b>
<b>Total Public Shareholding</b>	<b>2377879</b>	<b>502100</b>	<b>2879979</b>	<b>54.53</b>	<b>2376936</b>	<b>494000</b>	<b>2870936</b>	<b>54.36</b>	<b>-0.17</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
a) Promoter & Promoter	0	0	0	0.00	0	0	0	0.00	0.00
b) Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total : (C)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of \$</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A + B + C)</b>	<b>4769290</b>	<b>512110</b>	<b>5281400</b>	<b>100.00</b>	<b>4777390</b>	<b>504010</b>	<b>5281400</b>	<b>100.00</b>	<b>0.00</b>

**Shareholding of Promoters**

SI No.	Shareholder's Name	No.of Shares held at the beginning of the year			No.of Shares held at the end of the year			% Change 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	MEGHRAJ SAKARIYA	500	0.01	0.00	500	0.01	0.00	<b>0.00</b>
2	SAMPATHIDEVI MADHAVPRASAD JALAN	858723	16.26	0.00	867844	16.43	0.00	<b>0.17</b>
3	MEENA K SAKARIYA	200	0.00	0.00	200	0.00	0.00	<b>0.00</b>
4	REKHA DALAL	6000	0.11	0.00	6000	0.11	0.00	<b>0.00</b>
5	MEENA SAKARIYA	6500	0.12	0.00	6500	0.12	0.00	<b>0.00</b>
6	VIVEK JALAN	508080	9.62	0.00	508080	9.62	0.00	<b>0.00</b>
7	NARENDRA SAKARIYA	486920	9.22	0.00	486920	9.22	0.00	<b>0.00</b>
8	MADHAVPRASAD GOVINDRAM JALAN	534498	10.12	0.00	534420	10.12	0.00	<b>0.00</b>
	<b>TOTAL</b>	<b>2401421</b>	<b>45.47</b>	<b>0.00</b>	<b>2410464</b>	<b>45.64</b>	<b>0.00</b>	<b>0.17</b>

**Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl No.	Name of Promoter's	As On Date	No.of Shares held at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of	No. of shares	% of total shares of the company
<b>1</b>	<b>MEENA K SAKARIYA</b>	01-04-18	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year		<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>	30/03/2019	0	0.00	200	0.00
<b>2</b>	<b>MADHAVPRASAD JALAN</b>	01-04-18	551412	10.44	551412	10.44
	Date wise Increase / Decrease in Promoters Share holding duri	01/02/2019	-78	0.00	551334	10.44
	<b>At the End of the year</b>	30/03/2019	0	0.00	551334	10.44
	<b>SAMPATHIDEVI</b>					
<b>3</b>	<b>MADHAVPRASAD JALAN</b>	01-04-18	858723	16.26	858723	16.26
	Date wise Increase / Decrease in Promoters Share holding duri	01/02/2019	7484	0.14	866207	16.40
		22/02/2019	1637	0.03	867844	16.43
	<b>At the End of the year</b>	30/03/2019	0	0.00	867844	16.43
<b>4</b>	<b>NARENDRA SAKARIYA</b>	01-04-18	486920	9.22	486920	9.22
	Date wise Increase / Decrease in Promoters Share holding during the year		<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>	30/03/2019	0	0.00	486920	9.22
<b>5</b>	<b>MEENA SAKARIYA</b>	01-04-18	6500	0.12	6500	0.12
	Date wise Increase / Decrease in Promoters Share holding during the year		<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>	30/03/2019	0	0.00	6500	0.12

<b>6 At the beginning of the year</b>	<b>VIVEK JALAN</b>	01-04-18	508080	9.62	508080	9.62
Date wise Increase / Decrease in Promoters Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	508080	9.62
<b>7 At the beginning of the year</b>	<b>MEGHRAJ SAKARIYA</b>	01-04-18	500	0.01	500	0.01
Date wise Increase / Decrease in Promoters Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	500	0.01
<b>8 At the beginning of the year</b>	<b>REKHA DALAL</b>	01-04-18	6000	0.11	6000	0.11
Date wise Increase / Decrease in Promoters Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	6000	0.11

**Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl No.	Each of the Top 10 Sharehold	Name of Shareholder's	As On Date	No.of Shares held 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	<b>At the beginning of the year</b>	<b>MEGH SAKARIYA INTERNATIONAL PVT LTD</b>	01-04-18	533030	10.09	533030	10.09
	Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>		30/03/2019	0	0.00	533030	10.09
2	<b>At the beginning of the year</b>	<b>NISHANK SAKARIYA</b>	01-04-18	280926	5.32	280926	5.32
	Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>		30/03/2019	0	0.00	280926	5.32
3	<b>At the beginning of the year</b>	<b>PRAKASH LALA</b>	01-04-18	55088	1.04	55088	1.04
	Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>		30/03/2019	0	0.00	55088	1.04
4	<b>At the beginning of the year</b>	<b>JAYESH KUMAR P</b>	01-04-18	50000	0.95	50000	0.95
	Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
	<b>At the End of the year</b>		30/03/2019	0	0.00	50000	0.95
5	<b>At the beginning of the year</b>	<b>GVN FUELS LTD</b>	01-04-18	45000	0.85	45000	0.85
	Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		

<b>At the End of the year</b>		30/03/2019	0	0.00	45000	0.85
<b>JAIN NARESH</b>						
<b>6 At the beginning of the year</b>	<b>OTTARMALJI</b>	01-04-18	38558	0.73	38558	0.73
Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	38558	0.73
<b>7 At the beginning of the year ASHIKA</b>						
<b>7 At the beginning of the year</b>	<b>ASHIKA</b>	01-04-18	31543	0.60	31543	0.60
Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	31543	0.60
<b>8 At the beginning of the year JASMINE LIMITED</b>						
<b>8 At the beginning of the year</b>	<b>JASMINE LIMITED</b>	01-04-18	20000	0.38	20000	0.38
Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	20000	0.38
<b>9 At the beginning of the year P BHALCHANDRA</b>						
<b>9 At the beginning of the year</b>	<b>P BHALCHANDRA</b>	01-04-18	20000	0.38	20000	0.38
Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	20000	0.38
<b>BRAHMADEV HOLDING</b>						
<b>10 At the beginning of the year</b>	<b>AND TRADING LTD</b>	01-04-18	19241	0.36	19241	0.36
Date wise Increase / Decrease in Share holding during the year			<b>NIL</b>	<b>NIL</b>		
<b>At the End of the year</b>		30/03/2019	0	0.00	19241	0.36



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	2,50,19,843	1,23,67,821	-	3,73,87,664
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	2,50,19,843	<b>1,23,67,821</b>	-	3,73,87,664
<b>Change in Indebtedness during the financial year</b>				
* Addition	16,948	2,20,02,681	-	2,20,19,629
* Reduction	18,61,880	55,000	-	19,16,880
<b>Net Change</b>	<b>18,44,932</b>	<b>2,19,47,681</b>	-	<b>2,37,92,613</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,31,74,911	3,43,15,502	-	5,74,90,413
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	<b>2,31,74,911</b>	<b>3,43,15,502</b>	-	<b>5,74,90,413</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Madhavprasad Jalan	Vivek Jalan	Mala Sharma	---	
1	Gross salary	12,00,000	14,70,000	12,00,000	NIL	38,70,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	12,00,000	14,70,000	12,00,000	NIL	38,70,000
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	----	
1	Independent Directors					
	Fee for attending board committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL

Total	NIL	NIL	NIL	NIL
-------	-----	-----	-----	-----

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD/NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment					
Compounding					

**By Order of the board of Directors  
For Mahalaxmi Seamless Limited**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2018

\_\_\_\_\_  
**Vivek Madhavprasad Jalan**  
Wholetime Director  
DIN: 00114795

\_\_\_\_\_  
**Madhavprasad Govindram Jalan**  
Managing Director  
DIN: 00217236

**MAHALAXMI SEAMLESS LIMITED**

**Reg Office. Pipenagar (Sukeli) Via Nagothane, Taluka Roha Dist Raigad,  
Maharashtra-402126 CIN: L27108MH1991PLC061347 Email Id:  
vivekjalan@mahatubes.com**

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**Annexure II**

**Conservation of Energy**

The Management is aware of the importance of energy conservation and reviews of the measures taken for reduction in the consumption of energy from time to time

**Technology absorption is reported to be Not Applicable**

**By Order of the board of Directors  
For Mahalaxmi Seamless Limited**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2018

\_\_\_\_\_  
**Vivek Madhavprasad Jalan**  
**Wholetime Director**  
**DIN: 00114795**

\_\_\_\_\_  
**Madhavprasad Govindram Jalan**  
**Managing Director**  
**DIN: 0021723**

# MAHALAXMI SEAMLESS LIMITED

Reg Office. Pipenagar (Sukeli) Via Nagothane, Taluka Roha Dist Raigad,  
Maharashtra-402126 CIN: L27108MH1991PLC061347 Email Id:  
vivekjalan@mahatubes.com

## Annexure III

### I. Details of Contracts or arrangements or transactions not at arm's length basis

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions	NIL
6	date(s) of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

### II. Details of Contracts or arrangements or transactions at arm's length basis

#### A) Name of the Parties ( as certified by the management)

##### 1) Associates

- Madras Steel & Tubes
- Vinayak Pipes & Tubes Pvt Ltd
- Excel Tube Corporation

##### 2) Key Management Personnel

- Shri Madhav P. Jalan
- Shri Vivek Jalan
- Shri Jiwanprakash. T. Hingorani
- Shri Chetan Jain
- Smt. Mala Sharma
- Chandrashekar R. Kulkarni

##### 3) Relative of Key Management Personnel (KMP)

- Smt. Sampathidevi M.

**B) Related Party Transactions:**

Nature of Transaction	Associates		Key Management Personnel		Relative of KMP	
	(Rs.)		(Rs.)		(Rs.)	
Transaction during the year	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Sales of Goods		4,944,731	-	-	-	-
Purchase of Goods	-		-	-	-	-
Remuneration/Salary	-	-	3,870,000	3,750,000	-	-
Loans taken	-	-		2,00,000	-	
Loans repaid			55,000	3,00,000	-	
Interest charged	-	-	-	-	-	-
<b>Outstanding Balance</b>						
Balance Receivable	253,865	253,865	-	-	-	-
Balance Payable	-		3,834,596	3,818,455	-	-

**C) Details of material related party transactions**

Nature of transaction	Sale of Goods		Purchase of Goods		Remuneration/ Salary		Loans taken		Loan Repaid	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Madras Steel & Tubes	-	-	-	-	-	-	-	-	-	-
Vinayak Pipes & Tubes Pvt Ltd		4,944,731	-	5,915,399	-	-	-	-	-	-
Shri Madhav. P. Jalan	-	-	-	-	1,200,000	1,200,000		200,000	55,000	300,000
Shri Vivek Jalan	-	-	-	-	14,70,000	1,549,999	-	-	-	-
Smt. Mala Sharma	-	-	-	-	12,00,000	1,000,000	-	-	-	-



## **MAHALAXMI SEAMLESS LIMITED**

**Reg Office. Pipenagar (Sukeli) Via Nagothane, Taluka Roha Dist Raigad,  
Maharashtra-402126 CIN: L27108MH1991PLC061347 Email Id:  
vivekjalan@mahatubes.com**

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### **MANAGEMENT DISCUSSION ANALYSIS REPORT Industrial**

#### **Structure and Development**

The company operates in cold drawn carbon steel seamless tubes. Due to sharp rise in steel prices raw material cost is becoming more expensive but the market acceptance of the price rise is relatively slow causing short term losses. The company is expending its capacity to add a new bright annealing furnace. In addition, company has already made investments in a separate Stainless Steel seamless tubes plant. This plant is in response to the higher margins of SS tubes to improve its performance in the coming years.

#### **Opportunity and Threats**

Mahalaxmi Seamless Limited is basically a manufacturing Company i.e cold drawn seamless pipes and tubes. The company owns inventory for the year under review. Company has income from Interest and earnings from Foreign Income.

#### **Segment- wise or product – wise performance**

The company deals in only one product segment i.e. cold drawn seamless pipes and tubes. Hence there is no reportable geographical/ different segment wise report.

#### **Outlook**

With political stability, economic indices are encouraging in general is showing good recovery in India as compared to rest of the world as help Indian industry to perform better.

Due to tremendous growth of the malls and hyper market culture, the demand of Iron and Steel Products both for industrial and domestic use is ever increasing. More over due to great potential line the growth of the industries, the demand of quality industry is increasing at geometric rate.

#### **Risk & Concern**

Due to sluggishness in the money market the velocity of circulation of the flow of money is taking a too long time to complete the business cycle. As a result of which all efforts made by the Company to improve its financials in the form of higher turnover is proved to be a futile exercise. This has badly affected the performance of the Company during the Financial Year. Accordingly, the risk of doing business has increased to a large extent and is also a matter of concern over the future viability of the entire process of doing business to the steel industry.

#### **Internal control systems and their Adequacy**

The company has proper and adequate system of internal controls, which ensure that all the assets are safeguarded and all transactions are authorized, recorded and reported correctly.

The company maintains adequate and effective internal control system for purchase of raw materials, stores, plant and machinery, equipment and other assets as well as for sale of

goods. The finance and commercial functions have been structured to provide adequate support and controls for the business of the company.

#### **Discussion on financial performance with respect to Operational performance**

The income of the Company was Rs. 1,98,49,442/- in the current year as compared to Rs. 3,96,62,089/- in the previous year. The net loss of the Company was Rs. 13,43,851/- in the current year, as compared to net Loss Rs. 75,98,816/- in the previous year. The increase in loss was due to increase in administrative & other expenses.

#### **Material Developments in Human Resources/ Industrial Relations front, including number of people employed**

The company has a team of professionally qualified personnel to look after technical and commercial aspects of business operations. Its technical team includes qualified engineers, skilled operators and expert maintenance staff. Employee relations have been cordial.

#### **Cautionary Statement**

Statement in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations etc. are predictions may be "forward looking statements" within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ from those expressed or implied. Many imported factors including global and domestic demand and supply conditions, prices, raw materials costs and availability, cost of fuel, determination of tariff, changes in government regulations, tax laws and other status may be effect the actual result which could be different from what the director's envisage in terms of future performance and outlook.

**By Order of the Board of Director  
For Mahalaxmi Seamless Limited**

\_\_\_\_\_  
**Vivek Jalan**  
**Whole-time director**  
**DIN: 00114795**

\_\_\_\_\_  
**Madhavprasad Jalan**  
**Managing Director**  
**DIN: 00217236**

**Place:** Mumbai

**Date:** 30<sup>th</sup> May, 2018

**Form No. MR-3**  
**Secretarial Audit Report**  
**for the financial year ended March 31, 2019**  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Mahalaxmi Seamless Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mahalaxmi Seamless Limited (CIN: L27108MH1991PLC061347)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period **1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 ("the reporting Period")** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the period **1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019** according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the audit period)**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable as there was no Substantial Acquisition of Shares & Takeover made during the year)**;

(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 and amendments from time to time **(Not applicable as the Company did not issue any security)**; **Company's paid up capital on BSE portal and the actual paid up capital does not match with each other. The paid up capital on BSE does not reflect the forfeiture of shares which happened in the year 1995-96.**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period)**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the company during the Audit period)**.

We further report that having regard to the Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis as reported to us by the Management of the Company in their Representation Letter there are no Laws specifically applicable to the Company during the Audit period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and .
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with 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 subject to the following observation: -

- (i) As informed to us by the Management of the Company the Company is in the process of making necessary disclosure on the website of the Company.
- (ii) As informed to us by the Management of the Company, the Company has not appointed Company Secretary from 1<sup>st</sup> April, 2018 to 30<sup>th</sup> November, 2018. The Company has appointed new Company secretary from 1<sup>st</sup> December, 2018 pursuant to Section 203 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (iii) As per the Listing Regulations applicable to the BSE Listed Companies and Companies Act, 2013, we have verified following Points:
  - 1. Company had not paid amount of Annual Listing Fees for F.Y. 2018-19.
  - 2. Company had paid full amount of Annual Custodian Fees to Depositories and Registrar and Transfer Agents.
  - 3. Company had Published Financial Results in English Newspaper as well as in Local language Newspaper for the Quarter ended 30th June, 2018, 30th September, 2018, 31st December, 2018 and 31st March, 2019.
  - 4. Intimation of Date of Board Meeting held for approving (Un-audited/Audited) Quarterly Financial Results for the quarter ended 30th June, 2018, 30th September, 2018, 31st December, 2018 and 31st March, 2019.
  - 5. Company had not filed Form MGT-14 for appointment of Secretarial Auditor and Internal Auditor for the financial year 2018-19.
  - 6. Company had filed Form MGT-7 for Annual Return of F.Y. 2018-19.
  - 7. Company had maintained Minutes of proceedings of General Meetings and of the Board and its Committee meetings.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes

in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings were taken unanimously.
- The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

We further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **Pratik Mewada & Co.**  
Practicing Company Secretaries

**C.S. Pratik M. Mewada**

ACS No: 42895

COP No: 20416

Date: 29<sup>th</sup> May, 2019

Place: Mumbai

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*

**'Annexure A'**

To,  
The Members  
Mahalaxmi Seamless Limited

Secretarial Audit Report of Even date is to be read along with this letter.

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

For **Pratik Mewada & Co.**

Practicing Company Secretaries

**C.S. Pratik M. Mewada**

ACS No: 42895

COP No: 20416

Date: 29<sup>th</sup> May, 2019

Place: Mumbai

# MAHALAXMI SEAMLESS LIMITED

## Annual Report

Financial Year : 2018-2019  
Date of Audit Report : 29/05/2019



R.Sundaresan Aiyer & Co.  
Chartered Accountants



**R. Sundaresan Aiyar & Co.**  
**Chartered Accountants**

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**INDEPENDENT AUDITORS' REPORT**

**To The Members of Mahalaxmi Seamless Limited**

**Report on the Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying Ind AS financial statements of **Mahalaxmi Seamless Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Ind AS Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its total comprehensive loss (comprising of loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

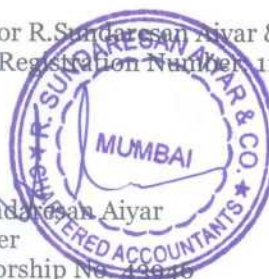
9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2019 on its financial position in its Ind AS financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company has Rs. 9,965/- relating to financial year 2007-2008 required to be transferred to the Investor Education and Protection Fund.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

Mumbai  
May 29, 2019

For For R. Sundaresan Aiyar & Co.  
Firm Registration Number 110564W

R. Sundaresan Aiyar  
Partner  
Membership No. 43845



**Annexure A to Independent Auditors' Report**

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Mahalaxmi Seamless Limited on the Ind AS financial statements for the year ended March 31, 2019

Page 1 of 2

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Mahalaxmi Seamless Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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 Ind AS financial statements, whether due to fraud or error.
5. 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.

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Mahalaxmi Seamless Limited on the Ind AS financial statements for the year ended March 31, 2019

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**Meaning of Internal Financial Controls Over Financial Reporting**

6. 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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 and according to the information and explanation given to us, the Company is in the process of formally establishing its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Accordingly, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company has adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For R. Sundaresan Aiyar & Co.  
Firm Registration Number: 110564W



Mumbai  
May 29, 2019

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Mahalaxmi Seamless Limited on the Ind AS financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Property, Plant and Equipment are not physically verified by the Management of the company. Since the company has not done physical verification of its fixed assets, we are unable to comment on discrepancies with books of accounts.

As per information and explanation provided to us and on the basis of our examination of records produced before us for verification by the company, the title deeds of immovable properties are held in the name of the company.

- ii. There is no inventory with the company. Hence the provisions of Clause 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees or security.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. In our opinion, as per the explanation and information provided to us, requirement regarding maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 does not apply to the company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, duty of excise, value added tax and goods and services tax (with effect from July 1, 2017) as at March 31, 2019 which have not been deposited on account of any dispute. The particulars of dues of income tax and sales tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. lacs)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income Tax	4,42,210	Ay 2010-11	Income Tax Tribunal
Income tax Act, 1961	Income Tax	12,93,013	Ay 2009-10	Income Tax Tribunal

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Mahalaxmi Seamless Limited on the Ind AS financial statements as of and for the year ended March 31, 2019

Page 2 of 2

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any bank as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loan have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments), and accordingly, to this extent, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, of the Companies (Indian Accounting Standards) Rules, 2015.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him covered within the meaning of section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Mumbai  
May 29, 2019

For R. Sundaresan Aiyar & Co.  
Firm Registration Number: 110564W  
  
R. Sundaresan Aiyar  
Partner  
Membership No. 43946

# MAHALAXMI SEAMLESS LIMITED

**BALANCE SHEET** as at 31st March, 2019

	Note	As at 31st March, 2019	As at 31st March, 2018
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2	2,159,814	2,807,774
(b) Investment properties	3	45,804,026	51,153,134
(c) Financial assets			
(i) Others financial assets	4	28,548,459	3,138,496
(d) Other non - current assets	5	7,332,060	7,966,730
<b>2 Current assets</b>			
(a) Inventories	6	-	650,000
(b) Financial assets			
(i) Trade receivables	7	1,583,003	1,830,514
(ii) Cash and cash equivalents	8	72,366	743,969
(iii) Bank Balances other than cash and cash equivalents	9	9,999	9,999
(iv) Loans	10	82,000	55,341
(c) Other current assets	11	670,617	629,299
<b>TOTAL ASSETS</b>		<b>86,262,344</b>	<b>68,985,256</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a) Equity share capital	12	52,907,000	52,907,000
b) Other equity	13	(60,101,409)	(59,193,481)
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	53,252,949	33,312,148
(b) Other non - current liabilities	15	17,683,179	17,683,179
(c) Deferred Tax Liabilities (Net)		5,482,431	5,918,352
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	4,237,464	4,075,516
(ii) Trade payables	17	5,785,194	8,107,390
(iii) Other financial liabilities	18	6,429,929	5,242,922
(b) Provisions	19	240,767	386,768
(c) Other current liabilities	20	344,841	545,462
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>86,262,344</b>	<b>68,985,256</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

For R.Sundaresan Aiyar & Co.  
Chartered Accountants  
Firm Registration Number: 110564W  
  
R. Sundaresan Aiyar  
Partner  
Membership No. 43968  


For and on behalf of Board of Directors

  
M.P. Jalan  
Chairman & Managing  
Director  
DIN: 00217236  
  
  
Vivek Jalan  
Executive  
Director  
DIN: 00114795

Place: Mumbai  
Date : 29th May, 2019

  
Binu Gupta  
Company Secretary

# MAHALAXMI SEAMLESS LIMITED

## STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>I CONTINUING OPERATIONS</b>			
<b>INCOME</b>			
Revenue from operations	21	18,732,848	39,029,365
Other income	22	1,116,594	632,724
<b>Total Income</b>		<b>19,849,442</b>	<b>39,662,089</b>
<b>II EXPENSES</b>			
Cost of materials consumed	23	-	161,221
Excise Duty			-
Changes in inventories of finished goods, stock-in-trade and work-in progress	24	-	19,892,689
Operating Expenses	25	173,542	1,895,664
Employee benefits expense	26	7,856,505	8,527,533
Finance costs	27	3,015,659	5,103,449
Depreciation and amortization expense	28	6,019,563	6,037,229
Other expenses	29	4,128,023	5,643,119
<b>Total expenses</b>		<b>21,193,293</b>	<b>47,260,904</b>
<b>III Profit / (loss) before exceptional Items and tax</b>		(1,343,851)	(7,598,816)
<b>IV Exceptional Item</b>	30	-	2,401,874
<b>V Profit / (loss) before tax</b>		(1,343,851)	(10,000,690)
<b>VI Tax expense</b>	38		
Current tax		-	-
Deferred tax charge/(credit)		(435,921)	(30,310)
Tax in respect of earlier years		-	-
<b>VII Profit/(Loss) for the year from continuing operations</b>		(907,930)	(9,970,380)
<b>VIII Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
Remeasurements of net defined benefit plans		-	-
Income tax relating to above items		-	-
<b>IX Total Comprehensive Income for the year</b>		(907,930)	(9,970,380)
<b>X Earnings per equity share of Rs. 10 each (for continuing operation):</b>	36		
Basic (Rs.)		(0.17)	(1.89)
Diluted (Rs.)		(0.17)	(1.89)
<b>XI SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

For R.Sundaresan Aiyar & Co  
Chartered Accountants  
Firm Registration Number 110564W

R.Sundaresan Aiyar  
Partner  
Membership No. 43946



Place: Mumbai  
Date : 29th May, 2019

For and on behalf of Board of Directors



M.P.Jalan  
Chairman & Managing  
Director  
DIN: 00217236

Vivek Jalan  
Executive  
Director  
DIN: 00114795

Binu Gupta  
Company Secretary

# MAHALAXMI SEAMLESS LIMITED

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

	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before exceptional items and tax as per statement of profit and loss</b>	<b>(1,343,851)</b>	<b>(7,598,816)</b>
Adjustments for:		
Depreciation and amortization expenses	6,019,563	6,037,229
Finance cost	2,975,196	5,024,136
Interest income	(100,830)	(110,347)
(Profit)/ loss on sale of fixed assets (net)	-	208,562
<b>Operating profit before working capital changes</b>	<b>7,550,078</b>	<b>3,560,764</b>
Adjustments for:		
(Increase)/decrease in trade & other receivables	247,511	1,136,503
(Increase)/decrease in inventories	650,000	20,341,446
Increase/(decrease) in trade & other payables	(1,481,812)	(9,169,560)
	6,965,778	15,869,153
Less: Direct taxes paid (net of refunds)	(1,193,056)	(460,687)
	5,772,722	15,408,466
Less: Exceptional item	-	2,401,874
<b>Net cash flows (used in)/ generated from operating activities after exceptional items</b>	<b>5,772,722</b>	<b>13,006,592</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflows</b>		
Sale proceeds of property, plant and equipment	-	51,263
Interest received	100,830	110,347
Loans and Advances	(23,650,211)	547,958
	(23,549,381)	709,568
<b>Outflows</b>		
Purchase of property, plant and equipment/ intangible assets	(22,496)	(1,436,165)
Loans & Advances		
	(22,496)	(1,436,165)
<b>Net cash (used in) / generated from investing activities</b>	<b>(23,571,877)</b>	<b>(726,597)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Inflows</b>		
Proceeds / (Repayment) from long-term borrowings (Net)	19,940,801	29,432,993
Proceeds of short term borrowings (net)	-	-
	19,940,801	29,432,993
<b>Outflows</b>		
Repayment of long term borrowings	-	-
Proceeds / (Repayment) of Short term borrowings	161,949	(39,201,102)
Interest paid	(2,975,196)	(5,024,136)
	(2,813,247)	(44,225,238)
<b>Net cash (used in) / generated from financing activities</b>	<b>17,127,553</b>	<b>(14,792,245)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES</b>	<b>(671,602)</b>	<b>(2,512,250)</b>
Add : Cash and cash equivalence at beginning of the year	753,967	3,266,217
Cash and cash equivalence at end of the year	<b>82,365</b>	<b>753,967</b>
<b>Cash and Cash equivalent as per above comprises of the following</b>		
	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>Cash and Cash Equivalents (Refer Note 8)</b>	<b>72,366</b>	743,969
Earmarked balances with bank	9,999	9,999
Short term bank deposits	-	-
<b>Balances as per statement of Cash Flows</b>	<b>82,365</b>	<b>753,968</b>

The accompanying notes are an integral part of these financial statements

**Notes:**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

1

2 Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

As per our report of even date

For R. Sundaresan Aiyar & Co.  
Chartered Accountants  
Firm Registration Number: 199564W

R. Sundaresan Aiyar  
Partner  
Membership No. 43946

Place: Mumbai  
Date : 29th May, 2019



For and on behalf of Board of Directors

M.P. Jalan  
Chairman & Managing  
Director  
DIN: 00217236



Vivek Jalan  
Executive  
Director  
DIN: 00114795

Binu Gupta  
Company Secretary

# MAHALAXMI SEAMLESS LIMITED

## STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019

### A. Equity Share Capital

	Notes	Amount
As at 1st April, 2017		-
Changes in equity share capital	12	-
As at 31st March, 2018		-
Changes in equity share capital	12	-
As at 31st March, 2019		-

### B. Other Equity

	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserves	Retained Earnings	
Balance as at 1st April, 2017		4,500,000			1,000,000	(54,723,099)	(49,223,099)
Profit / (Loss) for the year						(9,970,380)	(9,970,380)
Other Comprehensive Income for the year						-	-
Total Comprehensive Income for the year						(9,970,380)	(9,970,380)
Balance as at 31st March, 2018	-	4,500,000	-	-	1,000,000	(64,693,479)	(59,193,479)
Balance as at 1st April, 2018	-	4,500,000	-	-	1,000,000	(64,693,479)	(59,193,479)
Profit for the year						(907,930)	(907,930)
Other Comprehensive Income for the year						-	-
Total Comprehensive Income for the year						(907,930)	(907,930)
Balance as at 31st March, 2019	-	4,500,000	-	-	1,000,000	(65,601,409)	(60,101,409)

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

For R.Sundaresan Aiyar & Co.  
Chartered Accountants  
Firm Registration Number: 110564W

R.Sundaresan Aiyar  
Partner  
Membership No. 43944

Place: Mumbai  
Date : 29th May, 2019

For and on behalf of Board of Directors

M.P.Jalan  
Chairman & Managing  
Director  
DIN: 00217236

Vivek Jalan  
Executive  
Director  
DIN: 00114795



MAHALAXMI SEAMLESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2019

Note :-1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

**a) Basis for preparation**

**i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standard) Rules, 2015 as amended other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements, including preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

**ii) Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except for the following certain financial assets and liabilities that are measure at fair value;

**iii) Current non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the Act.

**b) Use of estimates and judgements**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**c) Property, plant and equipment**

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

Depreciation on Factory Buildings, Plant and Equipment, and other assets related to Factory is provided on a Straight Line Method and all assets related to Mumbai Office on Written Down Value Method, over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act,

**d) Investment Properties**

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

**e) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, balance in current account.

**f) Inventories**

Inventory consists of Scrap Material which are valued at cost or net realizable value whichever is less.

**g) Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of



MAHALAXMI SEAMLESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019**

Profit and Loss over the period of the borrowings using the effective interest method.

**h) Borrowing costs**

Other interest and borrowing costs are charged to Statement of Profit and Loss.

**i) Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**j) Revenue recognition of Income & Expenditure**

Revenue from sales of products is recognized on transfer of all significant risk and rewards of ownership of the product on to customer, which is generally on dispatch of goods. Sales are stated net of deductions during the year and exclusive of Value Added Tax and excise duty.

ii) Revenue from Rental Income is recognised as per the agreement with the concerned party.

**k) Employee Benefit**

Liability in respect of employee benefits are accounted for as follows :

A. Short-term employee benefits are recognized as expenses at undiscounted amount in the Statement of Profit and Loss of the year in which the relevant services is rendered.

B. Retirement Benefit

i) Retirement benefit in the form of Provident Fund, which are defined Contribution plans, are accounted on accrual basis and charged to the Statement of Profit and Loss of the year.

ii) The liability in respect of accumulated leave is accounted on accrual.

iii) The Company has only three employees as at the close of the current year, hence the gratuity liability has been calculated on discontinuation basis instead of an Actuarial Valuation, as the amounts involved are not material.

**l) Operating Expenses :**

The Company classifies separately operating expenses which are directly linked to main activities of the company.

**m) Taxation :**

i) Current Tax is determined as the amount of tax payable in respect of taxable income for the year, computed in accordance with the applicable provisions of income tax Act, 1961.

ii) Deferred Tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred Tax Asset is recognized and carried forward only if there is reasonable certainty of its realisation.

**n) Impairment of non-financial assets:**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



## MAHALAXMI SEAMLESS LIMITED

### Note :- 2 - Property, Plant and Equipment

	Land	Buildings	Computers	Plant & Machinery	Furniture & fixtures	Vehicles	Office equipment	Electricals Fittings	Air conditioner	Total
	Freehold									
<b>Gross Carrying amount</b>										
Deemed Cost as at 1st April, 2017	1,809,102	53,122,780	2,898,591	145,684,658	926,824	4,306,711	1,234,709	2,497,609	455,501	212,936,485
Additions			45,377			1,390,788				1,436,165
Disposals						1,201,121				1,201,121
Reclassification	1,809,102	50,864,258	1,881,455	145,684,658	550,319	2,099,180	833,220	2,487,680	195,105	206,404,977
<b>Balance as at 31st March, 2018</b>	-	<b>2,258,522</b>	<b>1,062,513</b>	-	<b>376,505</b>	<b>2,397,198</b>	<b>401,489</b>	<b>9,929</b>	<b>260,396</b>	<b>6,766,552</b>
Additions					22,496					22,496
Disposals										-
Reclassification										-
<b>Balance as at 31st March, 2019</b>	-	<b>2,258,522</b>	<b>1,062,513</b>	-	<b>399,001</b>	<b>2,397,198</b>	<b>401,489</b>	<b>9,929</b>	<b>260,396</b>	<b>6,789,048</b>
<b>Accumulated Depreciation</b>										
Balance as at 1st April, 2017		28,340,053	2,747,332	115,069,704	807,003	3,200,721	1,194,300	2,376,792	378,784	154,114,689
Additions		59,757	16,506	-	118	553,876	-	-	27,589	657,846
Disposals						1,146,770				1,146,770
Reclassification		27,313,977	1,850,747	115,069,704	447,297	1,619,965	812,885	2,367,062	185,350	149,666,987
<b>Balance as at 31st March, 2018</b>	-	<b>1,085,833</b>	<b>913,091</b>	-	<b>359,824</b>	<b>987,862</b>	<b>381,415</b>	<b>9,730</b>	<b>221,023</b>	<b>3,958,778</b>
Additions		56,860	30,728	-	2,151	565,562	-	-	15,154	670,455
Disposals										-
Reclassification										-
<b>Balance as at 31st March, 2019</b>	-	<b>1,142,693</b>	<b>943,819</b>	-	<b>361,975</b>	<b>1,553,424</b>	<b>381,415</b>	<b>9,730</b>	<b>236,177</b>	<b>4,629,233</b>
<b>Net Carrying Amount</b>										
Balance as at 31st March, 2018	-	1,172,689	149,422	-	16,681	1,409,336	20,074	199	39,373	2,807,774
<b>Balance as at 31st March, 2019</b>	-	<b>1,115,829</b>	<b>118,694</b>	-	<b>37,026</b>	<b>843,774</b>	<b>20,074</b>	<b>199</b>	<b>24,219</b>	<b>2,159,814</b>

**Note:**  
In terms of agreement dated 1st April, 2017 executed by the company with Jindal Saw Limited for letting out its factory located at Nagothane Taluka Roha, Dist. Raigad, Maharashtra along with all its amenities, fittings, fixtures, machineries etc., the property plant and equipment of the said factory are classified as Investment Property.



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## Note :- 3- Investment Properties

<b>Gross carrying amount</b>	
Deemed cost as at 1st April, 2017	-
Reclassification	206,404,977
Disposals	1,561,105
<b>Balance as at 31st March, 2018</b>	<b>204,843,872</b>
Reclassification	-
Additions	-
Disposals	-
<b>Balance as at 31st March, 2019</b>	<b>204,843,872</b>

<b>Accumulated Depreciation</b>	
Reclassification	149,666,987
Depreciation	5,379,383
Disposals	1,355,632
<b>Balance as at 31st March, 2018</b>	<b>153,690,738</b>
Reclassification	-
Additions	-
Disposals	-
Depreciation	5,349,108
<b>Balance as at 31st March, 2019</b>	<b>159,039,846</b>

<b>Net carrying amount</b>	
Balance as at 31st March, 2018	51,153,134
Balance as at 31st March, 2019	45,804,026

### Fair value

As at 1-04-2017	-
As at 31-03-2018	-
As at 31-03-2019	141,209,477

	Year Ended 31st March 2019	Year Ended 31st March 2018
Rental income derived from investment properties	18,000,000	16,500,000
Direct operating expenses (including repairs and maintenance) generating rental income		
<b>Income arising from investment properties before depreciation</b>	<b>18,000,000</b>	<b>16,500,000</b>
Depreciation	5,349,108	5,379,383
<b>Income from investment properties (Net)</b>	<b>12,650,892</b>	<b>11,120,617</b>

### Premises given on operating lease:

The Company has given its Factory Land, Premises including Plant and Equipments, furniture, fit outs on operating lease. These lease arrangement is cancellable in nature.



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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<b>4 Other non-current financial assets</b>		
(Unsecured, Considered good)		
Deposits with others	25,074,077	254,860
Investments in Term deposits	3,474,382	2,883,636
<b>Total</b>	<u><b>28,548,459</b></u>	<u><b>3,138,496</b></u>

**Note:**

Deposit with others include Security Deposit Paid to MSDCL of Rs.24819217 on behalf of Jindal Saw Ltd. The amount received from Jindal Saw Ltd Rs.24826073 for payment of Security Deposit is shown as Long Term Borrowings.



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<b>5 Other non-current assets</b>		
Balance Govt. authorities	7,332,060	7,966,730
<b>Total</b>	<u>7,332,060</u>	<u>7,966,730</u>
<b>6 Inventories</b>		
	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Scrap (At net realisable value)	-	650,000
<b>Total</b>	<u>-</u>	<u>650,000</u>



# MAHALAXMI SEAMLESS LIMITED

## Notes to the financial statements

### 7 Trade receivables

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	7,209,130	7,456,641
Receivables from related parties (Refer Note 42)		
Less: Allowance for doubtful trade receivables	5,626,127	5,626,127
<b>Total receivables</b>	<b>1,583,003</b>	<b>1,830,514</b>
Current portion	1,583,003	1,830,514
Non-current portion	-	-

#### Break-up of security details

Secured, considered good	1,583,003	1,830,514
Unsecured, considered good	-	-
Doubtful	5,626,127	5,626,127
<b>Total</b>	<b>7,209,130</b>	<b>7,456,641</b>
Allowance for doubtful trade receivables	5,626,127	5,626,127
<b>Total trade receivables</b>	<b>1,583,003</b>	<b>1,830,514</b>

### 8 Cash and cash equivalents

	As at 31st March, 2019	As at 31st March, 2018
Cash on hand	36,814	991
Balances with Banks - In current accounts	35,553	742,979
<b>Total</b>	<b>72,366</b>	<b>743,970</b>

### 9 Bank Balances other than cash and cash equivalents

	As at 31st March, 2019	As at 31st March, 2018
The Trustee Mahalaxmi Seamless account for Gratuity	34	34
Deposit with banks held as margin money		
Unpaid Dividend	9,965	9,965
<b>Total</b>	<b>9,999</b>	<b>9,999</b>

Notes:



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 10 Current loans

(Unsecured, considered good)

Loans to employees

**Total**

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
	82,000	55,341
<b>Total</b>	<b>82,000</b>	<b>55,341</b>

Refer Note 45 for information about credit risk and market risk for loans.



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 11 Other current assets

Advances to Suppliers  
Balance with govt. authorities  
TDS Recoverable  
Prepaid expenses  
**Total**

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Advances to Suppliers	646,757	614,257
Balance with govt. authorities	-	-
TDS Recoverable	-	-
Prepaid expenses	23,860	15,042
<b>Total</b>	<u><b>670,617</b></u>	<u><b>629,299</b></u>

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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 12 Equity share capital

### Authorised

60,00,000 Equity Shares of Rs.10/- Each

### Issued, subscribed and fully paid up

52,81,400 Equity Shares of Rs.10/- Each fully paid up

Add: Shares Forfeited (18600 Equity Shares of Rs.10/-Each Rs.5/- per Share Paid up)

### Notes:

#### a) Reconciliation of number of shares

#### Equity Shares :

Balance as at the beginning of the year

Balance as at the end of the year

#### b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

#### Equity shares of Rs. 10 each

Sampathidevi Madhavprasad Jalan  
Madhavprasad Govindram Jalan  
Vivek Jalan  
Narendra Sakariya  
Nishank Sakariya  
Megh Sakariya International Pvt Ltd

As at 31st March, 2019	As at 31st March, 2018
60,000,000	60,000,000
52,814,000	52,814,000
93,000	93,000
52,907,000	52,907,000

As at 31st March, 2019		As at 31st March, 2018	
Number of shares	Amount	Number of shares	Amount
5,281,400	52,814,000	5,281,400	52,814,000
5,281,400	52,814,000	5,281,400	52,814,000
5,281,400	52,814,000	5,281,400	52,814,000

As at 31st March, 2019		As at 31st March, 2018	
%	No. of shares	%	No. of shares
16.26	858,723	16.26	858,723
10.12	534,498	10.12	534,498
8.56	452,280	8.56	452,280
9.22	486,920	9.22	486,920
5.32	280,926	5.32	280,926
10.09	533,030	10.09	533,030

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# MAHALAXMI SEAMLESS LIMITED

## 13 Other Equity

	Reserves and Surplus			Total
	Capital Reserve	General Reserves	Retained Earnings	
Balance as at 1st April, 2017	4,500,000	1,000,000	(54,723,099)	(49,223,099)
Profit / (Loss) for the Year			(9,970,380)	(9,970,380)
Other Comprehensive Income for the Year			-	-
<b>Balance as at 31st March, 2018</b>	<b>4,500,000</b>	<b>1,000,000</b>	<b>(64,693,479)</b>	<b>(59,193,479)</b>
Balance as at 1st April, 2018	4,500,000	1,000,000	(64,693,479)	(59,193,479)
Profit / (Loss) for the Year	-	-	(907,930)	(907,930)
Other Comprehensive Income for the Year	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>4,500,000</b>	<b>1,000,000</b>	<b>(65,601,409)</b>	<b>(60,101,409)</b>

RS



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 14 Non-current borrowings

	As at 31st March, 2019	As at 31st March, 2018
<b>Secured</b>		
Vehicle loans from Bank	716,856	1,089,288
Term Loan from Bank	22,001,405	23,490,853
<b>Secured - Total (A)</b>	<b>22,718,261</b>	<b>24,580,141</b>
<b>Unsecured</b>		
Term loans from Others	30,534,688	8,732,007
<b>Unsecured - Total (B)</b>	<b>30,534,688</b>	<b>8,732,007</b>
<b>Total (A+B)</b>	<b>53,252,949</b>	<b>33,312,148</b>

### Nature of Security and terms of repayment for Long Term secured borrowings:

	Nature of Security	Terms of Repayment
i.	Vehicle Loan from Bank Secured against hypothecation of respective vehicle	Repayable in 60 Equal Monthly Installments
ii.	Term Loan from Bank is secured against Land and Factory Building at Nagothane, Dist.Raigad, Maharashtra.	Repayable in 144 Equal Monthly Installments

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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<b>15 Other Non-current liabilities</b>		
Deferred payment liabilities		
Bombay Sales tax	-	-
Central Sales tax	4,586,515	4,586,515
Deferred Value added tax	13,096,664	13,096,664
Less: Current Maturities of other non-current liabilities (disclosed under other current liabilities)		
	<u>17,683,179</u>	<u>17,683,179</u>
<b>Total</b>	<u><b>17,683,179</b></u>	<u><b>17,683,179</b></u>

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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 16 Current Borrowings

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<u>Secured</u>		
(a) Vehicle Loan (Current Maturity)	456,650	439,702
<b>Secured - total (A)</b>	<b>456,650</b>	<b>439,702</b>
<u>Unsecured</u>		
(a) M P Jalan	3,580,814	3,635,814
(b) Sampati Devi Jalan	200,000	-
<b>Unsecured - total (B)</b>	<b>3,780,814</b>	<b>3,635,814</b>
<b>Total (A+B)</b>	<b>4,237,464</b>	<b>4,075,516</b>

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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 17 Trade payables

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Trade payables [Refer Note below]		
Others	5,785,194	8,107,390
<b>Total</b>	<b>5,785,194</b>	<b>8,107,390</b>

Note :

DUES TO MICRO AND SMALL ENTERPRISES (Refer Note No.34)



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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<b>18 Other current financial liabilities</b>		
(a) Current maturities of long-term debt / Other non current liabilities	5,693,803	4,495,400
(b) Employee dues payable	726,161	737,558
(c) Unclaimed dividends	9,965	9,965
<b>Current total</b>	<b><u>6,429,929</u></b>	<b><u>5,242,923</u></b>



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 19 Provisions

Gratuity  
Current total

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
	<u>240,767</u>	<u>386,768</u>
	<u>240,767</u>	<u>386,768</u>



# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
<b>20 Other Current liabilities</b>		
Revenue received in advance	-	221,664
Statutory Dues	344,841	323,798
<b>Current total</b>	<u>344,841</u>	<u>545,462</u>

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# MAHALAXMI SEAMLESS LIMITED

Notes to the financial statements

## 21 Revenue from Operations

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
<b>Sale of Products</b>		
(i) Manufactured goods	-	19,510,975
<b>Sales of Services</b>		
(i) Income from Job Work Charges	-	2,416,151
(ii) Software Service Receipt	43,188	-
(iii) Reimbursement	59,851	-
<b>Other operating revenue</b>		
(i) Rent from Investment Property	18,629,809	17,102,239
<b>Total</b>	<u>18,732,848</u>	<u>39,029,365</u>

## 22 Other income

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
Other Interest Income	214,026	45,226
Interest Received from bank	100,830	110,347
Misc. Income	801,738	477,151
<b>Total</b>	<u>1,116,594</u>	<u>632,724</u>

## 23 Cost of materials consumed

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
Opening Stock	650,000	161,221
Loss of stock on obsolescence	(650,000)	-
Less : Closing Stock	-	-
<b>Total</b>	<u>-</u>	<u>161,221</u>

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## 24 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Opening inventories</b>		
Finished goods	-	13,779,065
Work-in-progress & Scrap	650,000	6,763,624
Loss of Stock on obsolescence	(650,000)	-
	-	<b>20,542,689</b>
<b>Closing inventories</b>		
Work-in-progress & Scrap	-	650,000
	-	<b>650,000</b>
<b>Total</b>	<b>-</b>	<b>19,892,689</b>

## 25 Operating Expenses

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Repair and Maint Expenses	28,596	88,797
Stores and Spares Consumed	-	365,196
Power & Fuel Expense	120,607	1,032,645
Transportation Charges	24,339	-
Factory Expenses	-	50,000
Water Charges	-	359,026
<b>Total</b>	<b>173,542</b>	<b>1,895,664</b>

## 26 Employee benefits expense

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salary, Wages and Bonus	7,485,169	8,097,273
Gratuity	-	186,480
Contribution to Provident Fund	14,004	55,040
Staff Welfare Expenses	357,332	188,740
<b>Total</b>	<b>7,856,505</b>	<b>8,527,533</b>

## 27 Finance costs

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest Expense	2,975,196	5,024,136
Other borrowing costs	40,463	79,314
<b>Total</b>	<b>3,015,659</b>	<b>5,103,450</b>

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## 28 Depreciation and amortization expense

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
Depreciation on Property, Plant and Equipment	670,455	657,846
Depreciation on Investment Property	5,349,108	5,379,383
<b>Total</b>	<b>6,019,563</b>	<b>6,037,229</b>

## 29 Other expenses

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
Postage, Telephone & Telegram Expenses	62,266	148,447
Electricity Expenses	158,760	150,780
Insurance Expenses	32,456	184,255
Office Expenses	180,555	323,898
Computer Expenses	152,244	161,751
Printing & Stationery	72,739	35,955
Listing Fees	-	287,500
Rent Rates & Taxes	703,730	1,791,556
Travelling & Conveyance Expenses	549,632	637,214
Vehicle Expenses	232,092	284,026
Security Expenses	-	142,500
Communication Expenses	125,424	-
Advertisement Expenses	12,551	23,058
Contractual Services	-	72,824
Legal and Professional Expenses	985,161	897,620
Loss on Sale of Fixed Assets	-	208,562
Loss of Stock on obsolescence	650,000	-
Miscellaneous Expenses	210,413	293,173
<b>Total</b>	<b>4,128,023</b>	<b>5,643,119</b>

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
<b>Legal and Professional expenses include:</b>		
<b>Auditors' remuneration and expenses</b>		
For Audit Fees	85,000	85,000
For Tax Audit	25,000	25,000
<b>Total</b>	<b>110,000</b>	<b>110,000</b>

## 30 Exceptional Item

	<u>Year Ended</u> <u>31st March, 2019</u>	<u>Year Ended</u> <u>31st March, 2018</u>
Payments under Voluntry Retirement Scheme [Refer Note 42]	-	2,401,874
<b>Total</b>	<b>-</b>	<b>2,401,874</b>

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**MAHALAXMI SEAMLESS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**31 Related parties disclosures as per Ind AS 24**

**A) Name of the Parties ( as certified by the management)**

**1) Associates**

- Madras Steel & Tubes
- Vinayak Pipes & Tubes Pvt Ltd
- Excel Tube Corporation

**2) Key Management Personnel**

- Shri Madhav P. Jalan
- Shri Vivek Jalan
- Shri Jiwanprakash. T. Hingorani
- Shri Chetan Jain
- Smt. Mala Sharma
- Chandrashekar R. Kulkarni

**3) Relative of Key Management Personnel (KMP)**

- Smt. Sampathidevi M. Jalan

**B) Related Party Transactions:**

Nature of Transaction	Associates		Key Management Personnel		Relative of KMP	
	(Rs.)		(Rs.)		(Rs.)	
Transaction during the year	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Sales of Goods	-	4,944,731	-	-	-	-
Purchase of Goods	-	-	-	-	-	-
Remuneration/Salary	-	-	3,870,000	3,750,000	-	-
Loans taken	-	-	-	200,000	-	-
Loans repaid	-	-	55,000	300,000	-	-
Interest charged	-	-	-	-	-	-
<b>Outstanding Balance</b>						
Balance Receivable	253,865	253,865	-	-	-	-
Balance Payable	-	-	3,834,596	3,818,455	-	-

**C) Details of material related party transactions**

Nature of transaction	Sale of Goods		Purchase of Goods		Remuneration/ Salary		Loans taken		Loan Repaid	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Madras Steel & Tubes	-	-	-	-	-	-	-	-	-	-
Vinayak Pipes & Tubes Pvt Ltd	-	4,944,731	-	5,915,399	-	-	-	-	-	-
Shri Madhav. P. Jalan	-	-	-	-	1,200,000	1,200,000	-	200,000	55,000	300,000
Shri Vivek Jalan	-	-	-	-	1,470,000	1,549,999	-	-	-	-
Smt. Mala Sharma	-	-	-	-	1,200,000	1,000,000	-	-	-	-



**MAHALAXMI SEAMLESS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2019**

**32 Contingent Liabilities**

The Company had imported certain items under the Duty Free Advance Authorisation Scheme. The total value of the Liability will be Rs.2,42,59,778/- (Fy 2016-17 Rs. 2,03,01,500/-, Fy 2015-16 Rs.2,03,01,500/-). The Company was unable to complete its export obligation in respect of such imports. This case is pending with custom authority for further processing.

The Company is in process of getting extension of the time period for fulfillment of its export obligations.

**33 Segment Reporting**

The Company has only one reportable segment i.e. Cold drawn Seamless Pipes and Tubes. Accordingly, the Company is single segment company in terms of its products.

Considering the nature of business of Company in which it operates, the Company deals within India, hence other disclosure requirements are not applicable to the company.

**34 Dues to Micro, Small and Medium enterprises**

The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosures, if any relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.

**35 Post retirement benefit plans**

The Company has only three employees as at the close of the current year, hence the gratuity liability has been calculated on discontinuation basis instead of an Actuarial Valuation, as the amounts involved are not material.

**Balance Sheet**

	Defined benefit plans		
	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Gratuity Liabilities	240,767	386,768	1,143,762
Plan liability net of plan assets	240,767	386,768	1,143,762

**36 Earning per Share**

The earning considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in Computing

EPS are the weighted average number of share outstanding during the year which is calculated as below :

	Particulars	31.03.2019	31.03.2018
		(Rs.)	(Rs.)
a)	Weighted average No. of Equity shares outstanding during the year.	5,281,400	5,281,400
b)	Net Profit/(Loss) after tax attributable to Equity share holders	(907,930)	(9,970,380)
c)	Basic / Diluted earning per share-Face Value Rs 10/-	(0.17)	(1.89)

**37 Assets given as security**

The carrying amounts of Assets given as Security for Current and Non-Current Borrowings are:

	As at 31st March, 2019	As at 31st March, 2018
<b>Current Assets</b>		
Floating Charge		
Trade receivables	-	-
Inventories	-	-
<b>Total Current assets given as security</b>	-	-



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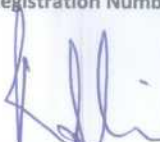
**MAHALAXMI SEAMLESS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

<b>Non Current Assets</b>		
<i>First Charge</i>		
Land (Freehold)	1,809,102	1,809,102
Building	20,485,447	22,017,864
<b>Total Non-Current Assets given as Security</b>	<b>22,294,549</b>	<b>23,826,966</b>
<b>Total Assets given as security</b>	<b>22,294,549</b>	<b>23,826,966</b>

For R.Sundaresan Aiyar & Co.

Chartered Accountants

Firm Registration Number: 118568W




R.Sundaresan Aiyar  
Partner  
Membership No. 43946

Place: Mumbai

Date : 29th May, 2019

For and on behalf of Board


  
(M. P. Jalan)

**Chairman &  
Managing Director**  
DIN : 00217236



(Vivek Jalan)  
**Executive  
Director**  
DIN : 00114795

Mumbai

Date : 29th May, 2019

**MAHALAXMI SEAMLESS LIMITED**

Notes to the financial statements for the year ended 31st March, 2019

**Note 38: Income Taxes**

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Current tax</b>		
Current year	-	-
Adjustments for prior periods	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Deferred tax charge/(credit)	(435,921)	(30,310)
Change in tax rates		
<b>Total deferred tax</b>	<b>(435,921)</b>	<b>(30,310)</b>
<b>Total income tax expense/(credit)</b>	<b>(435,921)</b>	<b>(30,310)</b>

Due to net loss the company has not made any provision of Current Tax under the provisions of Income Tax Act, 1961.

The movement in deferred tax assets and liabilities during the year ended March 31, 2018 and March 31, 2019:

	As at 1st April, 2018	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2019
<b>Movement during the year ended March 31, 2017 and March 31, 2018</b>				
<b>Deferred tax assets/(liabilities)</b>				
Depreciation	(5,918,351)	435,921	-	(5,482,430)
<b>Total</b>	<b>(5,918,351)</b>	<b>435,921</b>	<b>-</b>	<b>(5,482,430)</b>

*PS*



**MAHALAXMI SEAMLESS LIMITED**

Notes to the financial statements for the year ended 31st March, 2019

**Note-39 : Fair Value measurement**

**Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
  2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March, 2019				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets																
Loans	-	82,000	82,000	-	-	-	-	-	-	-	-	-	-	82,000	82,000	82,000
Other Financial Assets	28,548,459	-	28,548,459	-	-	-	-	-	-	-	-	-	-	28,548,459	28,548,459	28,548,459
Trade receivable	-	1,583,003	1,583,003	-	-	-	-	-	-	-	-	-	-	1,583,003	1,583,003	1,583,003
Cash and Cash Equivalents	-	72,366	72,366	-	-	-	-	-	-	-	-	-	-	72,366	72,366	72,366
Bank Balances other than cash and cash equivalents	-	9,999	9,999	-	-	-	-	-	-	-	-	-	-	9,999	9,999	9,999
	<b>28,548,459</b>	<b>1,747,368</b>	<b>30,295,827</b>	-	-	-	-	-	-	-	-	-	-	<b>30,295,827</b>	<b>30,295,827</b>	<b>30,295,827</b>
Financial liabilities																
Borrowings	53,252,949	4,237,464	57,490,413	-	-	-	-	-	-	-	-	-	-	57,490,413	57,490,413	57,490,413
Other Financial Liabilities	-	6,429,929	6,429,929	-	-	-	-	-	-	-	-	-	-	6,429,929	6,429,929	6,429,929
Trade Payables	-	5,785,194	5,785,194	-	-	-	-	-	-	-	-	-	-	5,785,194	5,785,194	5,785,194
	<b>53,252,949</b>	<b>16,452,587</b>	<b>69,705,536</b>	-	-	-	-	-	-	-	-	-	-	<b>69,705,536</b>	<b>69,705,536</b>	<b>69,705,536</b>

Financial Assets and Liabilities as at 31st March, 2018				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets																
Loans	-	55,341	55,341	-	-	-	-	-	-	-	-	-	-	55,341	55,341	55,341
Other Financial Assets	3,138,496	-	3,138,496	-	-	-	-	-	-	-	-	-	-	3,138,496	3,138,496	3,138,496
Trade receivable	-	1,830,514	1,830,514	-	-	-	-	-	-	-	-	-	-	1,830,514	1,830,514	1,830,514
Cash and Cash Equivalents	-	743,969	743,969	-	-	-	-	-	-	-	-	-	-	743,969	743,969	743,969
Bank Balances other than cash and cash equivalents	-	9,999	9,999	-	-	-	-	-	-	-	-	-	-	9,999	9,999	9,999
	<b>3,138,496</b>	<b>2,639,823</b>	<b>5,778,319</b>	-	-	-	-	-	-	-	-	-	-	<b>5,778,319</b>	<b>5,778,319</b>	<b>5,778,319</b>
Financial liabilities																
Borrowings	33,312,148	4,075,516	37,387,664	-	-	-	-	-	-	-	-	-	-	37,387,664	37,387,664	37,387,664
Other Financial Liabilities	-	5,242,922	5,242,922	-	-	-	-	-	-	-	-	-	-	5,242,922	5,242,922	5,242,922
Trade Payables	-	8,107,390	8,107,390	-	-	-	-	-	-	-	-	-	-	8,107,390	8,107,390	8,107,390
	<b>33,312,148</b>	<b>17,425,828</b>	<b>50,737,976</b>	-	-	-	-	-	-	-	-	-	-	<b>50,737,976</b>	<b>50,737,976</b>	<b>50,737,976</b>

**Note:-**

Financial assets and Financial liabilities, considering the nature of rights and obligations with relevant terms including receivable/payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount as at reporting date and it includes

- Trade receivables
- Cash and cash equivalents
- Other financial assets
- Trade Payables
- Other financial liabilities
- Current borrowings
- Interest bearing loans

Further in respect of long term security deposits being market driven rate of interest and other deposits with no fixed maturity date, fair value are considered to be carrying value.

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**Note-40 : Financial Risk Management**

**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including receivables, payables and loans and borrowings.

**Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**Exposure to interest rate risk**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Total Borrowings	63,184,216	41,883,064
Borrowings bearing variable rate of interest	63,184,216	41,883,064
% of Borrowings out of above bearing variable rate of interest	100%	100%

**Interest rate sensitivity**

**A change of 50 bps in interest rates would have following Impact on profit before tax**

	2018-2019	2017-2018
50 bp increase would decrease the profit before tax by	(315,921)	(209,415)
50 bp decrease would increase the profit before tax by	315,921	209,415

**Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customs, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable as provision when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been provided, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Ageing of Account receivables**



*Rd*

0-3 months  
3-6 months  
6 months to 12 months  
beyond 12 months  
Total

	As at 31st March, 2019	As at 31st March, 2018
	1,583,003	1,486,787
	-	-
	-	343,727
	5,626,127	5,626,127
<b>Total</b>	<b>7,209,130</b>	<b>7,456,641</b>

**Movement in provisions of doubtful debts**

Opening provision  
Add:- Additional provision made  
Less:- Provision write off/ reversed  
Less:- Provision utilised against bad debts  
Closing provisions

	As at 31st March, 2019	As at 31st March, 2018
	5,626,127	5,626,127
	-	-
	-	-
	-	-
<b>Closing provisions</b>	<b>5,626,127</b>	<b>5,626,127</b>

**Liquidity Risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. Due to dynamic nature of underlying business, the Company's treasury department is responsible for liquidity, funding as well as

(i) Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Floating rate  
Expiring within one year (Cash credit facility)

	As at 31st March, 2019	As at 31st March, 2018
	-	-

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

**Maturity patterns of borrowings**

As at 31st March, 2019

Long term borrowings (Including current maturity of long term debt)  
Short term borrowings  
Total

	0-1 years	1-5 years	beyond 5 years	Total
	5,693,803	40,418,796	12,834,153	58,946,752
	4,237,464	-	-	4,237,464
<b>Total</b>	<b>9,931,267</b>	<b>40,418,796</b>	<b>12,834,153</b>	<b>63,184,216</b>

As at 31st March, 2017

Long term borrowings (Including current maturity of long term debt)  
Short term borrowings  
Total

	4,495,400	19,609,151	13,702,998	37,807,549
	4,075,516	-	-	4,075,516
<b>Total</b>	<b>8,570,916</b>	<b>19,609,151</b>	<b>13,702,998</b>	<b>41,883,065</b>

**Maturity patterns of other Financial Liabilities**

As at 31st March 2019

Trade Payable  
Employee benefits payable  
Other Financial liability (Current)  
Total

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
	-	-	0	5,785,194.06	5785194.06
	690,845.00	-	-	35,316	726,161
	-	-	-	9,965	9,965
<b>Total</b>	<b>690,845.00</b>	<b>-</b>	<b>-</b>	<b>5,830,475</b>	<b>6,521,320</b>

As at 31st March 2018

Trade Payable

8,107,390.00  
8,107,390



Employee benefits payable  
Other Financial liability (Current)  
**Total**

737,558.00	-	-	737,558
-	-	9,965	9,965
<u>737,558.00</u>	<u>-</u>	<u>8,107,390</u>	<u>8,854,913</u>

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**Note-41 : Capital risk management**

**(a) Risk Management**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**(b) Dividend**

The Company has not paid any dividend for the current year as well as previous year.

**Note-42 : Exceptional item**

	As at 31st March, 2019	As at 31st March, 2018
Payments under Voluntry Retirement Scheme	-	2,401,874
Total	-	<b>2,401,874</b>

**Note-43 : Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016:**

The disclosure requirement of Specified Bank Note is not applicable to the company for the period ended 31st March, 2019

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