

# Marine Electricals



**Annual Report  
2016-17**

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## INTRODUCTION

Established in 1978, Marine Electricals is an integrated technical services provider in the fields of electrical, automation and information and communication technology solutions in diversified areas like Ship Building and Ship repair for Navy and Commercial Vessels/ Industries and Buildings / Renewables EPC.

Marine Electricals offers integrated and multidisciplinary total solutions that lead to better business processes and more efficiency for customers. Marine Electricals also offers solutions that contribute towards a sustainable society.

With over 39 years' expertise, we are one of the largest suppliers of Electrical & Automation Equipment for Marine Applications in India and Middle East Markets, and also the fastest growing supplier of Low and Medium Voltage Electrical Equipment for Industrial applications in India.

### LOOKING AHEAD

This year we have started our Renewables division that is primarily involved in setting up PV turnkey projects focusing on both Rooftop and grid connected solutions.

### BOARD OF DIRECTORS

1. Venkatesh K. Uchil – Managing Director
2. Vinay K. Uchil – Chairman & Director

### REGISTERED OFFICE

B/1, Udyog Sadan No. 3, MIDC,  
Andheri (East), Mumbai-400093

### BANKERS

ICICI Bank Limited  
State Bank of India

### STATUTORY AUDITORS

M/s. R. R. Bandekar & Associates, Chartered Accountants

## REPORT OF THE DIRECTORS

To,

The Members,

Marine Electricals (India) Pvt. Ltd.

Your Directors have pleasure in presenting their 10th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2017.

### FINANCIAL RESULTS:

Your company's performance during the year under review as compared to the previous financial year is summarized in the following statement:

#### PERFORMANCE OF THE COMPANY - STANDALONE

Particulars	31 <sup>st</sup> March 2017 (Rs.)	31 <sup>st</sup> March 2016 (Rs.)
Total income	2,11,84,40,491	1,95,27,44,491
Expenses	1,88,71,24,032	1,75,13,71,334
Profit before interest, depreciation and taxation	23,13,16,459	20,13,73,157
Interest and bank charges	4,01,96,135	2,67,96,226
Depreciation and Amortization	4,37,22,229	4,83,21,920
Profit before tax	14,73,98,095	12,62,55,011
Less: Provision for current tax & deferred tax	6,12,83,933	4,69,95,295
Profit after taxation	8,61,14,162	7,92,59,716

## PERFORMANCE OF THE COMPANY - CONSOLIDATED

Your Company has availed the exemption provided in the second proviso of Rule 6 of Companies (Accounts) Rules, 2014 and has thus not consolidated its financial statements.

All the shareholders of your Company have consented to avail this exemption. Further the ultimate holding company of your Company, viz KDU Enterprises Private Limited, shall file consolidated financial statements with the Registrar of Companies.

### State of Company's Affairs and Future Outlook

Your company has its headquarters in the financial capital of India – Mumbai where it also operates and run a production facility and has two production facilities at Verna, Goa. Your company has undertaken an expansion of manufacturing facilities with setting up of a new facility next to Plant 2 at Verna Goa. The plant is estimate to start commercial production by March 2018.

Current year has been challenging year for the company due to structural changes initiated by the Government by taking steps like Demonetization, GST implementation etc. These initiatives will have positive results for the company since shift will be towards organized players and this will benefit your company.

Your company has identified Solar business as a future growth area and has accordingly taken initiatives in this regard, which will start bearing results in coming years.

### Company's Performance

The revenue from operations for FY 2016-17 was at Rs. 2,09,44,16,945/- which was higher by 8.27% compared to the previous year Rs. 1,93,44,94,895/- in FY 2015-16.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") is Rs. 23,13,16,459/- registering a growth of 14.87 % over EBITDA of Rs. 20,13,73,157/- in FY 2015-16.

Profit after tax ("PAT") for the year was Rs. 8,61,14,162 /- recording a growth of 8.65 % over the PAT of Rs. 7,92,59,716/- of FY 2015-16.

### Dividend

With a view to conserve the resources of the Company, your Directors do not recommend any dividend for the financial year ended 31st March, 2017.

### Details of Subsidiary Companies

Your Company had one subsidiary as on 31st March 2017. Your Company did not have any associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act").

Marine Electricals FZC incorporated in Sharjah, United Arab Emirates, is the subsidiary company. During the year under review, the subsidiary company has achieved a turnover of Rs. 3255,36,041/- (AED 19,026,069 @ Rs. 17.11 per AED) with a profit of Rs. 201,26,236/- (AED 1,176,285 @ Rs 17.11 per AED).

Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to this report and marked as Annexure I.

Further, pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

### **Amounts Transferred to Reserves**

No amount was proposed to be transferred to Reserves.

### **Quality Initiatives**

Your Company has continued its commitment towards the highest levels of quality, best-in-class service management, robust information security practices and mature business continuity processes. Marine Electricals has certified its plants to meet ISO 9001, ISO 14001 & OHSAS 18001 to cater to highest levels of safety for its staff and environment.

Your company will take concrete steps this year to introduce best manufacturing practices by introducing lean manufacturing and a series of process improvements that would increase productivity and reduce errors and wastages in the system, thus improving the overall margins in production

### **The Extract of the Annual Return**

As provided under section 92(3) of the Act, the extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

### **Deposits**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### **Statutory Auditors**

The Statutory Auditors M/s. R. R. Bandekar & Associates, retire at the ensuing Annual General Meeting of the Company and are eligible for re-appointment. They have confirmed their willingness to be reappointed and eligibility under the provisions of Sections 139 & 141 of the Act and the Rules framed there under for re-appointment as Auditors of the Company.

### **Auditors' Report**

The Auditors report does not contain any qualification, reservation or adverse remark or disclaimer, thus no need arises for the Board of Directors to furnish any explanation or comments on the same.

### **Fraud Reporting**

There have been no known instances of Fraud in your company during the year under review.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Energy conservation continues to be an area of focus for your Company. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices.

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

- Conservation of Energy

Your Company has taken sufficient steps to conserve energy by monitoring the use thereby resulting in savings for the company.

- Technology Absorption

Your company has been successful in bagging certain contracts in consortium with foreign companies for supply of hi-tech equipment like degaussing systems for the Indian Navy. This has been done by manufacturing more than 60% of the equipment and solution in India through technology transfer from consortium partner. This step will qualify your company to supply a new line of equipment in the future.

Indigenous technology available is continuously being upgraded to improve overall performance

- Expenditure on Research & Development,

Your Company has set up Research and Development facilities in Mumbai. Your Company has carried out research in the field of defense electronics and software as an import substitute for equipment manufactured and engineered by the company. The new setup has already started bearing fruits and your company has successfully completed one project of indigenization and is also working on a few more development projects for roll out in financial year 2017-18

Research has also been carried out in designing of new improved range of electrical panels MeCube<sup>3</sup> manufactured by the company to make it a true global offering.

- Foreign Exchange Earnings/ Outgo:

Foreign Exchange Earnings: Rs. 39,68,64,150/-

Foreign Exchange Outgo: Rs. 18,03,88,144/-

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board has constituted a CSR Committee consisting of the following Directors:

1. Mr. Venkatesh K. Uchil – Chairman;
2. Mr. Vinay K. Uchil – Member.

Your Company in the current financial year has contributed to Amrita Trust- a Non-Government Organization (NGO - registered with the charity commissioner, Mumbai). The trust aims at providing and promoting healthcare, and medical assistance to the weaker sections of our society, it also provides education and training to the under privileged and disabled to lead a self-sustained life.

Your Company in the current financial year has contributed to Access Life Assistance Foundation - a Non-Government Organization (NGO). The trust aims at providing good nutrition to cancer patient along with counseling services for handling stress.

Your company is in the process of identifying more projects in line with the CSR policy, in order to enable your Company to spend the entire amounts kept aside for the CSR spends. It is because of lack of suitable projects that your Company was unable to spend the entire amount of CSR during the financial year.

The requisite disclosures to be given with regard to CSR, in the prescribed format are annexed as Annexure-III to this report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review Mr. Venkatesh K. Uchil (DIN: 01282671) and Mr. Vinay K. Uchil (DIN: 01276871) continue to be on the Board of your Company.



## **DECLARATION BY AN INDEPENDENT DIRECTOR(S)**

Your Company being a private limited company, the provisions with regards to the appointment of Independent Directors pursuant to section 149(4) do not apply to your Company.



## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Twenty-Four Board meetings were held during the year as follows

<b>Sr. No.</b>	<b>Date of Board Meeting</b>	<b>Name of the Directors who attended the said meeting</b>
1.	30 <sup>th</sup> April, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
2.	04 <sup>th</sup> May, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
3.	18 <sup>th</sup> May, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
4.	24 <sup>th</sup> June, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
5.	27 <sup>th</sup> June, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
6.	05 <sup>th</sup> August, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
7.	10 <sup>th</sup> August, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
8.	17 <sup>th</sup> August, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
9.	16 <sup>th</sup> September, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
10.	20 <sup>th</sup> September, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
11.	29 <sup>th</sup> September, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
12.	04 <sup>th</sup> October, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
13.	14 <sup>th</sup> November, 2016	Vinay K. Uchil (DIN: 01276871 ) Venkatesh K. Uchil (DIN: 01282671)
14.	25 <sup>th</sup> November, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)

<b>Sr. No.</b>	<b>Date of Board Meeting</b>	<b>Name of the Directors who attended the said meeting</b>
15.	06 <sup>th</sup> December, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
16.	10 <sup>th</sup> December, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
17.	23 <sup>rd</sup> December, 2016	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
18.	05 <sup>th</sup> January, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
19.	30 <sup>th</sup> January, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
20.	08 <sup>th</sup> February, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
21.	17 <sup>th</sup> February, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
22.	24 <sup>th</sup> February, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
23.	02 <sup>nd</sup> March, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)
24.	08 <sup>th</sup> March, 2017	Vinay K. Uchil (DIN: 01276871) Venkatesh K. Uchil (DIN: 01282671)

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Your Company has not given any loans, guarantees, not made any investments and not given any security to any other body corporate falling under the purview of Section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All the contracts or arrangement entered into by the Company during the financial year with related parties were in the ordinary course of business and at arm's length thus the same were outside the purview of Section 188(1) of the Companies Act, 2013 and hence no detail have been provided in AOC2.

## **RISK MANAGEMENT POLICY**

The Board of Directors and the team of professionals employed by the Company in various departments constantly review the risk management of the Company and ensure its effectiveness. The finance team has an additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

However, the Company has not faced any risk, which in the opinion of the Board, may threaten the existence of the company.

## **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 any regulator or courts or tribunals which shall impact the going concern status and operations of your Company in future.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to sub-section 5 of Section 134 of the Companies Act, 2013, the Directors confirm that:

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

The details in respect of adequacy of internal financial controls with reference to the Financial Statements, have been mentioned subsequently in this report.

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2016-17.

## **THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## **PERSONNEL**

Relation between employees and management continued to be cordial during the year. Your Company considers its employees as its most valuable asset. The Company continues its focus on employee retention. The Company's performance-driven culture with a strong focus on employees' career aspirations, appreciation and total-welfare helped maintain an ideal employee strength.

The Marine family consists of 359 number of employees. On gender diversity, the Company has 21 % of women employees, including senior positions.

## **PARTICULAR OF EMPLOYEES**

There was no employee who receive remuneration more than Rupees One Crore Two Lacs as per Section 197 read with rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 2014, during the period under the review, hence same is not applicable.

## **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that, during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ACKNOWLEDGEMENTS**

The Directors thank the Company's employees, customers, vendors, investors, bankers and academic institutions for their continuous support.

The Directors also thank the Governments of various countries, Government of India, and various government departments / agencies for their co-operation

The Directors appreciate and value the contributions made by every member of the Marine family.

**On behalf of the board of directors**

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**

**Date: 07/07/2017**

**Place: Mumbai**

## ANNEXURE I

### FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Rs.)**

Name of the subsidiary	MEL Power Systems FZC (Formerly M/s. Marine Electricals FZC)
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	From 1st April to 31st March
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Exchange currency: AED 1 AED: Rs. 17.11
Share capital	Rs. 25,66,500
Reserves & surplus	Rs. 1551,97,042
Total assets	Rs. 3152,24,442
Total Liabilities	Rs. 3152,24,442
Investments	Rs. 633,55,250
Turnover	Rs. 3255,36,041
Profit before taxation	Rs. 201,26,236
Provision for taxation	Nil
Profit after taxation	Rs. 201,26,236
Proposed Dividend	Nil
% of shareholding	90%

The following information shall be FURNISHED:

Names of subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Nil

**Part “B”: Associates and Joint Ventures – Not applicable**

<b>Name of Associates/Joint Ventures</b>	<b>A Ltd.</b>	<b>B Ltd.</b>	<b>C Ltd.</b>
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end.			
<b>Name of Associates/Joint Ventures</b>	<b>A Ltd.</b>	<b>B Ltd.</b>	<b>C Ltd.</b>
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Networth attributable to Shareholding as per latest audited Balance Sheet.			
6. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

The following information shall be furnished: -

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

**On behalf of the board of directors**

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**

**Date: 07/07/2017**

**Place: Mumbai**



## ANNEXURE II

### FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

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

#### I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U31907MH2007PTC176443
2.	Registration Date	04/12/2007
3.	Name of the Company	MARINE ELECTRICALS (INDIA) PRIVATE LIMITED
4.	Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details	B/1, Udyog Sadan No. 3, MIDC, Andheri (East), Mumbai-400093
6.	Whether listed company	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacturing-control panels	31200	74.77
2.	Trading activities	N.A	18.44
3.	Services	N.A	6.77

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

<b>Sr. No.</b>	<b>Name And Address Of The Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary /Associate</b>	<b>%of shares held</b>	<b>Applicable Section</b>
1.	KDU Enterprise Pvt. Ltd	U31401MH1982PTC027850	Holding	70.30	2(46)
2.	Marine Electricals FZC	--	Subsidiary	90	2(87)(ii)

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

### a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1. Indian</b>	-				-				-
a) Individual/ HUF	-	5100500	5100500	29.69	-	5100500	5100500	29.69	0
b) Central Govt.									-
c) State Govt.(s)	-				-				-
d) Bodies Corp	-	12077500	12077500	70.30	-	12077500	12077500	70.30	0
e) Banks / FI	-				-				-
f) Any Other	-				-				-
Sub-total(A)(1):-	-	17178000	17178000	99.99	-	17178000	17178000	99.99	0
<b>2. Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	200	200	0.01	-	200	200	0.01	0
(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	200	200	0.01	-	200	200	0.01	0
c) Others (Specify)	-	200	200	0.01	-	200	200	0.01	0
Sub-total(B)(2)	-	200	200	0.01	-	200	200	0.01	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>17178200</b>	<b>17178200</b>	<b>100</b>	-	<b>17178200</b>	<b>17178200</b>	<b>100</b>	-

## b) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered	
M/s KDU Enterprises Pvt. LTD	12077500	70.30	0	12077500	70.30	0	-
Mr. Venkatesh K. Uchil	5099500	29.68	0	5099500	29.68	0	
Mr. Vinay K. Uchil	200	0.001	0	200	0.001	0	
Mrs. Tanuja Pudhierkar	200	0.001	0	200	0.001	0	
Mr. Vilas M. Kulkarni	200	0.001	0	200	0.001	0	
Mr. Bhalchandra S. Bhalerao	200	0.001	0	200	0.001	0	
Mr. Kalpesh Mehta	200	0.001	0	200	0.001	0	
<b>Total</b>	<b>17178000</b>	<b>99.99</b>	<b>0</b>	<b>17178000</b>	<b>99.99</b>	<b>0</b>	

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	17178000	99.99	17178000	99.99
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	There is no change in the promoter shareholding during the reporting period.			
<b>At the End of the year</b>	<b>17178000</b>	<b>99.99</b>	<b>17178000</b>	<b>99.99</b>

**d) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRS and ADRS):**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	200	0.001	200	0.001
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
<b>At the End of the year ( or on the date of separation, if separated during the year)</b>	<b>200</b>	<b>0.001</b>	<b>200</b>	<b>0.001</b>

**e) Shareholding of Directors and key Managerial personnel:**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	50,99,700	29.687	50,99,700	29.687
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
<b>At the End of the year ( or on the date of separation, if separated during the year)</b>	<b>50,99,700</b>	<b>29.687</b>	<b>50,99,700</b>	<b>29.687</b>

## VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	28,28,61,545	2,11,301	0	28,30,72,846
<b>Total(i+ii+iii)</b>	<b>28,28,61,545</b>	<b>2,11,301</b>	<b>0</b>	<b>28,30,72,846</b>
Change in Indebtedness during the financial year				
- Addition	3,38,80,003			
- Reduction	(47,92,444)	(1,65,000)		
Net Change	2,90,87,559	(1,65,000)		2,89,22,559
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	31,19,49,104	46,301	0	31,19,95,405
<b>Total (i+ii+iii)</b>		<b>46,301</b>	<b>0</b>	<b>31,19,95,405</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a) Remuneration to Managing Director, Whole-time Directors and /or Manager/Director

Particulars of Remuneration	Name of the Director		Total Amount
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Mr. Venkatesh K. Uchil	Mr. Vinay K. Uchil	
(c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	48,00,000	48,00,000	96,00,000
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission			
- as % of profit			
- others, specify...			
Others, please specify	-	-	-
<b>Total(A)</b>	<b>48,00,000</b>	<b>48,00,000</b>	<b>96,00,000</b>
Ceiling as per the Act	NOT APPLICABLE		



**b) Remuneration to other directors: Not Applicable**

Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
Independent Directors					
·Fee for attending board committee meetings	-	-	-	-	-
·Commission	-	-	-	-	-
·Others, please specify					
<b>Total(1)</b>					
Other Non-Executive Directors					
·Fee for attending board committee meetings	-	-	-	-	-
·Commission	-	-	-	-	-
·Others, please specify					
<b>Total(2)</b>					
<b>Total(B)=(1+2)</b>					
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	NOT APPLICABLE				

**c) Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD: Nil since no KMP has been appointed**

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

## VIII. 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	-	-	-	-	-

On behalf of the board of directors

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**

**Date: 7/7/ 2017**

**Place: Mumbai**

## ANNEXURE III

### ANNUAL REPORT ON CSR ACTIVITIES

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

Marine, CSR Policy is focused on enhancing the lives of the local community in which it operates. This takes shapes by way of providing a better quality of life for the people in the communities in which the Company operates. We strongly believe in contributing towards the betterment of society and endeavor to create a positive impact, while achieving our business goals.

2. **The composition of the CSR committee:**

The Company has a CSR committee of directors comprising of Mr. Venkatesh K. Uchil – Chairman and Mr. Vinay K. Uchil as member

3. Average net profit of the company for last three financial years for the purpose of computation of CSR: Rs. 6,81,24,936
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.13,62,499

5. **Details of CSR spent during the financial year:**

- a. Total amount to be spent for the financial year: Rs.13,62,499.00

- b. Amount unspent: Rs. 6,56,499.00

- c. Manner in which the amount spent during the financial year: Your Company in the current financial year has contributed Rs. 6,00,000.00 to M/s. Amrita Trust- a Non-Government Organization (NGO - registered with the charity commissioner, Mumbai). The trust aims at providing and promoting healthcare, and medical assistance to the weaker sections of our society, it also provides education and training to the under privileged and disabled to lead a self-sustained life.

Your Company in the current financial year has contributed Rs.1,06,000 to Access Life Assistance Foundation - a Non-Government Organization (NGO). The trust aims at providing good nutrition to cancer patient along with Counseling services for handling stress.

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Your company is in the process of identifying more projects in line with the CSR policy, in order to enable your Company to spend the entire amounts kept aside for the CSR spends. It is because of lack of suitable projects that your Company was unable to spend the entire amount of CSR during the financial year.

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.**

Manner in which amount spend during the financial year is detailed below:

Sr. No	CSR Project or Activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) specify the state and District where projects or programmes were undertaken	Amount Outlay (Budget) Project or programmes wise	Amount spent on the projects or programmes Subheads: (1) Direct Expenditure (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Promoting health care	Health care	All over India	7,06,000	-	7,06,000	Amount was spent through Amrita Trust and Access life assistance foundation

We hereby affirm that the CSR Policy ("Policy") of the Company as approved by the Board of Directors of the Company is monitored by the CSR Committee and the CSR activities have been implemented in accordance with the Policy

**On behalf of the board of directors**

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**

**Date: 7/7/ 2017**

**Place: Mumbai**

## INDEPENDENT AUDITORS' REPORT

### R. R. Bandekar & Associates

Chartered Accountants

CA. Rishikesh R. Bandekar  
F.C.A.

Cell: 9223341288

Tel. 2927 0054, 2927 0111

E-mail: rrb@rrbandekar.com

To the Members of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED.

Report on the Financial Statements.

We have audited the accompanying financial statements of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

We conducted our audit 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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether financial statements are free from material misstatement.

R. R. Bandekar & Associates

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act (hereinafter referred to as 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 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) Based on written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position,
- ii. The company did not have any long-term contracts including derivative contracts as at March 31, 2017.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

For R. R. Bandekar & Associates Chartered Accountants

Firm Registration No.: 117221W

CA. Rishikesh R. Bandekar (Proprietor)

Membership No.102790

Date: 7/7/ 2017

Place: Mumbai



R. R. Bandekar & Associates

## **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date to the members of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED)

- i. In respect of fixed assets
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of Inventory
  - a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- iii. The Company has granted unsecured loans, to companies/firms/other parties covered in the register maintained under Section 189 of the Act.
  - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits to which directives of the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. The said point is not applicable to the Company.

R. R. Bandekar &amp; Associates

- vii. According to the information and explanations provided to us and the records of the Company examined by us, in our opinion,
- a) The Company is generally regular in depositing undisputed statutory dues, as applicable, including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities. There were no undisputed amounts payable with respect to provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues in arrears as at March 31, 2017 for a period of six months from the date they became payable.
  - b) According to the information and explanations given to us and the records of the Company examined by us, following disputed dues payable in respect of Income Tax as on 31st March 2017.

Nature of Assessment	Nature of Demand	Assessment Year	Amount	Forum where the dispute is pending
Income Tax Act 1961	Tax and Interest	2013-2014	7,77,160	CIT(A) Mumbai
Income Tax Act 1961	Tax and Interest	2014-2015	1,59,300	CIT(A) Mumbai

- viii. According to the information and explanations provided to us and records examined by us the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders as at the balance sheet date.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For R. R. Bandekar & Associates Chartered Accountants

Firm Registration No.: 117221W

CA. Rishikesh R. Bandekar (Proprietor)

Membership No.102790

Date:7/7/2017

Place: Mumbai

## BALANCE SHEET

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED					
Balance Sheet As At 31st March 2017					
	Note No	As at 31st March 2017 Amount in Rs.		As at 31st March 2016 Amount in Rs.	
<b>1. EQUITY AND LIABILITIES</b>					
<b>I. Shareholders' funds</b>					
a) Share Capital	1	171,782,000		171,782,000	
b) Reserve Funds	2	415,692,036		329,816,590	
			587,474,036		501,598,590
<b>II. Non - Current Liabilities</b>					
a) Long -Term Borrowings	3	58,273,285		85,613,975	
b) Deferred Tax Liabilities	4	27,629,178		18,745,245	
			85,902,463		104,359,220
<b>III. Current Liabilities</b>					
a) Short-Term Borrowings	5	197,768,368		164,807,964	
b) Current Maturities of Long Term Borrowings	6	55,953,752		32,650,907	
c) Trade Payables	7	454,633,507		292,423,507	
d) Other Current Liabilities	8	158,762,240		130,637,886	
e) Short-Term Provisions	9	190,249,830		136,483,267	
			1,057,367,696		757,003,531
		<b>TOTAL</b>	<u>1,730,744,195</u>		<u>1,362,961,341</u>
<b>2. ASSETS</b>					
1. Non - current assets					
a) Fixed Assets	10				
<b>I. Tangible Assets</b>		415,037,294		371,914,305	

	<b>Note No</b>	<b>As at 31st March 2017 Amount in Rs.</b>		<b>As at 31st March 2016 Amount in Rs.</b>	
<b>II. Intangible Assets</b>		1,672,385		1,982,810	
			416,709,679		373,897,115
b) Non-current Investments	11		74,775,856		71,507,885
c) Long Term Loans and Advances	12		31,010,570		29,983,350
<b>2. Current assets</b>					
a) Inventories	13	154,513,005		54,286,122	
b) Trade Receivables	14	778,739,176		583,873,269	
c) Cash and Bank Balances	15	23,689,895		49,569,973	
d) Short-Term Loans and Advances	16	74,333,319		56,859,832	
e) Other Current Assets	17	176,972,695		142,983,795	
			1,208,248,091		887,572,991
		<b>TOTAL</b>	<b><u>1,730,744,195</u></b>		<b><u>1,362,961,341</u></b>

As per our Report of even date

For R. R. Bandekar & Associates

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Proprietor

M. No: 102790

Place: Mumbai

Date: 07/07/2017

For and on behalf of the Board

VENKATESH K. UCHIL

Managing Director

DIN: 01282671

VINAY K. UCHIL

Director

DIN: 01276871

## STATEMENT OF PROFIT AND LOSS

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED					
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017					
	Note No		As at 31st March 2017 Amount in Rs.		As at 31st March 2016 Amount in Rs.
<b>I. Income</b>					
a) Revenue from Operations (Gross)	18		2,094,416,945		1,934,494,895
b) Other Income	19		24,023,546		18,249,596
c) Total Income			<u>2,118,440,491</u>		<u>1,952,744,491</u>
<b>II. Expenses</b>					
a) Manufacturing and Operating Expenses					
Cost of Materials Consumed	20	1,312,456,291		1207881246	
Changes in Inventories	21	-12,970,000		-3397617	
Other Expenses	22	234,279,824		218003142	
			1,533,766,115		1,422,486,771
b) Employee Benefit Expenses	23		148,782,077		141,798,155
c) Finance Costs	24		40,196,135		26,796,226
d) Depreciation & Amortisation Expense	10		43,722,229		48,321,920
e) Other Expenses	25		204,575,840		187,086,408
Total Expenses			<u>1,971,042,396</u>		<u>1,826,489,480</u>
<b>III. Profit Before Tax</b>			147,398,095		126,255,011
<b>IV. Tax Expense</b>					
a) Current Tax			52,400,000		48,000,000
b) Deferred Tax			8,883,933		-1,004,705
<b>V. Profit for the Year After Tax</b>			<u>86,114,162</u>		<u>79,259,716</u>
<b>VI. Basic &amp; Diluted Earnings Per Share</b>			5.01		4.61
The Notes form an integral part of these financial statement					

**As per our Report of even date**

**For R. R. Bandekar & Associates**

**Chartered Accountants**

**FRN: 117221W**

**For and on behalf of the Board**

**CA. Rishikesh R. Bandekar**

**Proprietor**

**M. No: 102790**

**Place: Mumbai**

**Date: 07/07/2017**

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**



## CASH FLOW STATEMENT

<b>MARINE ELECTRICALS (INDIA) PRIVATE LIMITED</b>		
<b>Cash Flow Statement For the Year Ended March 31, 2017</b>		
<b>PERTICULARS</b>	<b>Year Ended March 31, 2017</b>	<b>Year Ended March 31, 2017</b>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit Before Taxation	147,398,095	126,255,011
<b>Adjustments for:</b>		
Depreciation on Fixed Assets	43,722,229	48,321,920
Loss on Sale of Fixed Assets	-	565
Interest Expense	25,303,542	14,249,687
<b>Deduct:</b>		
Profit on Sale of Fixed Assets	88,185	-
Interest Income	3,469,812	2,878,421
<b>Operating Profit before Working Capital changes</b>	<u>212,865,869</u>	<u>185,948,762</u>
<b>Adjustments for :</b>		
(Increase) / Decrease in Inventories	(100,226,883)	37,635,580
(Increase) / Decrease in Trade Receivables	(194,865,907)	(85,681,784)
(Increase) / Decrease in Other Bank Balance	9,001,826	(2,346,760)
(Increase) / Decrease in Short Term Loans and Advances	(21,277,522)	24,127,341
(Increase) / Decrease in Other Current Assets	(33,988,900)	(49,670,257)
(Increase) / Decrease in Long Term Loans & Advances	5,276,815	366,275
Increase/(Decrease) in Trade Payable	162,210,000	(80,700,149)
Increase/(Decrease) in Other Current Liabilities	28,124,354	(29,794,219)
Increase/(Decrease) in Short Term Provisions	1,366,560	1,832,817
<b>Cash inflow/(outflow) from Operations</b>	<u>68,486,212</u>	<u>1,717,606</u>
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<u>68,486,212</u>	<u>1,717,606</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Investments	(5,767,971)	(2,103,107)

	<b>Year Ended March 31, 2017</b>	<b>Year Ended March 31, 2017</b>
Purchase of Fixed Assets	(86,835,323)	(85,241,184)
Sale Proceeds from Fixed Assets	150,000	2,510,000
Interest Received	3,469,813	2,878,421
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b><u>(88,983,481)</u></b>	<b><u>(81,955,870)</u></b>
<b>C. Cash Flow from Financing Activities</b>		
Long Term Borrowings(net)	(27,340,690)	40,373,611
Short Term Borrowings(net)	32,960,404	77,631,624
Current Maturity of Long Term Debt	23,302,845	(38,239,490)
Interest Paid	(25,303,542)	(14,249,687)
<b>Net Cash inflow from/ (outflow) from Financing Activities</b>	<b><u>3,619,017</u></b>	<b><u>65,516,058</u></b>
<b>Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]</b>	<b>(16,878,252)</b>	<b>(14,722,206)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>21,080,137</b>	<b>35,802,343</b>
Cash in Hand		
Bank Balances		
<b>Cash and Cash Equivalents at the Close of the Year</b>	<b>4,201,885</b>	<b>21,080,137</b>
Cash in Hand		
Bank Balances		
<b>Total</b>	<b><u>16,878,252</u></b>	<b><u>14,722,206</u></b>

As per our Report of even date

For R. R. Bandekar & Associates

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Proprietor

M. No: 102790

Place: Mumbai

DATE: 07/07/2017

For and on behalf of the Board

VENKATESH K. UCHIL

Managing Director

DIN: 01282671

VINAY K. UCHIL

Director

DIN: 01276871

## NOTES TO THE FINANCIAL STATEMENT

<b>MARINE ELECTRICALS (INDIA) PRIVATE LIMITED</b>						
<b>Notes To Financial Statement</b>						
<b>No</b>					<b>As At 31st March 2017</b>	<b>As At 31st March 2016</b>
<b>1</b>	<b>Share Capital</b>				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	Authorized					
	2,00,00,000 (Previous year 2,00,00,000) Equity Shares of Rs 10/- each				200,000,000	200,000,000
	Issued Subscribed and Fully Paid Up					
	1,71,78,200 (Previous year 171,78,200) Equity Shares of Rs 10/- each				171,782,000	171,782,000
(a)	Shares held by ultimate holding company and its subsidiaries:					
	1,20,77,500 (Previous year 1,20,77,500) Equity Shares are held by KDU Enterprises Pvt. Ltd., the Holding company					
(b)	Reconciliation of the number of equity shares and share capital:					
		<b>As at 31st March 2017</b>		<b>As at 31st March 2016</b>		
	Particulars	No. of shares	Rs.	No. of shares	Rs.	
	Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	17,178,200	171,782,000	17,178,200	171,782,000	
	Issued, subscribed and fully paid up equity shares outstanding at the end of the year	17,178,200	171,782,000	17,178,200	171,782,000	
(c)	Terms/rights attached to equity shares:					
	The Company has only one class of share capital, i.e. equity shares having face value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.					
(d)	Shareholder holding more than 5% of equity shares					

		as at the end of the year				
					<b>As at 31st March 2017</b>	<b>As at 31st March 2016</b>
	Name of the Shareholder	<b>No. of shares</b>	<b>% of holding</b>	<b>No. of shares</b>	<b>% of holding</b>	
	KDU Enterprises Pvt. Ltd.	12,077,500	70.30	12,077,500	70.30	
	Mr. Venkatesh K. Uchil	5,099,500	29.68	5,099,500	29.68	
<b>2</b>	<b>RESERVES AND SURPLUS</b>					
(a)	Securities premium account					
	As per Last Balance Sheet			13,302,500	13,302,500	
(b)	General Reserves					
	As per Last Balance Sheet			70,809,605	70,809,605	
(c)	Surplus in the statement of profit and loss					
	As per last Balance Sheet			245,704,485	166,500,885	
	Add: Profit for the year			86,114,162	79,259,716	
	Less: Appropriations during the year			238,717	-56,116	
	Closing Balance			331,579,931	245,704,485	
	<b>Total</b>			<b><u>415,692,036</u></b>	<b><u>329,816,590</u></b>	
<b>3</b>	<b>LONG TERM BORROWINGS</b>					
	Secured					
	Term Loan					
	From Banks					
	Vehicle			1,004,475	249,876	
	Term Loan			113,222,562	118,015,006	
				114,227,037	118,264,882	
	Less: Current Portion of Long Term Borrowings			55,953,752	32,650,907	
	Long Term Borrowings			<u>58,273,285</u>	<u>85,613,975</u>	
	<b>Nature of security &amp; term loan of repayment for Long Term secured borrowings</b>					
	FCNR & Term Loan Rs. 113222562/- (Previous year Rs. 118015006/-) are secured by way of an equitable mortgage of Factory, Land & Building (ICICI FCNR Loan Rs. 35372053.30, Int. @ Libor 3M +4.05%, ICICI Term Loan Rs.26636686.00, Int. @ 9.10% and SBI Term Loan Rs.51213823.00 Int. @11.95%)					
				<b>As at 31st</b>	<b>As at 31st</b>	

				<b>March 2017</b>	<b>March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
<b>4</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>				
		Deferred Tax liabilities (Net)		<u>27,629,178</u>	<u>18,745,245</u>
<b>5</b>	<b>SHORT TERM BORROWINGS</b>				
	(a)	Secured			
		Working Capital Loans from Bank			
		Cash Credit from Bank		197,722,067	164,596,663
	(b)	Unsecured			
		Loans from Others		46,301	211,301
		<b>Total</b>		<b><u>197,768,368</u></b>	<b><u>164,807,964</u></b>
		(Cash Credit from Bank Rs. 197739985/- (Previous year Rs. 165205421/-) are secured by way of hypothecation of Inventories, Debtors/ Receivables & other movable current assets at Mumbai & both the Goa Plants )			
<b>6</b>	<b>CURRENT MATURITIES OF LONG TERM BORROWINGS</b>				
		Secured			
		Term Loan			
		From Banks		55,953,752	32,650,907
		From Others			
		<b>Total</b>		<b><u>55,953,752</u></b>	<b><u>32,650,907</u></b>
<b>7</b>	<b>TRADE PAYABLES</b>				
	(a)	Due to Related Parties		7,233,179	2,700,640
	(b)	Micro and Small Enterprises			
	(c)	Due to Others		447,400,328	289,722,867
		<b>Total</b>		<b><u>454,633,507</u></b>	<b><u>292,423,507</u></b>
<b>8</b>	<b>OTHER CURRENT LIABILITIES</b>				
	(a)	Interest Occurred and Due on Borrowings		-	186,846
	(b)	Advances From Customers		42,139,200	36,733,898
	(c)	Payable for Capital Goods		25,122,658	-
	(d)	Other Payables			
		i. Statutory Dues		29,987,158	12,785,225

				<b>As on March 2017</b>	<b>As on March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	ii.	Commissioning Expenses Payable		30,316,240	61,489,592
	iii.	Rent Deposit		2,000,000	3,600,000
	iv.	Others		29,196,984	15,842,325
		<b>TOTAL</b>		<b><u>158,762,240</u></b>	<b><u>130,637,886</u></b>
<b>9</b>		<b>SHORT -TERM PROVISIONS</b>			
		Provision For Employee Benefits:			
		Bonus Provision		5,502,315	5,141,206
		Provision for Gratuity		6,529,156	5,499,702
		Others:			
		Provision for Taxation		178,218,359	125,842,359
		<b>Total</b>		<b><u>190,249,830</u></b>	<b><u>136,483,267</u></b>

# ANNUAL REPORT 2017



## NOTES TO THE FINANCIAL STATEMENT

Description	GROSS BLOCK				ACCUMALATED DEPRECIATION				NET BLOCK	
	BALANCE ON 1/4/2016	ADDITIONS	DEDUCTIONS	BALANCE ON 31/3/2017	BALANCE ON 1/4/2016	DEDUCT-IONS	DEPRECIATION FOR THE YEAR	BALANCE ON 31/3/2017	WDV ON 31/03/2017	WDV ON 31/03/2016
<b>Tangible Assets</b>										
Land										
Freehold										
Lease hold	9,512,335			9,512,335					9,512,335	9,512,335
Buildings										
Owned	284,174,959	53,954,970		338,129,929	65,867,832		15,547,486	81,415,318	256,714,611	218,307,127
Plant & Machinery										
Owned	187,934,065	27,805,679		215,739,744	63,709,599		18,918,381	82,627,980	133,111,764	124,224,465
Computer										
Owned	9,863,215	916,851	100,060	10,680,006	8,327,297	72,498	1,247,367	9,502,166	1,177,840	1,535,918
Furniture & Fixtures										
Owned	28,003,275	1,300,049		29,303,324	14,504,459		4,132,403	18,636,862	10,666,462	13,498,817
Vehicles										
Owned	12,424,309	1,162,805	640,887	12,946,227	10,099,538	443,543	1,120,486	10,776,481	2,169,747	2,324,771
Office Equipment										
Owned	10,107,246	248,780	58,808	10,297,218	7,596,374	22,840	1,039,149	8,612,683	1,684,535	2,510,872
<b>Total</b>	<b>542,019,404</b>	<b>85,389,134</b>	<b>799,755</b>	<b>626,608,783</b>	<b>170,105,099</b>	<b>538,881</b>	<b>42,005,271</b>	<b>211,571,489</b>	<b>415,037,294</b>	<b>371,914,305</b>
<b>Intangible Assets</b>										
Software	10,096,994	1,446,189	162,365	11,380,818	8,114,183	122,709	1,716,959	9,708,433	1,672,385	1,982,810
<b>Gross Total</b>	<b>552,116,398</b>	<b>86,835,323</b>	<b>962,120</b>	<b>637,989,601</b>	<b>178,219,282</b>	<b>661,590</b>	<b>43,722,229</b>	<b>221,279,922</b>	<b>416,709,679</b>	<b>373,897,115</b>

## NOTES TO THE FINANCIAL STATEMENT

				As on March 2017	As on March 2016	
				Amount in Rs.	Amount in Rs.	
<b>11</b>	<b>INVESTMENTS (At Cost)</b>					
	Non-Current Investments					
	Trade Investments					
	(a)	Investments in Fully Paid Equity Instruments				
		i.	In Subsidiary Companies	1,937,850	1,937,850	
			<ul style="list-style-type: none"> <li>90 (Previous year 90) shares with limited liability of MEL Power Systems FZC formerly known as Marine Electricals (FZC) of AED 1500 each, fully paid up</li> </ul>			
	(b)	Investments in Partnership Firms (refer note below)				
		<b>Narhari Engineering Works</b>				
		Fixed Capital		40,000,000	40,000,000	
		Current Capital		29,916,658	26,660,091	
		<b>Sub total</b>		<b>69,916,658</b>	<b>66,660,091</b>	
		<b>Automatic Electronic Controls Manufacturing Co.</b>				
		Fixed Capital				
		Current Capital		2,921,348	2,909,944	
		<b>Sub total</b>		<b>2,921,348</b>	<b>2,909,944</b>	
		Other Investment				
		Aggregate amount of unquoted investments		<u>74,775,856</u>	<u>71,507,885</u>	
		<b>Details of investments in partnership firms</b>				
			<b>As at 31 March 2017</b>			
		<b>Names of partners</b>	<b>Share in %</b>	<b>Fixed capital</b>	<b>Current capital</b>	<b>Total</b>
		Narhari Engineering Works				
		Marine Electricals (India) Pvt. Ltd.	80	40,000,000	29,916,658	69,916,658



	Mr. Vinay K. Uchil	10	5,000,000	1,682,643	6,682,643
	Mr. Venkatesh K. Uchil	10	5,000,000	1,682,643	6,682,643
		<u>100</u>	<u>50,000,000</u>	<u>33,281,944</u>	<u>83,281,944</u>
	Automatic Electronic Controls Manufacturing Co.				
	Marine Electricals (India) Pvt. Ltd.	50		2,921,348	2,921,348
	KDU Enterprises Pvt. Ltd.	50		1,121,348	1,121,348
	<b>Total</b>	<u>100</u>		<u>4,042,696</u>	<u>4,042,696</u>
	<b>As at 31 March 2016</b>				
	<b>Names of partners</b>	<b>Share in %</b>	<b>Fixed capital</b>	<b>Current capital</b>	<b>Total</b>
	Narhari Engineering Works				
	Marine Electricals (India) Pvt. Ltd.	80	40,000,000	26,660,091	66,660,091
	Mr. Vinay K. Uchil	10	5,000,000	1,275,572	6,275,572
	Mr. Venkatesh K. Uchil	10	5,000,000	1,275,572	6,275,572
	<b>Total</b>	<u>100</u>	<u>50,000,000</u>	<u>29,211,235</u>	<u>79,211,235</u>
	Automatic Electronic Controls Manufacturing Co.				
	Marine Electricals (India) Pvt. Ltd.	50	-	2,909,943	2,909,943
	KDU Enterprises Pvt. Ltd.	50	-	1,109,943	1,109,943
	<b>Total</b>	<u>100</u>	-	<u>4,019,886</u>	<u>4,019,886</u>
				<b>As on March 2017</b>	<b>As on March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
<b>12</b>	<b>LONG TERM LOANS AND ADVANCES</b>				
	Unsecured				
	Considered Good:				
	i. Loans and advances to related parties			6,304,035	5,356,890
	Others				
				<b>As on March</b>	<b>As on March</b>

				2017	2016
				Amount in Rs.	Amount in Rs.
		Considered Good:-			
		ii. Rent Deposits		14,400,000	14,400,000
		iii. Security Deposits		885,653	743,788
		iv. Other loans and advances		9,420,882	9,482,672
		<b>Total</b>		<b><u>31,010,570</u></b>	<b><u>29,983,350</u></b>
<b>13</b>	<b>INVENTORIES</b>				
		(At lower of cost and net realizable value)			
		a) Raw Materials		104,353,005	17,096,122
		b) Work in Progress		49,870,000	36,900,000
		c) Finished Goods		290,000	290,000
		<b>Total</b>		<b><u>154,513,005</u></b>	<b><u>54,286,122</u></b>
<b>14</b>	<b>TRADE RECEIVABLES</b>				
	(a)	Unsecured			
		Debts Outstanding For a Period Exceeding Six months			
		i. Considered Good		38,916,564	87,620,381
		ii. Considered Doubtful			
	(b)	Other Debts			
		Considered Good		739,822,612	496,252,888
		Less: Provision For Doubtful Debts			
		<b>Total</b>		<b><u>778,739,176</u></b>	<b><u>583,873,269</u></b>
		(Includes: - Export Receivable of Rs. 173218454/- for Current Year and Rs. 196230431/- for Previous Year) (Includes Receivables due after commissioning of Rs. 91243696/- for current year)			
<b>15</b>	<b>CASH &amp; BANK BALANCES</b>				
	(a)	Cash and Cash Equivalents			
		i. Balance with Banks			
				<b>As on March</b>	<b>As on March</b>

				<b>2017</b>	<b>2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
		In Current Accounts		2,557,766	2,634,272
		In EEFC Accounts		820,390	17,798,350
		Foreign Currency		355,774	-
	ii.	Cash on Hand		467,955	647,515
		<b>Total</b>		<b>4,201,885</b>	<b>21,080,137</b>
	(b)	Other Bank Balance			
		i. In Other Deposit Accounts			
		• In Earmarked Accounts (Margin FDs)		19,488,010	28,489,836
		• Margin Money against guarantees			
		<b>Total</b>		<b>23,689,895</b>	<b>49,569,973</b>
<b>16</b>	<b>SHORT TERMS LOANS AND ADVANCES</b>				
	(a)	Unsecured			
		Considered Good:			
		i. Loans and Advances to Related Parties		1,244,335	2,111,554
		ii. Balances with Government Authorities			
		• P L A Excise		343,685	1,605,040
		• Rebate Excise Duty receivable		21,031,544	16,985,754
	(b)	Others			
		Considered Good:			
		i. Rent Deposits		13,421,500	13,756,250
		ii. Earnest Money Deposits		7,701,000	230,367
		iii. Interest Accrued on FD		857,906	1,058,481
				<b>As on March 2017</b>	<b>As on March 2016</b>

				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	iv.	Prepaid Expenses		7,890,890	6,248,211
	v.	Advance to Suppliers		4,435,900	-
	vi.	Other Loans and Advances		17,406,559	14,864,175
		<b>Total</b>		<b><u>74,333,319</u></b>	<b><u>56,859,832</u></b>
<b>17</b>	<b>OTHER CURRENT ASSETS</b>				
		Advance Income Tax		157,678,878	125,032,792
		Others		19,258,817	17,951,003
		Fixed Deposit		35,000	-
		<b>Total</b>		<b><u>176,972,695</u></b>	<b><u>142,983,795</u></b>
<b>18</b>	<b>REVENUE FROM OPERATIONS</b>				
		Revenue from operations (Gross) *			
	(a)	Sale Of Products- Manufactured		1,544,109,564	1,436,361,538
	(b)	Sale Of Products- Traded		381,007,234	319,179,019
	(c)	Sale of Services		139,984,050	128,032,442
	(d)	Other Operating Revenues			
		Duty Drawback		5,200,369	10,362,348
		Rebate Excise Duty		24,115,728	40,559,548
		Revenue from Operations (Net)		<b><u>2,094,416,945</u></b>	<b><u>1,934,494,895</u></b>
		(The above Revenue includes an Export Turnover of Rs. 360889455/- for Current Year and Export Turnover of Rs. 425234466/- for Previous Year)			
<b>19</b>	<b>OTHER INCOME</b>				
	(a)	Balances w/back		175,603	355,395
	(b)	Exchange Gain/(Loss) (Net)		6,880,866	839,033
	(c)	Interest Received		3,469,812	2,878,421
	(d)	Rent Received		8,332,974	9,085,046
	(e)	Share of Profit from Partnership firm		3,267,972	3,103,106
				<b>As on March 2017</b>	<b>As on March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>

	(f)	Discount Received		1,808,134	-
	(g)	Insurance Claim Refund		-	1,988,595
	(h)	Profit on Sale of Assets		88,185	-
		<b>Total</b>		<b><u>24,023,546</u></b>	<b><u>18,249,596</u></b>
<b>20</b>	<b>COST OF MATERIAL CONSUMED</b>				
		Opening Stock		17,096,122	58,129,319
	(+)	Purchase		1,399,713,173	1,166,848,049
	(-)	Closing Stock		104,353,005	17,096,122
		<b>Total</b>		<b><u>1,312,456,291</u></b>	<b><u>1,207,881,246</u></b>
<b>21</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
		Opening Stock		37,190,000	33,792,383
		Less: Closing Stock		50,160,000	-37,190,000
		<b>Total</b>		<b><u>-12,970,000</u></b>	<b><u>-3,397,617</u></b>
<b>22</b>	<b>OTHER MANUFACTURING &amp; OPERATING EXPENSES</b>				
	(a)	Commissioning Expenses		34,197,961	59,504,194
	(b)	Custom Duty		35,830,808	24,827,896
	(c)	Power and Fuel		8,109,813	8,701,312
	(d)	Factory Maintenance		997,840	1,189,479
	(e)	Excise Duty		600,000	-
	(f)	Freight & Octroi Charges		25,753,863	19,542,074
	(g)	Wages		5,317,652	4,903,663
	(h)	Labour Charges		115,231,287	83,767,919
	(i)	Service Tax		7,890,953	7,273,495
	(j)	Water Charges		349,647	440,298
	(k)	Entry Tax		-	7,852,812
		<b>Total</b>		<b><u>234,279,824</u></b>	<b><u>218,003,142</u></b>
				<b>As on March 2017</b>	<b>As on March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>

<b>23</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>					
	(a)	Salaries, Allowances, Bonus & Other			133,934,128	126,300,791
	(b)	Contribution to Provident and Other Funds			9,266,459	9,067,447
	(c)	Staff Welfare expenses			5,581,490	6,429,917
		<b>Total</b>			<b><u>148,782,077</u></b>	<b><u>141,798,155</u></b>
<b>24</b>	<b>FINANCE COST</b>					
	(a)	Bank Charges			14,892,592	12,546,539
	(b)	Interest Expenses			25,303,542	14,249,687
		<b>Total</b>			<b><u>40,196,135</u></b>	<b><u>26,796,226</u></b>
<b>25</b>	<b>OTHER EXPENSES</b>					
	1	Advertisement			1,033,778	421,840
	2	Audit Fees			690,000	684,000
	3	Bad Debts			1,051,703	1,317,177
	4	Books & Periodicals			5,778	37,589
	5	Brokerage			50,000	143,631
	6	Central Sales Tax			60,723,127	43,257,525
	7	Clearing & Forwarding Charges			5,834,556	3,813,596
	8	Conveyance Expenses			4,718,188	3,722,134
	9	Consultation Charges			23,723,572	24,420,509
	10	Discount			1,717,002	4,238
	11	CSR Expenses			730,000	450,000
	12	Exhibition Participation			2,175,551	13,710,001
	13	Hire Charges			527,425	237,353
	14	House & Light Tax			6,618	44,878
	15	Inspection Charges			18,167,109	15,842,015
	16	Inspection Expenses			1,324,980	591,416
	17	Insurance Charges			1,048,486	1,477,036
					<b>As on March 2017</b>	<b>As on March 2016</b>
					<b>Amount in Rs.</b>	<b>Amount in Rs.</b>

18	Lease Rent			199,206	928,914
19	Legal Fees/Expense			249,565	251,590
20	License Fees			250,759	916,116
21	Liquidation Damages			1,667,786	5,197,520
22	Loss on Theft			-	24,000
23	Membership Fees			40,422	268,145
24	Miscellaneous Expenses			971,258	5,200
25	Motor Car Expenses			3,138,622	2,245,601
26	Pooja Expenses			301,449	238,173
27	Postage & Telegram			1,641,407	1,285,654
28	Preliminary Expenses w/off			-	228,694
29	Printing & Stationery			2,454,876	2,661,914
30	Profession Tax (Employer)			7,500	7,500
31	Property Tax			527,300	501,401
32	Rent			23,095,855	17,310,640
33	Repairs & Maintenance			5,118,472	5,170,442
34	Sales Promotion			9,283,659	6,857,899
35	Security Charges			3,215,922	2,397,092
36	Service Tax			9,770,780	8,223,435
37	Stamp Duty			2,412,733	-
38	TCS on Scrap			38,656	32,397
39	Technical Know-how Expenses			-	2,247,200
40	Telephone Expenses			3,949,165	3,123,540
41	Travelling Expenses			501,564	1,064,701
42	Local VAT			9,075,700	12,510,956
43	Sub Letting Charge			-	233,237
44	Website Expenses			-	1,846
45	Loading & Unloading			3,117,534	2,678,257
46	Loss on Sale of Motor Car			-	565
47	Office Expenses			12,000	-
				<b>As on March 2017</b>	<b>As on March 2016</b>
				<b>Amount in Rs.</b>	<b>Amount in Rs.</b>

48	Works Contract Tax			-	90,602
49	Loss due to Cyber Crime			-	208,239
50	Penalty on Excise Duty			5,778	-
	<b>Total</b>			<b><u>204,575,840</u></b>	<b><u>187,086,408</u></b>



## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(Annexed to and forming part of the financial statement for the year ended 31st March 2017)

### 1. Overview

Marine Electricals (India) Private Limited, is a manufacturer, producers, processors, contractors, repairers, exporters, importers, representatives, agents, traders in all types of marine and industrial electrical and electronic switch-gears, control-gears, electrical and electronic components, it's accessories and to provide services in designing, fabricating, installing and repairing all types of electrical and electronic installations in India and abroad.

### 2. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on the accrual basis. Pursuant in Sec 133 of The Companies Act, 2013 read with rule 7 of The Companies (Accounts) Rules, 2014. The Standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these Financial Statement have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) and other relevant provision of the Companies Act,2013.

### 3. Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principle which requires the estimates and assumptions to be mock that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of Revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the result is known / materialized.

### 4. Fixed assets, intangible assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Direct cost is capitalized until the fixed assets are ready to use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit / functioning capability from / of such assets.

Deprecation on addition to Assets or on sale/ discardment of assets is calculated pro rata from the month of such addition or up to the month of such sales/discardment, as the case may be.

Effective 1st April 2014, the Company depreciates its fixed Asset over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act 1956.

## 5. Leases

### Finance leases:

- i. Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- ii. Assets given under Leases where the Company has transferred substantially all the risks and rewards of ownership to lessee, are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.
- iii. Initial direct costs relating to assets given on finance leases are charged to Statement of Profit and Loss.

### Operating leases:

- iv. Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.
- v. Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.

## 6. Investments

Long term investments are carried at cost. Provision for diminution, is made to recognize a decline other than temporary in the value of investments and is determined separately for each individual investment.

Investment in partnership firms is valued inclusive of company's share of profit/loss in respective partnership firms from the date of partnership.

Investment, which are readily realizable and are intended to be held for not more than one year from the date of acquisition, are classified as current investment. All other investments are classified as long term investments.

Purchase and sale of investments are recognized based on trade date accounting.

## 7. Valuation of Inventories

Inventories of Raw Material, Work in Progress, stores and spares, finished goods and stock in trade are stated. at cost or net realizable value, whichever is lower. Goods -in-Transit are stated 'at cost'. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula used is weighted Average cost. Due allowances are estimated and made for defective and obsolete items, wherever necessary, based on past experiences of the company.

## 8. Revenue recognition

Revenue from manufactured and traded goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer. Sales are inclusive of excise duty wherever paid. Service revenue is recognized on completion of service as per the terms of the contract.

## 9. Other income

Interest income is accrued as per applicable interest rates.

Dividend income is recognized in the period in which the right to receive the same is established.

## 10. Employee benefits

### a. Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related services.

### b. Post-employment benefits:

The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related services.

## 11. Income tax, Sales tax etc.

a. Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

b. In respect of sales tax, income tax etc. the amount payable or receivable as per assessment order is accounted for in the year in which the said order is received and accepted by the company, irrespective of the year to which the order relates.

c. Set off is claimed on sales tax on purchases. Difference between set off claimed and actual set off allowed is accounted for in the year in which the assessment order is received and accepted by the company.

d. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated

timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## 12. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet.

Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in profit and loss account, (except in cases where they are adjusted to the carrying cost of such assets.

## 13. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## 14. Provision, contingent liabilities and contingent assets

In accordance with AS 29, Provision, Contingent liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions when it is a present obligation as a result of past events, and it is probable on balance sheet date, supplemented by experiences of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current Management estimates. In cases where the available information indicate loss on the contingency reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in financial statements.

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

## 15. Preliminary and share issue expenses

Preliminary and Share Issues Expenses are amortized over a period of five years.

## 16. Prior period expenses.

Corrections of fundamental errors of commission or omission in earlier year(s) are done by debiting/crediting prior period adjustments account.

## 17. Earning per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. Diluted EPS is computed using weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the result would be anti-dilutive.

18. Notes forming part of financial statements

- i. The previous year's figures have been reworked, regrouped and reclassified wherever necessary. Correspond with the Current Year's Classification / disclosure
- ii. Balance of Debtors, Creditors, Loans and Advances and Deposits are subject to confirmation from such parties.

19. Related Party Disclosures:

- i. List of related parties with whom transactions have taken place and relationship.  
Names of Related parties and their relationship.
- ii. Amount due to/from related parties

**Name of Party, Nature of Transaction & relationship**

A. Holding Co.

KDU ENTERPRISES PVT. LTD.

B. Company in which Directors are common

SWITH N CONTROL GEARS PVT LTD.

MCGEOCH MARINE ELECTRICALS PVT LTD

C. Firms in which directors are partners

PHILINS INDUSTRIAL CORPORATION

DKM PRECISION ENGINEERS

D. Firm in which company is partner

AUTOMATIC ELECTRONIC CONTROL MFG. CO.

NARHARI ENGINEERING WORKS

E. Key Management Personnel

i. SHRI VENKATESH K. UCHIL

ii. SHRI VINAY K. UCHIL

## DETAILS OF TRANSACTIONS WITH ABOVE

Particulars	A	B	C	D	E
Remuneration	-	-	-	-	96,00,000
	-	-	-	-	(96,00,000) *
Rent	20685000	-	9,60,000	-	-
	(16400640)*	-	(9,60,000)*	-	-
Purchases	4094685	2718953	172560	228022	-
	5122570*	(508275)*	(2174906)*	-	-
Sales	-	40088	-	670781	-
	-	-	-	-	-
Accounts Payable	-	-	-	2149172	-
	-	-	-	(0.00)*	-
Advance To Supplier	-	-	-	-	-
	-	-	-	-	-
Loans And Advance Recoverable	-	3772297	2531738	-	1244335
	-	(3493720)*	(1863170)*	-	(2111554) *

\* To be considered as Previous year's figures

Calculation of weighted average number of equity shares

Weighted average number of equity shares outstanding during the year used as denominator for calculating earnings per share

[1,71,78,200

1,71,78,200

Basic and diluted earnings per share (Rs.)

4.85

Face Value per share (Rs.)

10

21. Major components of deferred tax liabilities and deferred tax assets: pursuant to Accounting Standard (As 22) "Accounting for Taxes on income" (Amount in Rs.)

Particulars	Deferred tax liabilities/(assets) As at 31-03-2016	Deferred tax liabilities/(assets) As at 31-03-2017
Deferred tax liabilities:		
Difference between book and tax depreciation	2,06,48,582	2,54,45,175
<b>Total</b>	<b>2,06,48,582</b>	<b>2,54,45,175</b>
Deferred tax (assets)	-	-
Provision for Gratuity	(19,03,337)	21,84,002
<b>Total</b>	<b>(19,03,337)</b>	<b>21,84,002</b>
Net deferred tax liability / (assets)	1,87,45,245	2,76,29,178

22. Foreign Exchange earned and used

Particulars	(Amount in Rs)	
	2016-17	2015-16
Earnings		
FOB value of exports	39,68,64,150	38,57,53,182
<b>Total Earnings</b>	<b>39,68,64,150</b>	<b>38,57,53,182</b>

CIF Value of imports	2016-17		2015-16	
Raw materials		<b>14,41,19,731</b>		<b>16,02,26,414</b>
Capital goods		-		-

Expenditure in foreign currency	2016-17		2015-16	
Professional/consultation fees		20,81,185		21,22,298
Other matters		<b>3,41,87,228</b>		<b>82,67,539</b>

**As per our Report of even date**

**For R. R. Bandekar & Associates**

**Chartered Accountants**

**FRN: 117221W**

**For and on behalf of the Board**

**CA. Rishikesh R. Bandekar**

**Proprietor**

**M. No: 102790**

**Place: Mumbai**

**Date: 07/07/2017**

**VENKATESH K. UCHIL**

**Managing Director**

**DIN: 01282671**

**VINAY K. UCHIL**

**Director**

**DIN: 01276871**



## ATTENDANCE SLIP

### MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Reg. Off. No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093

Members attending the Meeting in person or by Proxy are requested to bring attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 10th Annual General Meeting of the Company at the registered office of the Company at No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093, on \_\_\_\_\_ at \_\_ a.m.

Full name of the Member (in block letters) \_\_\_\_\_ Signature \_\_\_\_\_

Folio No: \_\_\_\_\_ DP ID No.\* \_\_\_\_\_ Client ID No\* \_\_\_\_\_

Applicable for member holding shares in electronic form.

\_\_\_\_\_  
Full name of the Proxy (in block letters) \_\_\_\_\_ Signature \_\_\_\_\_

NOTES: 1) Member / Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting. 2) Member/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

## FORM MGT-11

### MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Reg. Off. No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093

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: U31907MH2007PTC176443

Name of the Company: MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Registered office: B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai 400093

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Clint Id:

DP ID:

/ We being the member of ....., holding.....shares, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature: .....,

+

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 10th Annual General Meeting of members of the Company, to be held on \_\_\_\_\_, the \_\_ day of \_\_\_\_\_ at \_\_\_ a.m. at the registered office of the Company at No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particular of Resolution	Assent/Dissent
1.	Adoption of financial statement for the financial year 2016-17	
2.	Appointment of Statutory Auditor for Financial year 2017-18.	

Affix Rs. 1  
Revenue  
Stamp

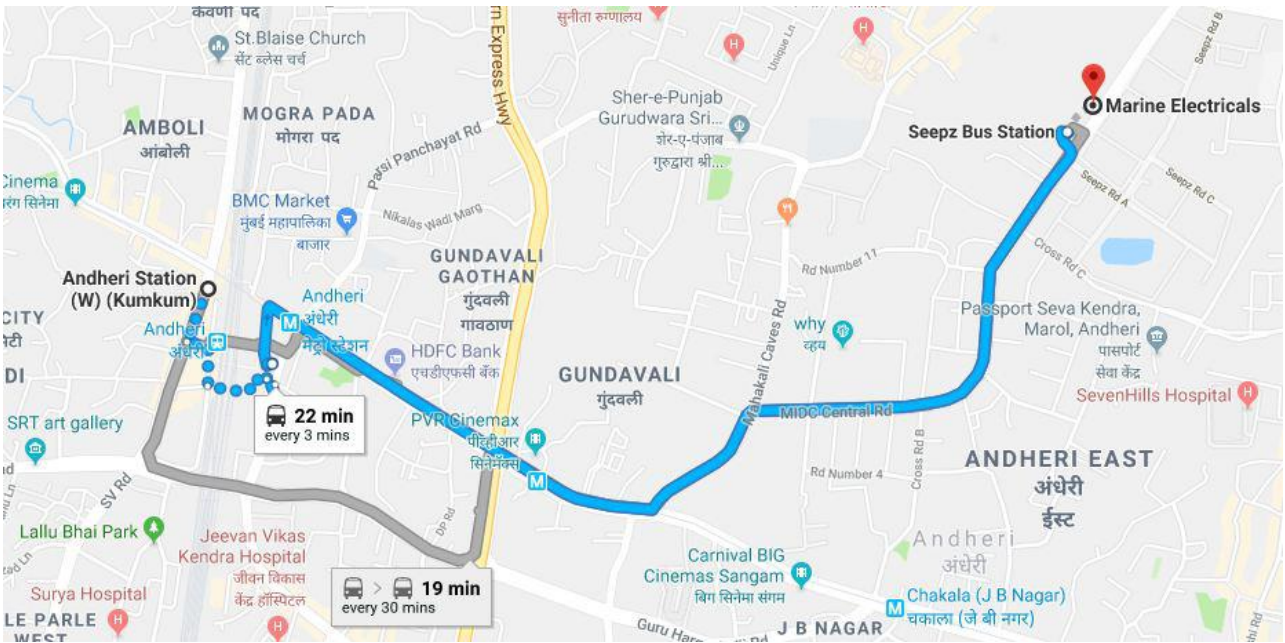
Signed this ..... day of..... 2017

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

## THE ROUTE MAP OF THE AGM VENUE



Landmark: Next to SEEPZ Bus Station

Distance from Andheri Station: 4.8 k.m.