



39TH
ANNUAL REPORT
2017-18
COSCO (INDIA) LIMITED

www.cosco.in



BOARD OF DIRECTORS

DEVINDER KUMAR JAIN
NARINDER KUMAR JAIN
PANKAJ JAIN
MANISH JAIN
ARUN JAIN
NEERAJ JAIN
MOHAN LAL MANGLA
M. P. GUPTA
SUNIL KUMAR JAIN
VIJAY KUMAR SOOD
VIJENDER KUMAR JAIN
NISHA PAUL

MANAGING DIRECTOR AND CEO
MANAGING DIRECTOR
WHOLE TIME DIRECTOR AND CFO
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

REGISTERED OFFICE

COSCO (INDIA) LIMITED
CIN: L25199DL1980PLC010173
2/8, ROOP NAGAR,
DELHI-110007

BRANCH OFFICES

- 244, BASTI GUZAN, NEAR BABRIK CHOWK, JALANDHAR-144 002 (PUNJAB)
- BLDG. No. A-9, GALA No. 16, 17, 18 & 19, GROUND FLOOR, HARIHAR COMPLEX DAPODE, NEAR MANKOLI NAKA, TALUKA: BHIWANDI, DISTT. THANE-421302 (MAHARASHTRA)

WORKS

1688,-2/31, RAILWAY ROAD
NEAR RAILWAY STATION
GURUGRAM-122 001 (HARYANA)
E-MAIL: GURGAON@COSCO.IN

AUDITORS

M/S V. P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
AMBIKA BHAWAN, F-1, FIRST FLOOR,
4658-A/21, ANSARI ROAD
DARYA GANJ,
DELHI-110 002

BANKERS

BANK OF INDIA

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COSCO (INDIA) LIMITED (CIN: L25199DL1980PLC010173)

Registered Office: 2/8, Roop Nagar, Delhi-110007;

Website: www.cosco.in; Email: mail@cosco.in; Tel: 91-11-23843000; Fax: 91-11-23846000

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Ninth Annual General Meeting of the Members of Cosco (India) Limited (CIN: L25199DL1980PLC010173) will be held on Saturday, the 29th September, 2018 at 10.30 A.M. at AMITABH, E-23, Bungalow Road, Kamla Nagar, Delhi-110 007 to transact the following business: -

ORDINARY BUSINESS

Item 1

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2018 which includes Balance Sheet as at 31st March, 2018, Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended 31st March, 2018 and the Reports of the Directors' and the Auditors' thereon.

Item 2

To appoint a Director in place of Mr. Arun Jain (DIN: 01054316), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

Item 3

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder as in force from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Shri Devinder Kumar Jain (DIN: 00191539) as Managing Director and Chief Executive Officer of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 16th March 2019 till 15th March 2022 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | | |
|-----|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Salary | ₹ 295,000 per month w.e.f. 01.04.2018 for the current year ending 31 st March 2019 and ₹ 335,000 per month w.e.f. 01.04.2019 with annual increment of ₹ 40,000 per month. |
| ii. | House Rent Allowance | 50% of Salary. |

Perquisites

Shri Devinder Kumar Jain shall also be eligible to the following perquisites:

Part A : (Not to be included in ceiling on remuneration):

- | | | |
|------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof. |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave Encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder. |

Part B : (To be included in ceiling on remuneration):

- | | | |
|------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹1 Lakh per annum. |
| ii. | Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. | Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. | Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 1 Lakh per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse , the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Shri Devinder Kumar Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act,2013 and/or Schedule V of the Companies Act, 2013 and/or Rules made thereunder, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT his term of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

Item 4

To consider and if thought fit to pass with or without modification(s) the following Resolution(s) as a Special Resolution(s);

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder as in force from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Shri Narinder Kumar Jain (DIN: 00195619) as Managing Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 16th March 2019 till 15th March 2022 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | | |
|-----|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I. | Salary | ₹ 295,000 per month w.e.f. 01.04.2018 for the current year ending 31 st March 2019 and
₹ 335,000 per month w.e.f. 01.04.2019 with annual increment of ₹ 40,000 per month. |
| ii. | House Rent Allowance | 50% of Salary. |

Perquisites

Shri Narinder Kumar Jain shall also be eligible to the following perquisites:

Part A: (Not to be included in ceiling on remuneration):

- | | | |
|------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave Encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder |

Part B: (To be included in ceiling on remuneration):

- | | | |
|------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 Lakh per annum. |
| ii. | Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. | Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. | Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 1 Lakh per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Shri Narinder Kumar Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013 and/or Rules made thereunder, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT his term of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

NOTES

- 1. Proxy : A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll on his behalf.** A proxy need not be a member of the Company. Proxies Duly completed and Signed, in order to be effective must be received at the office of the Registrar and Share Transfer Agents of the Company M/s Skyline Financial Services Pvt. Ltd., D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020, not less than Forty Eight hours before the commencement of the Annual General Meeting (on or before 27th September, 2018 10.30 A.M. IST).

A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by appropriate resolution(s)/ authority, as applicable.

Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

In case, of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.

During the period beginning 24 (Twenty Four) hours before the time fixed for AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than 3(three) days of advance notice in writing is given to the Company.
- 2. Members, Proxies and Authorised Representatives** are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No along with a valid identity proof such as the PAN card, passport, Aadhar card or driving license to enter the AGM hall. Corporate Members are requested to send a duly certified copy of the Board Resolution(s) authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- 3. Brief resume of Directors** proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 are annexed hereto read with the 'Report on Corporate Governance –Annexure E1 to the 'Directors Report'. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/ reappointment.
- 4. In pursuance of the Circulars** issued by the Ministry of Corporate Affairs, Government of India, the provisions of the Companies Act 2013 and the Rules made thereunder, electronic copy of the Annual Report for the Financial Year 2017-18 and Notice of the Thirty Ninth Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

For members who have not registered their email address, physical copies of the Annual Report for the financial year 2017-18 and the Notice of the Thirty Ninth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

Members may also note that the Notice of the Thirty Ninth Annual General Meeting and the Annual Report for financial year 2017-18 will also be available on the Company's website i.e. www.cosco.in for their download.
- 5. Members who have not registered their e-mail address so far are requested to register their e-mail address (or change, if any therein) with your Depository Participant (where shares are held in dematerialized form) or by sending an email to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt Ltd. stating clearly their name, folio no. if they are holding shares in physical form/DP Id & Client Id if they are holding shares in dematerialized form for receiving all communications including Annual Report, Notices, etc. from the Company electronically.**

Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants.

The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated the submission of Permanent Account Number (PAN)/Bank Account details and E-mail ID by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN/Bank Account details and E-mail ID to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN/Bank Account details and E-mail ID to the Company or to the Registrar and Share Transfer Agent.

6. All relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal office hours on all working days except Sundays and Holidays between 10.00 A.M. – 01.00 P.M. up to the date of the Annual General Meeting of the Company. The Register of Directors and Key Managerial Personnel and their Shareholding kept under section 170(1) of the Companies Act, 2013 shall be open for inspection at the Annual General Meeting of the Company. The Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
7. Register of Members and the Transfer Books for Equity Shares of the Company shall remain closed from 23rd September, 2018 to 29th September, 2018 (Both days inclusive) for the purpose of ascertaining the names of Members.
8. Please send all correspondence including requests for transfer/transmission/Demat of Shares, change of address etc. to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt. Ltd., D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020. Ph. 26812682, 26812683. E-mail ID: admin@skylinerta.com.
9. Members holding shares in more than one folio in identical order of names are requested to write to the Registrar and Share Transfer Agents enclosing their share certificates to enable the Company to consolidate their holdings in one folio to facilitate better service.
10. (I) Members seeking any information with regard to accounts or operations are requested to write to the Company latest by 20th September, 2018 so as to enable the management to keep the information ready.

Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):

(ii) Members wishing to claim dividends, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agent and Company Secretary, at the Company's Registered Office. Members are requested to note that Dividends not claimed within Seven Years from the date of transfer to the Company's Unpaid/ Un Claimed Dividend Account, will be as per Section 124 and Section 125 and others applicable provisions, if any, of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund established by the Central Government.

Pursuant to the provisions of Section 124 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with relevant circulars and amendments thereto ('IEPF Rules') the amounts of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid/Unclaimed Dividend Accounts of the Company are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The amount of unclaimed dividend for the financial year ended March 31st, 2016 would be transferred to the IEPF in FY 2022. The Act has also provided that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF is also required to be transferred to the IEPF Authority. The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') on September 7th, 2016 and further amendment and clarification on the same which provides for manner of transfer of unpaid and unclaimed dividends to IEPF and also the manner of transfer of shares in respect of which dividend has not been encashed by the Members for a continuous period of seven years to the IEPF Authority. The Rules also prescribe the procedures to be followed by an investor to claim the shares/amount transferred to IEPF. To enable such Members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends as on the date of the last Annual General Meeting (AGM) held on September 29th, 2017, on the website of the IEPF. www.iepf.gov.in and under "Investors Section" on the Website of the Company given below. www.cosco.in.

11. Voting Process :

The Company has appointed Mr. Ravi Sharma, Partner of M/s. R S M & Co, Practising Company Secretaries, D-63, JFF Complex, Jhandewalan, New Delhi-110055; as scrutinizer for conducting and scrutinizing the voting process (Ballot Paper as well as Remote E voting) in a fair and transparent manner.

11.1 E-Voting Facility: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 as Amended by The Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to all members of the Company to enable them to cast their votes electronically on the items/resolutions mentioned in this notice of the Annual General Meeting (AGM). The Company has availed the remote e-voting services as provided by National Securities Depository Limited (NSDL).



The instructions for remote e-voting are as under:

- a) For Members whose email addresses are registered with the Company/Depository Participant(s)
The members who receive e-mail from NSDL should open the PDF file attached with the e-mail with your Client ID or Folio No. The said PDF file contains his/her user ID/ Password for e-voting. Please note that the password is an initial password.
- b) For Members whose email addresses are not registered with the Company/Depository Participants
The members who receives AGM Notice in physical form, the "USER-ID" and initial "PASSWORD" for remote e-voting is provided on the covering letter enclosed with Notice of AGM.
- c) In case, any member does not receive 'User-ID' and 'Password' as mentioned in Sr. No. (a) and (b), then, they shall contact the NSDL on toll free no. 1800-222-990.
- d) The following steps should be followed for casting the vote through remote e-voting (In both the cases mentioned at Sr. No. (a) and (b) above:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- (iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- (v) Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - (a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - (b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e- Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

9. Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF/JPG format) of the Board Resolution/Authority letter, etc. together with attested specimen signature(s) of duly authorized representative (s), to the Scrutinizer through e-mail at rsmco121@gmail.com or admin@skylinerta.com with a copy marked to evoting@nsdl.co.in and a copy to sudha@cosco.in, Company Secretary of the company.
10. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
11. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
12. Members holding multiple folios/demat accounts shall vote separately for each of the folio /demat accounts.
 - e) The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote.
 - f) The remote e-voting period shall commence on Tuesday, 25th September, 2018 (9:00 A.M.) and ends on Friday, 28th September, 2018 (5:00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Thereafter, the remote e-voting facility will be blocked.
 - g) Any person who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of 22nd September, 2018, may obtain their login ID and password for e-voting by sending a request to Company's Registrar & Share Transfer Agent at admin@skylinerta.com or NSDL evoting@nsdl.co.in.
 - h) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.
 - i) Any person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories/Share transfer agent as on cut-off date i.e 22nd September, 2018 only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot/polling Paper.
- 11.2 The facility for voting, through ballot/ polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- 11.3 The Voting rights of members shall be in proportion to their shares in the paid up equity shares capital of the Company as on cut-off date. 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 date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting through ballot/polling paper.
- 11.4 The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the AGM by Ballot/Polling Papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The results of remote e-voting and votes casted at the meeting shall be aggregated. The Scrutinizer shall make, within a period not exceeding three days from the conclusion of the AGM; a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of the meeting or a person authorized by him in writing.

- 11.5 The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.cosco.in and on the website of NSDL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be communicated to the stock exchange where the shares of the Company are listed.
12. In accordance with the amendments to Regulation 40 of Listing Regulations, to be made effective later the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that w.e.f 5th of December, 2018 request for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors. Hence requesting the member whose holdings are in physical form to kindly dematerialized the share .
Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.
13. As per the provision of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.cosco.in Members holding shares in physical form may submit the same to Registrar and Share Transfer Agent of the Company, viz. M/s Skyline Financial Services Pvt. Ltd., Add: D – 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020. Members holding shares in electronic form may submit the same to their respective depository participants.
14. Pursuant to the provisions of Secretarial Standard -2 of the Institute of Company Secretaries of India The route map along with prominent land mark for easy location of the 39th Annual General Meeting venue printed on the last page of the Annual report.

By order of the Board of Directors

Registered Office :
2/8, Roop Nagar,
Delhi-110007

Place : Delhi
Date : 13th August, 2018

Devinder Kumar Jain
(DIN: 00191539)
Managing Director and CEO



Explanatory Statement

Statement Pursuant to Section 102(1) of the Companies Act, 2013

Item No. 3.

Shri Devinder Kumar Jain Aged about 80 Years was re-appointed as Managing Director in the Annual General Meeting of the Shareholders held on 30th September, 2015 for a further period of 3 years w.e.f. 16th March, 2016. His term will expire on 15th March, 2019.

Shri Devinder Kumar Jain has been managing the affairs of the Company effectively for the last many years. The Directors feel that the experience of Shri Devinder Kumar Jain will be of immense help to the Company.

Shri Devinder Kumar Jain has been appointed as Chief Executive Officer of the Company w.e.f. 31.01.2015.

As per the approval granted by the Shareholders in the Annual General Meeting held on 30th September, 2015, Shri Devinder Kumar Jain is entitled to the Remuneration comprising Salary ₹ 2,95,000 per month and House Rent allowance @ 50% of the Salary w.e.f. 01.04.2018. In addition to this he is also entitled to the specified perquisites.

The Board recommends the reappointment of Shri Devinder Kumar Jain as Managing Director & Chief Executive Officer of the Company for the further period of 3 years w.e.f. 16th March 2019 and his remuneration w.e.f. 01.04.2018 and for the following year(s) with increment and the other terms & conditions of his appointment as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved.

Shri Devinder Kumar Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Director in terms of section 164 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs except Shri Narinder Kumar Jain-Managing Director, Shri Arun Jain- Whole Time Director, Shri Manish Jain -Whole Time Director and Shri Devinder Kumar Jain himself are concerned or interested in the said Resolution(s).

The above may be treated as written memorandum setting out terms of re-appointment of Shri Devinder Kumar Jain under section 190 of The Companies Act, 2013.

The Board recommends the Resolution(s) for your approval.

Item No. 4.

Shri Narinder Kumar Jain Aged about 77 Years was re-appointed as Managing Director in the Annual General Meeting of the Shareholders held on 30th September, 2015 for a further period of 3 years w.e.f. 16th March, 2016. His term will expire on 15th March, 2019.

The Directors feel that the experience of Shri Narinder Kumar Jain in Management, Marketing and Finance will be of immense help to the Company.

As per the approval granted by the Shareholders in the Annual General Meeting held on 30th September, 2015, Shri Narinder Kumar Jain is entitled to the Remuneration comprising Salary ₹ 2,95,000 per month and House Rent allowance @ 50% of the Salary. In addition to this he is also entitled to the specified perquisites.

The Board recommends the reappointment of Shri Narinder Kumar Jain as Managing Director of the Company for the further period of 3 years w.e.f. 16th March 2019 and his remuneration w.e.f. 01.04.2018 and for the following year(s) with increment and the other terms & conditions of his appointment as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved.

Shri Narinder Kumar Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs except Shri Devinder Kumar Jain-Managing Director and CEO, Shri Neeraj Jain-Whole Time Director and Shri Narinder Kumar Jain himself, are concerned or interested in the said Resolution(s).

The above may be treated as written memorandum setting out terms of re-appointment of Shri Narinder Kumar Jain under section 190 of The Companies Act, 2013.

The Board recommends the Resolution(s) for your approval.

By order of the Board of Directors

Registered Office :
2/8, Roop Nagar,
Delhi-110007

Place : Delhi
Date : 13th August, 2018

Devinder Kumar Jain
(DIN: 00191539)
Managing Director and CEO



Statement forming part of Notice of 39th Annual General Meeting issued to the Shareholders of the Company pursuant to the requirements of Part II Section II of Schedule V to the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 for Re-appointment and approval of Managerial Remuneration payable to the Managing Directors as per Agenda Items Nos. 3 & 4.

I. General Information:

1. Nature of industry The Company manufactures Sports Balls and deals in Sports Goods and Fitness Equipments & allied items.
2. Date or expected date of commencement of commercial production Existing Company. Already in commercial production.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus Not Applicable
4. Financial performance based on given indicators

FINANCIAL RESULTS	(₹ in Lakhs)	(₹ in Lakhs)
Particulars	Current Year ended 31.03.2018	Previous Year ended 31.03.2017
Revenue from operations	12622.94	13653.42
Other Income	53.97	120.83
Total Revenue	12676.91	13774.25
Expenses :		
(a) Cost of Materials Consumed	2194.53	2003.66
(b) Purchase of Stock-in-Trade	5940.62	6400.81
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(495.26)	275.58
(d) Employee Benefit Expense	1376.00	1342.89
(e) Financial Costs	394.80	373.00
(f) Depreciation	100.89	100.24
(g) Other expenses	2538.27	2651.73
Total Expenses	12049.85	13147.91
Profit before exceptional items and Tax	627.06	626.34
Exceptional Items- Charge/(Income)	-	(163.64)
Profit before Tax	627.06	789.98
Tax Expenses :		
Current Tax	260.56	213.77
Earlier Year Taxation	-	10.70
Deferred Tax	(26.52)	9.52
Profit for the period from continuing operations	393.02	555.99
Other Comprehensive Income net of Income Tax	8.17	(11.52)
Total Comprehensive Income for the year	401.19	544.47
Shareholders Funds		
a) Share Capital	416.10	416.10
b) Other Equity (Reserve & Surplus)	3029.39	2605.08
Long Term Borrowings (unsecured)	1400.00	1400.00
Long Term Borrowings from NBFC (Secured)	-	-
Short Term Borrowings from Banks (Secured)		
a) Working Capital Loan	1445.94	1880.41
b) Others		
(Current Maturity of Long Term Debt from NBFC)	--	-
Short Term Borrowings-Unsecured Investments-Non Current	1293.36	873.95
	0.05	0.05
	NIL	NIL

5. Foreign Investments or collaborators, if any

II. Information about the Appointees whose remuneration terms have been revised.

(I) Shri Devinder Kumar Jain –Managing Director and Chief Executive Officer

1. Background details :
 - 1.1 D.O.B. : 9th June, 1938
 - 1.2 Age : 80 years
 - 1.3 Qualification : B. Sc.
 - 1.4 Experience : 57 years of experience
2. Past Remuneration: : Remuneration paid during 2017-18 (Amount in ₹)
 - Salary : 3,060,000
 - HRA : 1,530,000
 - PF (Employer's Contribution) : 21,600
 - Medical Exp. : 49,918
 - Car perk (Valued as per Income Tax Act. : 39,600
 Other perks and allowances (not included above) :
 - i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - ii) Leave encashment;
 - iii) Telephones provided for official use.
3. Recognition or awards : ---
4. Job profile and his suitability : CEO of the Company, Operational Management, Business Planning, Development & Sourcing of the new products. Managing the affairs of the Company effectively for the last many years.
5. Remuneration proposed : As per details given in the main body of the Resolution(s)
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. : Promoter Director Cum Shareholder of the Company. Related to Shri Narinder Kumar Jain, Mr. Arun Jain Whole Time Director and Mr. Manish Jain –Whole Time Director.
8. Date of First appointment in the Board of the Company. : 25/01/1980
9. Details of Other Directorships, Membership/ Chairmanship of Committees of Boards of Public Limited Company. : (1) One member of Corporate Social Responsibility Committee of Cosco (India) Ltd.
10. No. of Meetings of the Board Attended During FY 2017-18. : 5
11. Number of Shares held in the Company : 125,920 as Individual and 83,600 as Karta of H.U.F

(II) Shri Narinder Kumar Jain – Managing Director

1. Background details :
 - 1.1 D.O.B. : 5th July, 1941
 - 1.2 Age : 77 years
 - 1.3 Qualification : Graduate and Diploma in International Marketing
 - 1.4 Experience : 52 years of experience
2. Past Remuneration: : Remuneration paid during 2017-18 (Amount in ₹)
 - Salary : 3,060,000
 - HRA : 1,530,000
 - PF (Employer's Contribution) : 21,600
 - Medical Exp. : 50,196
 - Car perk (Valued as per Income Tax Act. : 39,600
 Other perks and allowances (not included above) :
 - i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - ii) Leave encashment;
 - iii) Telephones provided for official use.
3. Recognition or awards : ---
4. Job profile and his suitability : Marketing and Financial Planning and Management, Formulating business Strategies, Public relation. Well Experienced in Management, Marketing and Finance
5. Remuneration proposed : As per details given in the main body of the Resolution(s)

- | | | | |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | : | The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available |
| 7. | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | : | Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain, Managing Director and CEO , and Mr. Neeraj Jain Whole Time Director. |
| 8. | Date of First appointment in the Board of the Company. | : | 29/09/1989 |
| 9. | Details of Other Directorships, Membership/ Chairmanship of Committees of Boards other Public Limited Company. | : | NIL |
| 10. | No. of Meetings of the Board Attended During FY 2017-18. | : | 5 |
| 11. | Number of Shares held in the Company | : | 125,840 as Individual and 83,600 as Karta of H.U.F. |

(III) Other Information :

- | | | | |
|----|-------------------------------------------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Reasons of inadequate profits: | > | Competition in Domestic Markets;
> Stagnancy in Exports;
> Increase in Employee Benefit Expense, Finance and other Overheads. |
| 2. | Steps taken or proposed to be taken for improvement. | : | Taking following measures on continuous basis:-
i. Strengthening marketing network and expanding business of health equipments and allied products and to capitalize on 'Cosco' Brand name;
ii. Development and addition of new products & designs and to Scale up new product lines especially Sports footwear ;
iii. Cost control & Cost cutting in respect of manufactured products, product re-engineering and Sourcing good quality products range at competitive prices ;
iv. Changing packing and designs to check duplication and Remedial measures to check grey market operators who are producing duplicate products by using company's brand; |
| 3. | Expected increase in productivity and profit in measurable terms. | : | Barring unforeseen circumstances Sales Turnover during the current year is likely to increase by about 10% and the Company expects to earn about 5 % net profits before tax. |

(IV) Disclosures:

- | | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | All the elements of remuneration package such as salary, benefits, bonuses, stock Options, pension, etc. of all the directors; | : | Details of Remuneration packages of Shri Devinder Kumar Jain & Shri Narinder Kumar Jain requiring Shareholders approval by Special Resolutions is given in the Resolutions under Agenda items No. 3 & 4. |
| 2. | Details of Fixed Component and performance linked incentives along with the performance criteria; | : | No performance linked incentives. |
| 3. | Service contracts, notice period, severance fees; | : | Being reappointed for 3 years as given in the Resolutions under Agenda items No. 3 & 4, No Notice Period; No severance fees; |
| 4. | Stock options details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. | : | NIL / N.A. |



Details of the Directors seeking Appointment/Reappointment at the forthcoming Annual General Meeting in pursuance of the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 and Secretarial Standard-2

Name of Director	Shri Devinder Kumar Jain	Shri Narinder Kumar Jain
Date of Birth & Age	9 th June, 1938, 80 years	5 th July, 1941, 77 years
Date of Appointment	25 th January, 1980	29 th September, 1989
Expertise in specific Functional/ Professional areas	Corporate Management, Production Process, Business Planning, Development & Sourcing of the New Products.	Marketing, Financial Planning and Management. Formulating Business Strategies, Public Relations.
Qualifications	B. Sc.	Graduate and Diploma in International Marketing
Details of Directorships held in other Companies	Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. Cosco Polymer Lanka (Private) Limited Company under Liquidation	Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. Cosco Polymer Lanka (Private) Limited Company under Liquidation
Chairman/Member of the Committee of Board of Public Limited Companies	1(One) Member of Corporate Social Responsibility Committee in Cosco (India) Limited	NIL
Number of Meetings of the Board Attended during FY 17-18	5	5
Number of Shares held in the Company	125,920 as Individual and 83,600 as Karta of H.U.F.	125,840 as Individual and 83,600 as Karta of H.U.F.
Disclosure of relationships between Directors inter-se	Shri Narinder Kumar Jain Mg. Director Mr. Arun Jain & Mr. Manish Jain-WTD	Shri Devinder Kumar Jain Mg. Director & Mr. Neeraj Jain-WTD
Name of Director	Mr. Arun Jain	
Date of Birth & Age	25 th January, 1966, 52 years	
Date of Appointment	1 st May, 2007	
Expertise in specific Functional/ Professional areas	Vast experienced in Industrial Relationship & Management and Reserch and Development of Rubber and Polymer Products	
Qualifications	B.E. and M. Tech.	
Details of Directorships held in other Companies	Cosco Polymer Lanka (Private) Limited Company under Liquidation	
Chairman/Member of the Committee of Board other Public Limited Companies	NIL	
Number of Meetings of the Board Attended during FY 17-18	5	
Number of Shares held in the Company	63,500 as Individual and 500 as Karta of H.U.F.	
Disclosure of relationships between Directors inter-se	Shri Devinder Kumar Jain Mg. Director and Mr. Manish Jain-WTD	

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their 39th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018. The figures of the current financial year and previous financial year have been prepared in accordance with the Indian Accounting Standards ('Ind AS').

FINANCIAL RESULTS

PARTICULARS	CURRENT YEAR ENDED 31-03-2018 (₹ in Lakhs)	PREVIOUS YEAR ENDED 31-03-2017 (₹ in Lakhs)
Revenue from operations	12622.94	13653.42
Other Income	53.97	120.83
Total Revenue	12676.91	13774.25
Total Expenses	12049.85	13147.91
Profit before Exceptional items and Tax	627.06	626.34
Exceptional items-charge/(income)	-	(163.64)
Profit before Tax	627.06	789.98
Tax Expenses :		
Current Tax	260.56	213.77
Earlier Year Taxation	-	10.70
Deferred Tax	(26.52)	9.52
Profit for the period from continuing operations	393.02	555.99
Other Comprehensive Income (Net of Income tax)	8.17	(11.52)
Total Comprehensive Income for the year	401.19	544.47

ADOPTION OF INDIAN ACCOUNTING STANDARD (IND AS)

The financial statements of year under review have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. The Company has adopted Indian Accounting Standards (IndAS) with effect from 1st April, 2017.

COMPANY'S PERFORMANCE AND STATE OF AFFAIRS FOR FINANCIAL YEAR 2017-18.

The Revenue from Sale of Products (gross of excise duty upto 30.06.2018/Net of GST w.e.f 01.07.2018) for the current year ended 31.03.2018 was ₹ 12563.11 Lakhs against previous year's sales of ₹ 13535.26 Lakhs – registering a fall of about 7 % over the previous year. The exports were ₹ 246.60 Lakhs (Previous year ₹ 259.93 Lakhs) in F.O.B value terms. The Revenue from services for the current year amounted to ₹ 6.21 Lakhs (Previous year ₹ 5.82 Lakhs). Other Operating Income was ₹ 53.62 Lakhs (Previous Year ₹ 112.34 Lakhs) comprising of Export Incentives viz. Duty Drawback & PFSL ₹ 18.29 Lakhs (Previous Year ₹ 32.11 Lakhs). During the Current Year ended 31.03.2018 the Company registered Profit before Finance Cost, Depreciation, exceptional items and Tax ₹ 1122.75 Lakhs (Previous year ₹ 1099.58 Lakhs), Profit before exceptional items and Tax ₹ 627.06 Lakhs (Previous Year ₹ 626.34 Lakhs) and Total Comprehensive Income for the year after tax ₹ 401.19 Lakhs (Previous Year 544.47 Lakhs). The Income of the Previous year was higher due to exceptional income of ₹ 163.64 Lakhs. GST implementation from 1st July, 2017 had an impact on our company's performance during the year under review as the market demand remained stagnant post GST. However, Management is hopeful for steady performance/growth in the current and following years as markets are gradually adapting to GST.

The year 2017-18 started slowly retailer-off take in May - June was curtailed due to GST implementation from 1st July, 2017. As a result, first quarter sales fell short of expectations. The retailer/Authorized dealers channel continued to be uncertain during the second quarter but on account of an early Diwali, growth returned. By the end of the year, things seemed to have calmed down with all businesses recovering and growing.

The Net Worth of the Company as at 31.03.2018 was ₹ 3445.49 Lakhs (Previous Year ₹ 3021.17 Lakhs).

The Management is continuously taking effective steps to enhance 'COSCO' Brand Value, which is well established in the Domestic market. The Company is focusing on further strengthening the marketing network. The Company is expanding its product range in its endeavor to improve top line as well as net margins. The Company manufactures/source internationally at competitive prices quality products and develop/source new products on regular basis.

Status of Investments made in the erstwhile Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL): As reported in earlier year(s), M/s Cosco Polymer Lanka (Private) Limited, has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011(of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. The Act (of Sri Lanka), provides for payment of compensation to the Shareholders. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 48,000,000 (Equivalent 20,465,760) and after deducting LKR 1,674,361.66 due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 46,325,638.34 (Equivalent ₹19,751,862). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, (Exercising Civil Jurisdiction in Colombo (Sri Lanka)- Case Ref. No. HC (Civil) 40/2013(CO). The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.

"Consolidated Financial Statements" as per Accounting Standard 21 issued by the Institute of Chartered Accountants of India, have not been prepared since the company is under liquidation.

DIVIDEND

Board does not recommend any dividend for Financial Year 2017-18 to consolidate financial position of the Company.

TRANSFERS TO RESERVES

The opening balance of General Reserve is ₹ 1125.17 Lakhs and same is retained on 31.03.2018. No other amount has been transferred to General Reserve. The balance in Retained earning include Current year's Net Profits from continuing operations ₹ 393.02 Lakhs (Previous year ₹ 555.99 Lakhs).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134 (3) (c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and based on the internal controls, compliance systems established and maintained by the Company, make the following statement that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors 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 as at 31st March, 2018 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Arun Jain (DIN: 01054316) Director of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment. Board recommends his reappointment.

The term of appointment of Shri Devinder Kumar Jain (DIN:00191539) as Managing Director and Chief Executive Officer of the Company, and Shri Narinder Kumar Jain(DIN:00195619) as Managing Director of the Company expires on 15th March, 2019. The Board recommends their reappointment as Managing Directors and CEO and Managing Director respectively of the Company for further period of Three (3) years w.e.f. 16th March, 2019 to 15th March, 2022, upon the remuneration, terms & conditions as set out in the Notice of the ensuing Annual General Meeting and approved by the Nomination & Remuneration Committee as per the provisions of the Companies Act, 2013 & Schedule V of the Companies Act, 2013 and Rules framed thereunder. The resolutions seeking approval of the Members for the re-appointment of Shri Devinder Kumar Jain and Shri Narinder Kumar Jain, have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about them and relevant disclosures.

Pursuant to the provisions of section 203 of the Act, the Key Managerial Personnel of the Company are -

Shri Devinder Kumar Jain (DIN: 00191539) - Managing Director and Chief Executive Officer of the Company and Shri Narinder Kumar Jain (DIN: 00195619) - Managing Director of the Company. Mr. Arun Jain (DIN:01054316), Mr. Manish Jain (DIN: 00191593), Mr. Pankaj Jain (DIN: 00190414) and Mr. Neeraj Jain (DIN: 00190592), who were re-appointed as Whole Time Directors of the Company w.e.f 01st October 2017 for a term of 3 Years in the Annual General Meeting of the Company held on 29th September, 2017. Ms. Sudha Singh -Company Secretary, w.e.f 1st May, 2015.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect from April 1st, 2014, Shri Mahavir Prasad Gupta (DIN 00190550), Shri Sunil Kumar Jain (DIN 00387451), Shri Mohan Lal Mangla (DIN 00311895), Shri Vijender Kumar Jain (DIN 06423328), Shri Vijay Kumar Sood (DIN 01525607) and Ms. Nisha Paul (DIN 00325914) were Reappointed for their 2nd Term as Independent Directors of the Company w.e.f 1st October 2017 to 30th September, 2022 at the Annual General Meeting of the Company held on 29th September, 2017 for a term of 5 years. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the payment of sitting fees and reimbursement of expenses, if any incurred by them for the purpose of attending meetings of the Company. The Company has received declarations from all the Independent Directors to this effect that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

None of the Director is disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and they have given their consent in writing to act as Director(s).

MEETINGS OF THE BOARD

During the year 2017-2018, Five (5) Board Meetings and Four (4) Audit Committee Meetings were held. In accordance with requirement, other committee meetings were held from time to time and one separate meeting of Independent Directors was also held. Relevant details of the meetings are given in the Corporate Governance Report, which form part of this report.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Managing Directors were evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy of the Company on director's appointment and remuneration, including criteria for determining qualifications positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the Company website www.cosco.in. There has been no change in the policy since the last financial year. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control systems inter alia including system of internal financial controls, commensurate with the size and scale of its business operations. The system of internal financial control strives to ensure that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Based on the framework of internal financial controls and compliance systems put in place by the Company, and the reviews performed by management and the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

The Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. These are in accordance with Generally Accepted Accounting Principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Statutory Auditors.

The details in respect of internal control and their adequacy included in the management discussion & analysis, forms part of this report.

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

Policy on determining the criteria for determining qualifications, positives attributes and independence of a director is available on the Company website www.cosco.in. There has been no change in the policy since the last financial year.

AUDITORS

The current auditors, viz. M/s. V.P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N) were appointed by the members at their Annual General Meeting held on 29th September, 2017 to hold the office of auditor from the conclusion of the Thirty-Eighth Annual General Meeting till the conclusion of the Forty-third Annual General Meeting.

M/s. V.P. Jain & Associates have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions of The Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM. Accordingly, Agenda for the ratification of appointment of Statutory Auditors in the Notice of the ensuing Annual General Meeting has been dispensed with.

INDEPENDENT AUDITORS' REPORT

The Auditors' Report do not contain any qualifications or adverse remarks. The opinion of the Auditors is not qualified in respect of matters reported under Emphasis of the Matter. Auditors have drawn attention to the Notes on Financial Statements viz: Note No. 7.2 & 7.4 regarding non moving inventories, Note No 8.2 regarding provision for expected credit loss, Note No 11.1 regarding land compensation receivable, Note No. 18.1 trade payable to MSME, Note No 19.1(b) regarding other liabilities, and Note No 42.2 regarding value of investment in erstwhile subsidiary of company, which are self explanatory. The slow moving inventories are valued at realizable value and the Management is taking effective steps to liquidate them. The company is effectively pursuing to realize Land Compensation Claim of Rs. 158.74 Lakhs. Regarding the Auditors' observation w.r.t. the Internal Audit System of the company, the same is reasonably effective having regard to the size of the company. However, the Management shall review scope, coverage and compliance thereof to further strengthen the same.

We have taken note of the observation of the Auditors for improvement in certain areas of Internal Financial Controls and the company will take necessary steps for more effective monitoring of Inventory levels; better documentation and MIS in areas of Annual procurement & Expense budget, Procurement Budgeting & Planning of Traded Goods, Quotation Management, Negotiation & Selection, Contract labour management; prevention of non credit worth dealers; HR attendance monitoring to prevent excess payment of salary; ensuring verification of all fixed assets in scale of 3 years.

SECRETARIAL AUDITORS' REPORT

Report of the Secretarial Auditor is given as an Annexure-A which forms part of this Report. Secretarial Auditors' Report do not contain any qualifications, reservations, adverse remarks or disclaimers, which needs any comments/explanation.

RISK MANAGEMENT POLICY

The details pertaining to Risk Management Policy and its implementation has been covered in the Management discussion and analysis, which form part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements. No additional Loans, Guarantees or Investment covered under the provisions of Section 186 of the Companies, Act 2013 are given provided / made during the reporting year.

TRANSACTIONS WITH RELATED PARTIES

All transactions entered with related parties for the year under review were in the ordinary course of business and are placed before the Audit Committee on regular basis. omnibus approval was obtained for transactions which are of repetitive nature. All the transactions entered with the related parties do not attract the provisions of Section 188 of the Companies Act, 2013.

There are no materially significant related party transaction that may have potential conflict with interest of Company at large

Information on transactions with related parties pursuant to section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-B** in Form AOC -2 and the same form part of this report.

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

There are no material changes affecting the affairs 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 this report.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 applicable to our company for the year ended 31.03.2018. Your Company has achieved the net profit of rupees five crore during financial year ended on 31.03.2017. As per the provision of Section 135 of the Companies Act, 2013 and rules framed thereunder every company having a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. The company has constituted Corporate Social Responsibility Committee accordingly.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

During the financial year ended 31st March, 2018, the company incurred CSR Expenditure of ₹ 11.51 Lakhs (Rupees Eleven Lakhs Fifty-one Thousand only). The CSR initiatives of the Company were under the thrust areas of Education and society welfare programme.

The Company's CSR Policy Statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2018, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) is set out in the **Annexure G** to this report.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of Annual Return is given in **Annexure-C** in the prescribed Form MGT-9, which form part of this report.

Particulars of Employees

The information required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial Year:
- | Executive Directors | Ratio to median remuneration |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shri Devinder Kumar Jain | 36:1 |
| Shri Narinder Kumar Jain | 36:1 |
| Mr. Arun Jain | 28:1 |
| Mr. Manish Jain | 28:1 |
| Mr. Pankaj Jain | 28:1 |
| Mr. Neeraj Jain | 28:1 |
|
 | |
| Non Executive Directors | Ratio to median remuneration |
| Shri Mahavir Prasad Gupta | Not Applicable |
| Shri Mohan Lal Mangla | (Independent Directors are paid only sitting fees and reimbursement of expenses, if any, for attending Board Meetings. No other Remuneration has been paid to the Independent Directors) |
| Shri Sunil Kumar Jain | |
| Shri Vijender Kumar Jain | |
| Ms. Nisha Paul | |
| Shri Vijay Kumar Sood | |
- b. The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:
- | Directors, Chief Executive Officers, Chief Financial Officer and Company Secretary | % increase in Remuneration in the financial year |
|------------------------------------------------------------------------------------|--------------------------------------------------|
| Executive Directors :- | |
| Shri Devinder Kumar Jain | 18.60 |
| Shri Narinder Kumar Jain | 18.60 |

Mr. Arun Jain	11.76
Mr. Manish Jain	11.76
Mr. Pankaj Jain	11.76
Mr. Neeraj Jain	11.76

Independent Directors

Shri Mahavir Prasad Gupta	Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). Details of Sitting fees paid/ payable incorporated in Corporate Governance report there is no change in the fees paid from the last FY 2016-17
Shri Mohan Lal Mangla	
Shri Sunil Kumar Jain	
Shri Vijay Kumar Sood	
Shri Vijender Kumar Jain	
Ms. Nisha Paul	
Ms. Sudha Singh ; Company Secretary	14.71

- c. The percentage increase in the median remuneration of employees in the Financial Year : 5.72%
- d. The number of permanent employees on the rolls of the Company: 403
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration:- Average percentile increase made in the employees remuneration other than Managerial Personnel in the last FY 2017-18 was approximately 9% -39% compare to the percentile increase of 11.76% to 18.60% in the remuneration of Managerial Personnel.
- Remuneration of Managerial Personnel was as per the Remuneration Policy of the Company and as approved by the members in the Annual General Meetings as per statutory requirements.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company
- g. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Top Ten Employees in terms of Remuneration Drawn

Employee Name	Designation	Remuneration (in ₹)	Nature of employment	Qualification	Experience (in years)	Year of commencement of employment	Age	Last employment of	% of Equity Shares	Whether employee is relative of Director or Manger
Shri Devinder Kumar Jain	Managing Director and CEO	4,679,581	Permanent	Graduate in B.Sc.	57	1980	80	NA	3.03	Relative of Shri Narinder Kumar Jain, Mg. Director Mr. Arun Jain and Mr. Minish Jain WTD
Shri Narinder Kumar Jain	Managing Director	4,679,796	Permanent	Graduate and Diploma in International Marketing	52	1989	77	NA	3.02	Relative of Shri Devinder Kumar Jain Mg. Director & CEO and Mr. Neeraj Jain WTD
Mr. Arun Jain	Whole Time Director	3,601,355	Permanent	B.E., M. Tech	26	2007	52	NA	1.53	Relative of. Shri Devinder Kumar Jain Mg. Director & CEO and Mr. Manish Jain WTD
Mr. Manish Jain	Whole Time Director	3,507,766	Permanent	Qualified Engineer and MBA	25	1998	51	NA	1.69	Relative of. Shri Devinder Kumar Jain Mg. Director and Mr. Arun Jain WTD

Mr. Pankaj Jain	Whole Time Director and CFO	3,543,321	Permanent	B.Com and MBA	24	1998	47	NA	4.10	NA
Mr. Neeraj Jain	Whole Time Director	3,494,360	Permanent	B.E., M.Sc. and MBA	24	1998	46	NA	1.70	Relative of. Shri Narinder Kumar Jain Mg. Director
Mr. Akash Deep Bhatia	Marketing Executive	# 900,000	Contractual	Graduate	25	2015	57	NA	NIL	NA
Ms Sadhana Bhatia	Regional Manager	# 750,000	Contractual	Graduate	22	2015	55	NA	NIL	NA
Mr. Rajesh Kumar Khurana	Finance Mg & Head of Accounts	1,239,983	Permanent	B.Com (H) FCA	36	1996	61	NA	NIL	NA
Mr. Manojit Chakraborty	Manger (Costing)	764,879	Permanent	Cost Accountant	20	2005	51	NA	NIL	NA

* Gratuity not included.

Employed for the part of the year (April,2017 to September, 2017)

- h. Name of other employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 of the Companies Act, 2013 - Nil

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

Details of the familiarization programme of the Independent Directors are available on the website of the Company.

(URL:http://www.cosco.in/uploads/investors/details_of_familiarisation_programme_imparted_to_independent_directors_1523855940.pdf)

Policy on dealing with related party transactions is available on the website of the Company.

(URL: http://www.cosco.in/uploads/investors/related-party-policy_86228442984.pdf)

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the as per (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations")

(URL: http://www.cosco.in/uploads/investors/whistle_blower_policy_cosco_88209735742.pdf)

Directors of the Company 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.

DEPOSITS FROM PUBLIC

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.

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

As required by the Companies (Matters to be included in the Report of Board of Directors) Rules 2014 the relevant information and data is given in **Annexure- 'D'** annexed hereto and form part of this Report.



COST AUDITORS

As per the Companies (Cost Records and Audit) Rules, 2014, as amended by the Companies (Cost Records and Audit) Amendments Rules, 2014 and 2016, the maintenance of Cost Records has not been specified by the Central Government and as such Cost Audit is not applicable to our Company .

DEMATERIALISATION OF SHARES

The Company shares are being dealt in dematerialized form. Shareholding of the Promoters / Promoter Group has been substantially dematerialized.

LISTING

Your Company is listed with Stock Exchanges at Mumbai and Delhi. Annual Listing fee for the Financial Year 2017-18 and 2018 – 2019 paid to BSE Limited. No fees paid to Delhi Stock Exchange Limited since DSE is non functional.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure that mandatory provisions of 'Corporate Governance' as provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of Companies Act, 2013 are duly complied with.

Report on 'Corporate Governance' along with 'Certificate by Practicing Company Secretary' on compliance with the condition of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as part of this report as **Annexures –'E1, & E2** respectively.

Report on Management Discussion and Analysis is annexed hereto as **Annexure –'F'** and form part of this report.

INDUSTRIAL RELATIONS

The Company lays emphasis on all round development of its human resource. The industrial relations remained cordial during the year.

ACKNOWLEDGEMENTS

The Directors acknowledge with thanks the continuous support and co-operation received from Bankers, Statutory and Internal Auditors, Customers, Suppliers, Vendors, Government Authorities and Regulators. The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Management also place on record their appreciation for the confidence reposed by the Stakeholders.

The Directors appreciate and value the contributions made by every member of the Cosco (India) Limited.

By order of the Board of Directors

(Devinder Kumar Jain)
Managing Director and CEO
DIN : 00191539

(Narinder Kumar Jain)
Managing Director
DIN :00195619

Registered Office:
2/8, Roop Nagar,
Delhi – 110007
Dated: 13th August, 2018



**FORMING PART OF THE DIRECTORS' REPORT
ANNEXURE - A
Form No. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2018

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

To,
The Members,
Cosco (India) Ltd.,
2/8, Roop Nagar,
Delhi-110007

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Cosco (India) Ltd., for the financial year ended on 31st March, 2018 according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1999 and the rules made thereunder;
- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (Iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (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 (Buy back of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period);
- (vi) We have also examined compliance with the applicable clauses/regulations of the following:
 - 1. Secretarial Standards issued by the Institute of Company Secretaries of India.
 - 2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vii) Other applicable Laws, Rules and Guidelines as mentioned here-in-below:

- a. The Boilers Act, 1923
- b. The Rubber Act, 1947
- c. The Petroleum Act, 1934
- d. The Consumer Protection Act
- e. The Legal Metrology Act 2009
- f. Shops and Establishment Act
- g. The Water (Prevention & Control of Pollution) Act, 1974 [Read with Water (Prevention & Control of Pollution) Rules, 1975]
- h. Air (Prevention and Control of Pollution) Act, 1981 and Rules
- i. The Environment (Protection) Act, 1986 (Read With The Environment (Protection) Rules, 1986)
- j. Sexual Harassment of Women at Workplace Act 2013
- k. MSME Act 2006
- l. Labour Laws as applicable

During the period under review, as per explanations and clarifications given to us and representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

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. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings and Committee of Board were carried unanimously during the period under review.

We further report that as per the explanations given to us and representations made by the management there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 13th August, 2018

Place: Delhi

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

To,
The Members,
Cosco (India) Ltd.,
2/8, Roop Nagar,
Delhi-110007

1. We have examined the relevant registers, records and documents maintained and made available to us by Cosco (India) Limited (" the Company") for the period commencing from 1st April, 2017 to 31st March, 2018 for the issuance of Secretarial Audit Report for the Financial Year 2017-18, required to be issued under Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.
2. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances, but the 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.
3. We have followed the audit practices and processes 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 the secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial statements of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
6. The compliance of the provisions of Corporate and other applicable law, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. 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 Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 13th August, 2018
Place: Delhi



Annexure-'B'
(Forming Part of the Directors' Report)

Form No. AOC-2

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

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

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

Cosco (India) Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis during financial year 2017-18.
2. Details of material contracts or arrangement or transactions at arm's length basis: NA
 - i. Name(s) of the related party and nature of relationship: NA
 - ii. Nature of contracts / arrangements / transactions: NA
 - iii. Duration of the contracts / arrangements / transactions: NA
 - iv. Salient terms of the contracts or arrangements or transactions including the value, if any: NA
 - v. Date(s) of approval by the Board, if any: NA
 - vi. Amount paid as advances, if any: NA

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
(DIN: 00191539)

Registered Office :
2/8, Roop Nagar,
Delhi -110007

Place: Delhi
Date: 13th August, 2018



Annexure-'C'
(Forming Part of the Directors' Report)
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31st 2018

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

I. REGISTRATION & OTHER DETAILS

1.	CIN	L25199DL 1980PLC010173
2.	Registration Date	25/01/1980
3.	Name of the Company	Cosco (India) Limited
4.	Category/Sub Category of the Company	Company Limited by Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	2/8, Roop Nagar, Delhi - 110007 Tel. : 011-23843000, Fax : 91-11-23846000 Email : mail@cosco.in: Website : www.cosco.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Pvt. Ltd. D-153/A, 1ST Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020 Tel. : 011-011-40450193 to 97 Fax : 011-26812683 Email : admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC 2004 Code of the Product	NIC 2008 Code of the Product	% to total turnover of the company
1.	Sports Goods	3693	323	35.76
2.	Household Goods	513	464	64.24

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - N. A. (Refer Note)

S. No.	Name and Address of the Company	CIN / GLN	Holding/Subsidiary/ Associate	% of Share held	Applicable Section
Refer Note					

Note : The erstwhile 100% Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL) incorporated in Sri Lanka has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011(of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. CPLPL is under Liquidation –Case Ref. No. HC (Civil) 40/2013(CO) under the Jurisdiction of Hon'ble The Commercial High Court of The Western Province (Exercising Civil Jurisdiction) in Colombo (Sri Lanka).

- AOC 1 attached along with MGT-9

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

(i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (April 1, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/HUF	1672800	-	1672800	40.20	1464800	-	1464800	35.21	(4.99)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1447000	-	1447000	34.78	1655000	-	1655000	39.77	4.99
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total	3119800	-	3119800	74.98	3119800	-	3119800	74.98	-
Shareholding of Promoter (A)									
B. Public									
Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-

a) Mutual Funds	-	-	-	-	-	-	-	-	-
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):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
l) Indian	241762	1800	243562	5.85	215854	1800	217654	5.23	(0.62)
ii) Overseas									
b) Individuals									
l) Individual shareholders holding nominal share capital up to ₹1 lakh	344599	86709	431308	10.37	426806	78357	505163	12.14	1.77
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	285127	-	285127	6.85	259546	-	259546	6.24	(0.61)
c) Others (specify)									
Non Resident Indians	43843	-	43843	1.05	33329	-	33329	0.80	(0.25)
Overseas									
Corporate Bodies									
Hindu Undivided family	37033	-	37033	0.89	23692	-	23692	0.57	(0.32)
Foreign Nationals									
Clearing Members	327	-	327	0.01	1816	-	1816	0.04	0.03
Trusts									
Foreign Bodies-DR									
Sub-total (B)(2):-	952691	88509	1041200	25.02	961043	80157	1041200	25.02	
	952691	88509	1041200	25.02	961043	80157	1041200	25.02	
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4072491	88509	4161000	100	4080843	80157	4161000	100	

II. SHAREHOLDING OF PROMOTERS

SL	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2017)			Share holding at the end of the year (31st March, 2018)			% change in share holding during
		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	Devinder Kumar Jain	167,200	4.02	-	125,920	3.03	-	(0.99)
2	Narinder Kumar Jain	167,200	4.02	-	125,840	3.02	-	(1)
3	Arun Jain	84,300	2.03	-	63,500	1.53	-	(0.5)
4	Manish Jain	91,300	2.19	-	70,500	1.69	-	(0.5)
5	Pankaj Jain	233,500	5.61	-	170,540	4.10	-	(1.51)
6	Neeraj Jain	91,500	2.20	-	70,700	1.70	-	(0.5)
7	Devinder Kumar Jain [Karta of Devinder Kumar Jain (HUF)]	83,600	2.01	-	83,600	2.01	-	-
8	Narinder Kumar Jain [Karta of Narinder Kumar Jain (HUF)]	83,600	2.01	-	83,600	2.01	-	-
9	Darshan Kumar Jain (HUF)	83,600	2.01	-	83,600	2.01	-	-
10	Arun Jain [Karta of Arun Jain (HUF)]	500	0.01	-	500	0.01	-	-
11	Manish Jain [Karta of Manish Jain (HUF)]	12,700	0.31	-	12,700	0.31	-	-
12	Pankaj Jain [Karta of Pankaj Jain (HUF)]	17,700	0.43	-	17,700	0.43	-	-
13	Neeraj Jain [Karta of Neeraj Jain (HUF)]	12,500	0.30	-	12,500	0.30	-	-
14	Veena Jain	83,600	2.01	-	83,600	2.01	-	-
15	Prabha Jain	83,600	2.01	-	83,600	2.01	-	-
16	Amita Jain	83,600	2.01	-	83,600	2.01	-	-
17	Indu Jain	57,100	1.37	-	57,100	1.37	-	-
18	Nidhi Jain	63,200	1.52	-	63,200	1.52	-	-
19	Shilpa Jain	84,000	2.02	-	84,000	2.02	-	-
20	Payal Jain	63,200	1.52	-	63,200	1.52	-	-
21	Aakash Jain	25,300	0.61	-	25,300	0.61	-	-
22	Navendu Investment Co. Pvt. Ltd	1,447,000	34.78	-	1474000	35.42	-	0.64
23	Vijay Vallabh Securities Limited	-	-	-	181000	4.35	-	4.35
TOTAL		3,119,800	74.98	-	-	74.98	-	-

(iii) Change in Promoters' Shareholding* :

S. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Devinder Kumar Jain				
	At the beginning of the year	167,200	4.02	167,200	4.02
	Shares Sold on 26.04.2017	(33,680)	(0.81)	133,520	3.20
	Shares Sold on 12.05.2017	(2,200)	(0.05)	131,320	3.15
	Shares Sold on 24.11.2017	(5,400)	(0.13)	125,920	3.03
	At the end of the year	125,920	3.03	125,920	3.03
2.	Shri Narinder Kumar Jain				
	At the beginning of the year	167,200	4.02	167,200	4.02
	Shares Sold on 26.04.2017	(33,760)	(0.81)	133,440	3.20
	Shares Sold on 12.05.2017	(2,200)	(0.05)	131,240	3.15
	Shares Sold on 24.11.2017	(5,400)	(0.13)	125,840	3.02
	At the end of the year	125,840	3.02	125,840	3.02
3.	Mr. Arun Jain				
	At the beginning of the year	84,300	2.03	84,300	2.03
	Shares Sold on 26.04.2017	(17,000)	(0.40)	67,300	1.61
	Shares Sold on 12.05.2017	(1,100)	(0.03)	66,200	1.59
	Shares Sold on 24.11.2017	(2,700)	(0.06)	63,500	1.53
	At the end of the year	63,500	1.53	63,500	1.53
4.	Mr. Manish Jain				
	At the beginning of the year	91,300	2.19	91,300	2.19
	Shares Sold on 26.04.2017	(17,000)	(0.40)	74,300	1.79
	Shares Sold on 12.05.2017	(1,100)	(0.03)	73,200	1.76
	Shares Sold on 24.11.2017	(2,700)	(0.06)	70,500	1.69
	At the end of the year	70,500	1.69	70,500	1.69
5.	Mr. Pankaj Jain				
	At the beginning of the year	233,500	5.61	233,500	5.61
	Shares Sold on 26.04.2017	(51,560)	(1.24)	181,940	4.37
	Shares Sold on 12.05.2017	(3,300)	(0.08)	178,640	4.29
	Shares Sold on 24.11.2017	(8,100)	(0.19)	170,540	4.10
	At the end of the year	170,540	4.10	170,540	4.10

S. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Mr. Neeraj Jain				
	At the beginning of the year	91,500	2.20	91,500	2.20
	Shares Sold on 26.04.2017	(17,000)	(0.40)	74,500	1.80
	Shares Sold on 12.05.2017	(1,100)	(0.03)	73,400	1.76
	Shares Sold on 24.11.2017	(2,700)	(0.06)	70,700	1.70
	At the end of the year	70,700	1.70	70,700	1.70
7.	Navendu Investment Company Pvt. Limited				
	At the beginning of the year	1,447,000	34.78	1,447,000	34.78
	Shares Purchased on 24.11.2017	27,000	0.65	1,474,000	35.42
	At the end of the year	1,474,000	35.42	1,474,000	35.42
8.	Vijay Vallabh Securities Limited				
	At the beginning of the year	-	-	-	-
	Shares Purchased on 26.04.2017	170,000	4.08	170,000	4.08
	Shares Purchased on 12.05.2017	11,000	0.26	181,000	4.35
	At the end of the year	181,000	4.35	181,000	4.35

Note: Change in Promoters' Shareholding pursuant to Inter-se transfers among Promoters of the Company by way of open market transactions through Stock Exchange Route at prevailing market price as permissible under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(iv) Shareholding Pattern of top ten Shareholder: (other than Directors, Promoters and holders of GDRs and ADRs).

S. No.	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dugar Growth Fund Private Limited	149,000	3.58	149,000	3.58
	At the beginning of the year				
	Shares Purchased during the year (01.04.2017 to 31.03.2018)	1,000	0.02	150,000	3.60
	At the end of the Year	150,000	3.60	150,000	3.60
2.	Lata Arvind Shah	40,861	0.98	40,861	0.98
	At the beginning of the year				
	Shares Sold during the year (01.04.2017 to 31.03.2018)	(5,000)	(0.12)	35,861	0.86
	At the end of the Year	35,861	0.86	35,861	0.86
3.	Ansuya Suresh Shah	24,506	0.59	24,506	0.59
	At the beginning of the year				
	At the end of the Year	24,506	0.59	24,506	0.59
4.	Enkay India Rubber Co. Pvt. Ltd.	24,445	0.59	24,445	0.59
	At the beginning of the year				
	Shares Purchased during the year (01.04.2017 to 31.03.2018)	3,112	0.07	27,557	0.66
	At the end of the Year	27,557	0.66	27,557	0.66
5.	Pushpa Mithali Gandhi	23,141	0.56	23,141	0.56
	At the beginning of the year				
	At the end of the Year	23,141	0.56	23,141	0.56
6.	Shelleen Chandra Narottam Shah	32,900	0.79	32,900	0.79
	At the beginning of the year				
	Share Sold during the year (01.04.2017 to 31.03.2018)	(9,900)	(0.24)	23,000	0.55
	At the end of the Year	23,000	0.55	23,000	0.55
7.	Fruition Venture Limited	31,000	0.75	31,000	0.75
	At the beginning of the year				
	Share Sold during the year (01.04.2017 to 31.03.2018)	(31,000)	(0.75)	(31,000)	(0.75)
	At the end of the Year	-	-	-	-
8.	Ashish Dubey	-	-	-	-
	At the beginning of the year				
	Share Purchase during the year	20,000	0.48	20,000	0.48
	At the end of the Year	20,000	0.48	20,000	0.48
9.	Savitri Devi Radha Kishan Jaipuria	19,436	0.47	19,436	0.47
	At the beginning of the year				
	Share Purchase during the year (01.04.2017 to 31.03.2018)	871	0.02	20,307	0.48
	Share Sold during the year (01.04.2017 to 31.03.2018)	(1,127)	(0.03)	191,80	0.46
	At the end of the Year	191.80	0.46	191.80	0.46
10.	Hira Laxmi Shah	18,691	0.45	18,691	0.45
	At the beginning of the year				
	At the end of the Year	18,691	0.45	18,691	0.45
11.	Rakesh Kumar Sikri	18,863	0.45	18,863	0.45
	At the beginning of the year				
	Share Purchase during the year (01.04.2017 to 31.03.2018)	21,225	0.51	40,080	0.96
	Share Sold during the year (01.04.2017 to 31.03.2018)	(24,017)	(0.58)	16,071	0.39
	At the end of the Year	16,071	0.39	16,071	0.39

Note: The shares of the Company are traded on daily basis and hence date wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on PAN of the Shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Devinder Kumar Jain				
	At the beginning of the year	167,200	4.02	167,200	4.02
	Shares Sold on 26.04.2017	(33,680)	(0.80)	133,520	3.20
	Shares Sold on 12.05.2017	(2,200)	(0.05)	131,320	3.15
	Shares Sold on 24.11.2017	(5,400)	(0.13)	125,920	3.03
	At the end of the year	125,920	3.03	125,920	3.03
2.	Shri Narinder Kumar Jain				
	At the beginning of the year	167,200	4.02	167,200	4.02
	Shares Sold on 26.04.2017	(33,760)	(0.81)	133,440	3.20
	Shares Sold on 12.05.2017	(2,200)	(0.05)	131,240	3.15
	Shares Sold on 24.11.2017	(5,400)	(0.13)	125,840	3.02
	At the end of the year	125,840	3.02	125,840	3.02
3.	Mr. Arun Jain				
	At the beginning of the year	84,300	2.03	84,300	2.03
	Shares Sold on 26.04.2017	(17,000)	(0.41)	67,300	1.61
	Shares Sold on 12.05.2017	(1,100)	(0.02)	66,200	1.59
	Shares Sold on 24.11.2017	(2,700)	(0.06)	63,500	1.53
	At the end of the year	63,500	1.53	63,500	1.53
4.	Mr. Manish Jain				
	At the beginning of the year	91,300	2.19	91,300	2.19
	Shares Sold on 26.04.2017	(17,000)	(0.41)	74,300	1.79
	Shares Sold on 12.05.2017	(1,100)	(0.02)	73,200	1.76
	Shares Sold on 24.11.2017	(2,700)	(0.06)	70,500	1.69
	At the end of the year	70,500	1.69	70,500	1.69
5.	Mr. Pankaj Jain				
	At the beginning of the year	233,500	5.61	233,500	5.61
	Shares Sold on 26.04.2017	(51,560)	(1.24)	181,940	4.37
	Shares Sold on 12.05.2017	(3,300)	(0.08)	178,640	4.29
	Shares Sold on 24.11.2017	(8,100)	(0.19)	170,540	4.10
	At the end of the year	170,540	4.10	170,540	4.10
6.	Mr. Neeraj Jain				
	At the beginning of the year	91,500	2.20	91,500	2.20
	Shares Sold on 26.04.2017	(17,000)	(0.41)	74,500	1.80
	Shares Sold on 12.05.2017	(1,100)	(0.02)	73,400	1.76
	Shares Sold on 24.11.2017	(2,700)	(0.06)	70,700	1.70
	At the end of the year	70,700	1.70	70,700	1.70

7.	Shri. Mahavir Prasad Gupta At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -
8.	Shri Mohan Lal Mangla At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -
9.	Shri Sunil Kumar Jain At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -
10.	Shri Vijay Kumar Sood At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -
11.	Shri Vijender Kumar Jain At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -
12.	Ms. Nisha Paul At the beginning of the year Increase/Decrease in Share holding At the end of the year	200 - 200	0.004 - 0.004	200 - 200	0.004 - 0.004
13.	Ms. Sudha Singh (Company Secretary) At the beginning of the year Increase/Decrease in Share holding At the end of the year	- - -	- - -	- - -	- - -

(V) INDEBTEDNESS -

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	188,040,986	227,395,426	-	415,432,412
ii) Interest due but not paid	-	34,202,009	-	34,202,009
iii) Interest accrued but not due	506,203	-	-	506,203
Total (i+ii+iii)	188,547,189	261,597,435	-	450,144,624
Change in Indebtedness during the financial year				
*Addition	435,199	101,083,900	-	101,519,099
*Reduction	(43,953,272)	(69,665,365)	-	(113,618,637)
Net Change	(43,518,073)	31,418,535	-	(12,099,538)
Indebtedness at the end of the financial year				
i) Principal Amount	144,593,917	269,336,005	-	413,929,922
ii) Interest due but not paid	-	23,679,965	-	23,679,965
iii) Interest accrued but not due	435,199	-	-	435,199
Total (i+ii+iii)	145,029,116	293,015,970	-	438,045,086

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

S. No.	Particulars of Remuneration	Name of MD / WTD / KMP						Total Amount in ₹
		Shri Devinder Kumar Jain (MD & CEO)	Shri Narinder Kumar Jain (MD)	Mr. Arun Jain (WTD)	Mr. Manish Jain (WTD)	Mr. Pankaj Jain (WTD & CFO)	Mr. Neeraj Jain (WTD)	
1.	Gross Salary							
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	4,639,981	4,640,196	3,561,755	3,475,366	3,510,921	3,461,960	20,567,206
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	39,600	39,600	39,600	32,400	32,400	32,400	216,000
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-	-
4.	Commission	-	-	-	-	-	-	-
	- as % of profit							
	- others, specify							
5.	Others, please specify	-	-	-	-	-	-	-
	Total (A)	4,679,581	4,679,796	3,601,355	3,507,766	3,543,321	3,494,360	23,506,179
	Ceiling as per the Act	as per Part II section II, of Schedule V of the Companies Act, 2013						
* Gratuity and Leave encashment not included.								

B. Remuneration to other Directors
(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Directors						Total
		Shri M. L. Mangla	Shri M. P. Gupta	Shri Sunil Kumar Jain	Shri V. K. Sood	Shri V. K. Jain	Ms. Nisha Paul	
1.	Independent Director	12,000	12,000	12,000	12,000	12,000	12,000	72,000
	Fee for attending board meetings							
	Commission	-	-	-	-	-	-	-
	Other, please specify	-	-	-	-	-	-	-
	Total (1)	12,000	12,000	12,000	12,000	12,000	12,000	72,000
2.	Other Non-Executive							
	Directors	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B) = (1+2)	12,000	12,000	12,000	12,000	12,000	12,000	72,000
	Total Managerial Remuneration							23,578,179
	Overall Ceiling as per the Act	As per Section 197 and Schedule V of the Companies Act, 2013						

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

S. No.	Particulars of Remenuration	Key Managerial Personnel			
		CEO	CS [Sudha Singh] (Total Amount in ₹)	CFO	Total
1.	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) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	465,000	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify : (Bonus)	-	- 12,733	-	-
5.	Others, please specify	-	-	-	-
	Total	-	477,733	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NA

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ compounding	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty				
Punishment				
Compounding				
B. DIRECTORS					
Penalty				
Punishment				
Compounding				
C. OTHER OFFICERS IN DEFAULT					
Penalty				
Punishment				
Compounding				

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Narinder Kumar Jain
Managing Director
DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi 110007
Dated: 13th August, 2018



“Annexure to MGT -9”

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

NOT APPLICABLE

1. Names of subsidiaries which are yet to commence operations - N.A.
2. Names of subsidiaries which have been liquidated or sold during the year Refer Note *

*Note : The erstwhile 100% Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL) incorporated in Sri Lanka has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011(of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. CPLPL is under Liquidation Case Ref. No. HC (Civil) 40/2013(CO) under the Jurisdiction of Hon'ble The Commercial High Court of The Western Province (Exercising Civil Jurisdiction) in Colombo (Sri Lanka).

Part “B”: Associates and Joint Ventures

NOT APPLICABLE

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Narinder Kumar Jain
Managing Director
DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi 110007
Dated: 13th August, 2018

Annexure-'D'
(Forming Part of the Directors' Report)

Statement containing particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2018.

A. CONSERVATION OF ENERGY

(i) Steps taken or Impact on conservation of energy:

The company has continued its efforts to improve energy efficiency. Steps taken during the year to conserve energy include :

- a) Modifications in the boiler for better efficiency.
- b) Work started towards installation of Solar plant.
- c) Better flash steam recovery from the boiler.
- d) Installation of LED lights in factory premises.

(ii) Steps taken by the Company for utilizing alternate sources of energy

- During the year under review, instead of Pet coke, combustible biomass pellets/ briquettes have been used as fuel for boiler.

(iii) Capital Investment on energy conservation equipment

- Nil

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption :

- (a) Continuous efforts were made for process improvements involving better techniques for improving quality and productivity of the Company.
- (b) Efforts were made for creating products of premium range.
- (c) Value addition to the existing products through formulation re-engineering
- (d) Continuous bench marking of products against competition in national and international markets.

(ii) Benefits derived

- (a) Reduction of carbon emission thus helping the environment.
- (b) Cost optimization and better quality standards achieved.

(iii) Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology during last three years.

(iv) Expenditure on Research & Development (₹ in Lakhs)

	2017-18	2016-17
Capital	Nil	Nil
Recurring	Nil	0.03
Total	Nil	0.03
Total R&D expenditure as a % of total turnover	0.00	0.004

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lakhs)

	2017-18	2016-17
i) Foreign Exchange earning	246.60	259.93
ii) Foreign Exchange outgo	4654.01	4525.27

ANNEXURE 'E1'

(Forming Part of the Directors' Report)

CORPORATE GOVERNANCE REPORT

Cosco (India) Limited is committed to the highest standards of corporate governance, and setting industry-leading benchmarks. Our goal is to promote and protect the long-term interest of all stakeholders, and is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

A key element of Cosco (India) Limited corporate governance practice is our strong set of core values, which inspires all our actions, from communication to leadership and strategic decision making, and provides a benchmark for all our stakeholders.

We adhere to the principles of integrity, execution excellence, customer orientation and leadership in an ethical manner and thereby attain the highest goals of corporate achievement.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) given below are the corporate governance policies and practices of Cosco (India) Limited for the year 2017-18.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

The Board of Directors and the Management of your Company is committed to

- sound & ethical business practices
- ensure transparency and professionalism in all decisions and transactions of the Company
- build brand value of its products
- good Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance.

BOARD OF DIRECTORS

- i. The Composition of the Board of Directors during FY 2017-18 is given herein. As on March 31st, 2018, the Company has twelve directors. Of the Twelve Directors, Six (i.e. 50%) are non-executive Independent directors including woman Director and six (i.e. 50%) are Executive directors. The composition of the board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31st, 2018 have been made by the directors. None of the NEDs serve as IDs in more than seven listed companies and none of the Executive or Whole-time Directors serve as IDs on any listed company.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- iv. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2018 are given herein below.

I Composition: The Board of Directors is headed by Shri Devinder Kumar Jain - Managing Director and CEO. Board consisted of the following Directors as on March 31st, 2018, categorized as indicated.

(A) Promoters Group	Designation	Category	DIN	Relationship between Directors Inter-se
Shri Devinder Kumar Jain	Mg. Director and CEO	ED	00191539	Shri Narinder Kumar Jain (Brother), Mr. Arun Jain (Son), Mr. Manish Jain (Son)
Shri Narinder Kumar Jain	Managing Director	ED	00195619	Shri Devinder Kumar Jain (Brother), Mr. Neeraj Jain (Son),
Mr. Arun Jain	Whole Time Director	ED	01054316	Shri Devinder Kumar Jain (Father), Mr. Manish Jain (Brother),
Mr. Manish Jain	Whole Time Director	ED	00191593	Shri Devinder Kumar Jain (Father), Mr. Arun. Jain (Brother),
Mr. Pankaj Jain	Whole Time Director and CFO	ED	00190414	NIL
Mr. Neeraj Jain	Whole Time Director	ED	00190592	Shri Narinder Kumar Jain (Father),
(B) Independent				
Shri Mohan Lal Mangla	Director	NED	00311895	NIL
Shri Mahavir Prasad Gupta	Director	NED	00190550	NIL
Shri Sunil Kumar Jain	Director	NED	00387451	NIL
Ms. Nisha Paul	Director	NED	00325914	NIL
Shri Vijay Kumar Sood	Director	NED	01525607	NIL
Shri Vijender Kumar Jain	Director	NED	06423328	NIL

ED - Executive Director, NED - Non-Executive Director.

II Attendance at Board Meetings and last Annual General Meeting and details of membership of Directors in other Boards and Board Committees.

(A) Details of Board Meetings held during the year 2017-18

Date of Meeting	Board Strength	No. of Directors Present
May 30, 2017	12	12
August 21, 2017	12	09
September 14, 2017	12	10
December 13, 2017	12	10
February 12, 2018	12	12

- v. Five board meetings were held during the year and the gap between two board meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.
- vi. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the Independent directors are disclosed on the website of the Company.
- viii. During the year a separate meeting of the Independent directors was held inter-alia to review the performance of non- Independent directors and the Board as a whole.
- ix. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.
- x. The details of the familiarisation programme of the Independent Directors are available on the website of the Company

(http://www.cosco.in/uploads/investors/details_of_familiarisation_programme_imparted_to_independent_directors_1523855940.pdf)

(B) Directors' Attendance Record and Directorship held :

Name of the Director	No. of Board Meeting Attended	Whether attended last AGM held on 29th September, 2017	No. of Directorship held in other Companies	No. of Committee position held in other Companies as a Chairman	No. of Committee position held in other Companies as a Member
Shri Devinder Kumar Jain	5	Yes	4	Nil	Nil
Shri Narinder Kumar Jain	5	Yes	4	Nil	Nil
Mr. Pankaj Jain	5	Yes	1	Nil	Nil
Mr. Manish Jain	5	Yes	Nil	Nil	Nil
Mr. Neeraj Jain	4	Yes	Nil	Nil	Nil
Mr. Arun Jain	5	Yes	Nil	Nil	Nil
Shri Mohan Lal Mangla	4	No	Nil	Nil	Nil
Shri Mahavir Prasad Gupta	4	No	Nil	Nil	Nil
Shri Sunil Kumar Jain	4	No	3	Nil	Nil
Shri Vijay Kumar Sood	4	Yes	1	Nil	Nil
Shri Vijender Kumar Jain	4	Yes	Nil	Nil	Nil
Ms.Nisha Paul	4	No	1	Nil	Nil

(III) Information in respect of appointment of new Directors & re-appointment of existing Directors.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl No.	Name of Director	Brief Resume	Expertise in Specific functional areas	Directorship in other Companies
1	Mr. Arun Jain	Aged about 52 years. Qualified Engineer and MBA. About 26 years of experience	Managing Plant Operations and Production and Associate with research and development of new products.	Cosco Polymer Lanka (Private) Ltd. Company under Liquidation
2.	Shri Devinder Kumar Jain	Aged about 80 years B. Sc. Graduate. About 57 years of experience	CEO of the Company Operational Management, Production Process, Business Planning, Development & Sourcing of the new products. Managinf the affairs of the Company effectively for the last many years	Cosco International Private Limited DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. Cosco Polymer Lanka (Private) Limited under Liquidation
3.	Shri Narinder Kumar Jain	Aged about 77 years. Graduate & Diploma in International Marketing about 52 year's experience	Marketing and Finacial Planning and Mangement, Formulating business Strategies, Public Relations, Well experienced in manegement, marketing and Finance.	Cosco International Private Limited. DDN Polymers Pvt. Ltd. Navendu Investment Company Private Limited Radhaphool Fin-Investments Pvt. Ltd. Cosco Polymer Lanka (Private) Limited under Liquidation

(Refer also statement forming part of Notice of 39th Annual Meeting issued to the Shareholders of the Company)

CODE OF CONDUCT

The Board has laid down a Code of Conduct for the Directors and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed their compliance with the Code. The Code of Conduct is available on the Company's website viz. www.cosco.in. A declaration to this effect signed by the Managing Directors and CEO of the Company forms a part of this Report.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD COMMITTEES

The Board of Directors has constituted the following committees with adequate delegation of powers.

1. AUDIT COMMITTEE

Terms of Reference :- The audit committee is authorized to exercise all the power and perform all the functions as specified in section 177 of the Companies Act, 2013 and the rules made there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The said committee reviews reports of the internal Auditors , meets Statutory Auditors and Internal Auditors periodically to discuss their findings and suggestions, internal control systems, scope of audit, observations of the auditors and their related matters and reviews major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated to and taken note by the Board of Directors. The Company Secretary acts as the Secretary of the Committee

The composition of the Audit Committee is as follows:

Independent Directors	--	Shri Vijender Kumar Jain - Chairman
	--	Shri Mahavir Prasad Gupta
	--	Shri Sunil Kumar Jain

The members of the Audit Committee are well experienced in the field of finance, accounts and management. The Chairman of the Committee is Chartered Accountant. The powers and terms of reference of the Committee are as contained in Regulation 18(3) (Part C of Schedule II) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Meetings of the Committee during the year were held on 30th May, 2017, 14th September, 2017, 13th December, 2017 and 12th February, 2018.

Details of Meetings of Audit Committees held during the year 2017-18.

Name of the Member	No. of Meeting held	No. of Meeting attended
Shri Vijender Kumar Jain	4	4
Shri Mahavir Prasad Gupta	4	4
Shri Sunil Kumar Jain	4	4

Shri Vijender Kumar Jain, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 29th September 2017, to answer shareholders' queries.

The necessary quorum was present at all the meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference :- The Nomination and Remuneration Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said committee is authorised to exercise all powers specified in the Companies Act, 2013 and rules made there under, Nomination and Remuneration Policy of the Company and the listing agreement with the Stock Exchange as amended from time to time.

The Committee consists of following Directors :

Independent Directors	--	Shri Mohan Lal Mangla - Chairman
	--	Shri Sunil Kumar Jain
	--	Shri Vijay Kumar Sood

The terms of reference of the committee are as contained in Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 & schedule V of the Companies Act, 2013.

The Meeting of the committee was held on 21st April, 2017 and 21st August, 2017. All members of the Committee were present in the meeting. The Committee recommended & approved the remuneration of all the Executive Directors.

The appointment and remuneration of all the Executive Directors have been fixed in terms of Resolutions passed by members in General Meetings.



Remuneration paid to the Executive Directors during the financial year ended 31.03.2018 is given below: (Amount in ₹)

Name	Designation	Salary	HRA	PF	Medical Exp.	Car Perk**	Other Perks	Contact No. of yrs).
Shri Devinder Kumar Jain	Mg. Director and CEO	3,060,000	1,530,000	21,600	49,918	39,600	Refer Note	3
Shri Narinder Kumar Jain	Managing Director	3,060,000	1,530,000	21,600	50,196	39,600	Refer Note	3
Mr. Arun Jain	Whole Time Director	2,280,000	1,140,000	21,600	141,755	39,600	Refer Note	3
Mr. Manish Jain	Whole Time Director	2,280,000	1,140,000	21,600	55366	32,400	Refer Note	3
Mr. Pankaj Jain	Whole Time Director & CFO	2,280,000	1,140,000	21,600	90,921	32,400	Refer Note	3
Mr. Neeraj Jain	Whole Time Director	2,280,000	1,140,000	21,600	41,960	32,400	Refer Note	3

** Car with Driver partly for personal use valued as per Income Tax Rules.

Note: - Other Perks and Allowances

In addition following Perks and Allowances were permissible / allowed to all the Directors:

- i) Gratuity and Leave encashment as per actuarial valuation
- ii) Telephones provided for official use.

The sitting fees paid/payable to the Non Executive (Independent) Directors for the year ended on 31st March 2018 are as follows:

Shri Mohan Lal Mangla	: ₹ 12,000	Shri Sunil Kumar Jain	: ₹ 12,000
Shri Mahavir Prasad Gupta	: ₹ 12,000	Shri Vijender Kumar Jain	: ₹ 12,000
Shri Vijay Kumar Sood	: ₹ 12,000	Ms. Nisha Paul	: ₹ 12,000

Detail of Shareholding of Non-Executive (Independent) Directors

Name	No. of Equity Shares held	Name	No. of Equity Shares held
Shri Mohan Lal Mangla	-	Shri Sunil Kumar Jain	-
Shri Mahavir Prasad Gupta	-	Shri Vijender Kumar Jain	-
Shri Vijay Kumar Sood	-	Ms. Nisha Paul	200

The Company does not have any employee stock option scheme.

Nomination & Remuneration policy

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry. The Nomination and Remuneration Policy has been approved by Cosco (India) Limited's Board of Directors. The said policy has been also put up on the website of the Company at the following link-

http://www.cosco.in/uploads/investors/nomination_remuneration_pol_44081168715.pdf

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing directors and the Executive directors. Annual increments are decided by the Nomination and Remuneration Committee (NRC) within the salary scale approved by the members of the Company and are effective from April 1st each year. During the year 2017-18, the Company paid sitting fees of Rs. 3,000 per meeting to its non-executive directors for attending board meetings.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Terms of Reference :- The Stakeholders Relationship Committee is authorised to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said committee is authorised to look into redressal of shareholders / investors complaint relating to transfer of shares, non receipt of balance sheet and also authorised to issue duplicate share certificate in place of those torn /mutilated/ defaced/ lost/misplaced subject to compliance of prescribed formalities.

The Committee consists of following Directors.

Shri Sunil Kumar Jain -- Chairman Non Executive Director
 Mr. Pankaj Jain -- Executive Director
 Mr. Neeraj Jain -- Executive Director

The terms of reference of the committee are as specified in Section 178 of Companies Act, 2013 & under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Meetings of the Committee were normally held quarterly during the year 2017-18. The Committee met 4 times during the Year 2017-18 on 30.05.2017, 21.08.2017, 13.12.2017, and 12.02.2018, The Committee is looking after the work of Share Transfer/Transmission/Split/ Consolidation of Shares and Investors grievances.

Details of Meetings of Stakeholders Relationship Committees held during the year 2017-18.

Name of the Member	No. of Meeting held	No. of Meeting attended
Shri Sunil Kumar Jain	4	4
Mr. Pankaj Jain	4	4
Mr. Neeraj Jain	4	4

Total No. of Complaints received during the year : Nil
 No. of unsolved complaints to the satisfaction of shareholders : Nil
 No. of transfers pending for registration for more than 15 days : Nil

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference :- The Corporate Social Responsibility Committee is authorised to exercise all powers and perform all the functions as per the policy framed. A detailed CSR Policy was framed and approved by CSR Committee and Board of Directors of the Company as on 30th May 2017.

The said policy hosted on the website of the Company at the following link-

http://www.cosco.in/uploads/investors/corporate_social_responsibility_policy_1499423528.pdf

Corporate Social Responsibility Committee of the Company was constituted by the Board at its meeting held on 30th May 2017, with the following members:

The details of the CSR initiatives as per the CSR Policy of the Company forms part of the CSR Section in the Annual Report.

The Committee consists of following Directors.

Ms. Nisha Paul Chairperson - Independent Director
 Shri Devinder Kumar Jain Executive Director
 Mr. Pankaj Jain Executive Director
 Mr. Neeraj Jain Executive Director

Name, Designation and Address of Compliance officer

Ms. Sudha Singh
 Company Secretary & Compliance Officer
 2/8, Roop Nagar, Delhi- 110 007
 Ph. 011- 23843000

GENERAL BODY MEETINGS

(1) Details of location and time of holding the last three AGMs.

Year	Location	Date & Time
36 th AGM - 2015	Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi - 110 007	30 th September, 2015 - 10.30 A.M.
37 th AGM - 2016	Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi - 110 007	30 th September, 2016 - 10.30 A.M.
38 th AGM - 2017	Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi - 110 007	29 th September, 2017 - 10.30 A.M.

- (a) No other Shareholders' Meeting was held in the last three years.
- (b) In the AGM held on 30th September, 2015 two Special Resolutions were passed in respect of re-appointment of Shri Devinder Kumar Jain as Managing Director & CEO, and Shri Narinder Kumar Jain as Managing Director for a period of three years w.e.f. 16.03.2016 and fixation of their remuneration and also restructuring their remuneration w.e.f. 01.04.2016.
- (c) In the AGM held on 30th September, 2016 no Special Resolutions was passed.
- (d) In the AGM held on 29th September, 2017 Six Special Resolutions were passed in respect of re-appointment of Ms. Nisha Paul, Shri Mahavir Prasad Gupta, Shri Sunil Kumar Jain, Shri Mohan Lal Mangla, Shri Vijender Kumar Jain, and Shri Vijay Kumar Sood as Independent Director(s) of the Company. It was their second term of appointment for a term of 5 years from 1st October, 2017 to 30th September, 2022.
- (e) Postal Ballot :- No resolution of shareholders was passed through postal ballot during the year under review.

Remote e-voting and ballot voting at the AGM

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company arranged for a remote e-voting facility. The Company engaged NSDL to provide e-voting facility to all the members. Members whose names appeared on the register of members as on 22nd September, 2017 were eligible to participate in the e-voting.

The facility for voting through ballot / polling paper was also made available at the AGM and the members who did not cast their vote by remote e-voting were allowed to exercise their vote at the AGM

Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amounts of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The amount of unclaimed dividend for the financial year ended March 31, 2016 would be transferred to the IEPF in FY 2022. The Act has also provided that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF is also required to be transferred to the IEPF Authority. The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') on September 7, 2016 and further amendment and clarification on the same which provides for manner of transfer of unpaid and unclaimed dividends to IEPF and also the manner of transfer of shares in respect of which dividend has not been encashed by the Members for a continuous period of seven years to the IEPF Authority. The Rules also prescribe the procedures to be followed by an investor to claim the shares/amount transferred to IEPF.

To enable such Members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends on the website of the Company under 'Investors' section viz. www.cosco.in

Members who have not yet encashed their Dividend warrant(s) for the Financial year 2015-16 are requested to make their claims without any further delay to the company's Registered Office 2/8, Roop Nagar, Delhi-110007.



Members who have not encashed their interim dividend warrants pertaining to the aforesaid year may approach the Company/its Registrar, for obtaining their unclaimed dividend.

Year	Dividend Per Share in ₹	Date of Declaration	Due Date for Transfer	Amount in ₹
2015-16	1	12.08.2015	18th, September, 2022	82,781

Disclosures

Related party disclosures

- i. Related party disclosures are given at Note No. 36 in relation to Notes on Accounts to Financial Statements of the Company. The transactions with the related parties were not in conflict with the interests of the Company at large. All transactions entered into with related parties as defined under the Act and Regulation 23 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link- http://www.cosco.in/uploads/investors/related-party-policy_86228442984.pdf
- ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any Statutory Authority, on any matter related to capital markets, during the last three years 2015-16, 2016-17 and 2017-18 respectively: NIL
- iii. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link- http://www.cosco.in/uploads/investors/whistle_blower_policy_cosco_88209735742.pdf
- iv. The Company has also adopted Policy on Determination of Materiality for Disclosures :- http://www.cosco.in/uploads/investors/policy-on-criteria-for-determining-materiality-of-events_56834049104.pdf
- v. Policy on Archival of Documents and Policy for Preservation of Documents. http://www.cosco.in/uploads/investors/archival_policy_57137519215.pdf

RECONCILIATION OF SHARE CAPITAL AUDIT:

A qualified Practicing Company Secretary carried out quarterly Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted The code applicable to the members of the board and senior management personnel and all employees of the Company. The code is available on the website of the Company www.cosco.in.

All the members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31st, 2018. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

CEO/CFO Certification

A Certificate from Managing Director & CEO and Whole Time Director & CFO as per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board regarding the Financial Statements of the Company, Specified Transactions, Internal Controls, Significant Changes, if any, in Accounting Policies, for the year ended 31st March, 2018. The same has been provided in this Annual Report.

Means of Communication.

The Quarterly, Half Yearly and Annual Results are regularly submitted to BSE Limited where the Company's securities are listed and are published in daily news-papers - Pioneer (English & Hindi) and same has been uploaded on Company website at www.cosco.in. The Quarterly, Half Yearly Results were not sent to household of Shareholders.

The Audited Financial Statements form part of the Annual Report which is sent to members well in advance of the Annual General Meeting.

The company also informs by way of intimation BSE Limited and placing on its website all price sensitive matters or such other relevant matters, which in its opinion are material.

The Company has not displayed any official news release on the Company's website. No presentations were made to any institutional investors or analysts.

Management Discussion & Analysis

Management Discussion & Analysis forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

a) 39th Annual General Meeting

Date and Time	:	29 th September, 2018 10.30 AM
Venue	:	AMITABH, E-23, Bungalow Road, Kamla Nagar, Delhi 110 007.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 29th, 2018.

b) Financial Calendar

Financial Year : 1st April to 31st March

For the year ended 31st March 2018 the quarterly results were announced as under:-

1 st Quarter ended 30 th June 2017	:	14 th September, 2017
2 nd Quarter ended 30 th September 2017	:	13 th December, 2017
3 rd Quarter ended 31 st December 2017	:	12 th February, 2018
4 th Quarter ended 31 st March 2018	:	30 th May, 2018

For the year ending 31st March 2019, the schedule of announcement of results is as under:-

1 st Quarter ended 30 th June 2018	:	13 th August, 2018
2 nd Quarter ending 30 th September 2018	:	Second week of November, 2018
3 rd Quarter ending 31 st December 2018	:	Second week of February, 2019
4 th Quarter ended 31 st March 2019	:	Last week of May, 2019

c) Book Closure Date

From 23rd September 2018 to 29th September 2018 (both days inclusive)

d) Dividend Payment Date : No Dividend declared during the FY 2017-18.

e) Listing of Equity Shares : BSE Ltd.

The listing fee has been paid up to date to : BSE Limited.

f) (i) Stock Code/Security Code : BSE Limited (BSE): 530545

(ii) Demat ISIN Numbers in NSDL & CDSL : Equity Shares - INE 949B01018

Stock Market Price Data: High low quotations on the Bombay Stock Exchanges during each month for the year 2017 - 2018 & performance in comparison to BSE Index:

Months	Market Price*		BSE Index**	
	High (₹)	Low (₹)	High	Low
April, 2017	308.55	243	30184.22	29241.48
May, 2017	297	247	31255.28	29804.12
June, 2017	410.1	291.1	31522.87	30680.66
July, 2017	349	297.1	32672.66	31017.11
August, 2017	360	288.05	32686.48	31128.02
September, 2017	356.2	276	32524.11	31081.83
October, 2017	316.45	280	33340.17	31440.48
November, 2017	319.9	280	33865.95	32683.59
December, 2017	442.9	270	34137.97	32565.16
January, 2018	438	362	36443.98	33703.37
February, 2018	410.95	319	36256.83	33482.81
March, 2018	370	320	34278.63	32483.84

Shareholding Pattern as on 31st March, 2018

Category of Shareholder	No. of Shares held at the end of the year (March 31 st , 2018)	
	Total No. of Shares	% of Total Shares
A. Promoter's		
(1) Indian		
a) Individual/HUF	1,464,800	35.21
b) Central Govt.	-	-
c) State Govt.(s)	-	-
d) Bodies Corp.	1,655,000	39.77
e) Banks/Fl	-	-
f) Any other	-	-
Total Shareholding of Promoter (A)	3,119,800	74.98
B. Public Shareholding		
(1) Institution		
a) Mutual Funds	-	-
b) Banks/Fl	-	-
c) Central Govt.	-	-
d) State Govt.(s)	-	-
e) Venture Capital Funds	-	-
f) Insurance Companies	-	-
g) Flls	-	-
h) Foreign Venture Capital Funds	-	-
i) Others (specify)	-	-
Sub-Total (B)(1):-	-	-
2. Non-Institutions		
a) Bodies Corp.		
i) Indian	217,654	5.23
ii) Overseas	-	-
b) Individuals		
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	505,163	12.14
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	259,546	6.24
c) Others (specify)		
Non Resident Indians	33,329	0.08
Overseas Corporate Bodies	-	-
Hindu Undivided family	23,692	0.57

Foreign Nationals	-	-
Clearing Members	1,816	0.04
Trusts	-	-
Foreign Bodies - D R	-	-
Sub-total (B)(2):-	1,041,200	25.02
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,041,200	25.02
C. Shares held by Custodian for GDRs & ADRs	-	-
Grand Total (A+B+C)	4,161,000	100

Distribution of Shareholding as on 31st March, 2018

Share holding Nominal Value (₹)	Number of Shareholders	% to Total Numbers	Share holding Amount (₹)	% to Total Amount
1	2	3	4	5
Up To 5,000	2300	91.34	2,342,260	5.60
5001 To 10,000	83	3.3	649,860	1.56
10,001 To 20,000	47	1.87	742,350	1.78
20,001 To 30,000	22	0.87	554,970	1.33
30,001 To 40,000	5	0.2	176,380	0.42
40,001 To 50,000	9	0.36	404,210	0.97
50,001 To 1,00,000	11	0.44	835,670	2.01
1,00,000 and Above	41	1.63	35,904,300	86.29
Total	2518	100	41,610,000	100

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity: **NIL**

Commodity price risk or foreign exchange risk and hedging activities: **NIL**

Dematerialization of Shares and Liquidity

The Shares of the Company are traded in Demat mode. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL). The shares of the Company were dematerialized w.e.f. 27th November 2000. Approx. 98.07 % of the Equity Shares of the Company have been dematerialized as on March 31st 2018.

REGISTRAR AND TRANSFER AGENTS

Securities Transfer work in respect of both Physical and Demat segment are handled by the Registrar and Share Transfer Agents (R & TA) of the Company for all aspects of investor servicing relating to shares

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

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

**Plant Location:**

The Factory is situated at : 1688-2/31, Railway Road, Near Railway Station, Gurugram
122001 (Haryana)
Phones: 91-124-2251781, 2251782, 2251783
Email: gurgaon@cosco.in

Address for Correspondence :

For Share Transfer/Demat of Share : M/s Skyline Financial Services Pvt. Ltd.,
or any other query relating to Shares : D-153/A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi- 110020.
Ph. 91-11- 40450193 to 97, Tele-Fax: 91-11- 26812683,
E-mail ID : admin@skylinerta.com.

Status of compliances of Non mandatory requirements

1. The Board: The Company is headed by Managing Director and CEO.
2. The Auditors' Report on statutory Financial Statements of the Company is unqualified.
3. M/s PARM & SMRN, the internal auditors of the Company, make presentations to the audit committee on their reports.

The Company has not adopted the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) except as stated hereinabove.

ANNEXURE 'E2'
(Forming Part of the Directors' Report)

CERTIFICATE BY PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Cosco (India) Ltd.

1. We have examined the compliance of conditions of corporate governance by Cosco (India) Ltd., for the year ended on 31.3.2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations read with schedule V for the period to 31st March, 2018.
2. The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Listing Regulations as applicable.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 13th August, 2018
Place: New Delhi



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31st, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Executive Directors, Chief Financial Officer, Company Secretary and employees in the Executive cadre as on March 31st, 2018.

Date: 13th August, 2018
Place: New Delhi

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

**CEO and CFO Certification
COMPLIANCE CERTIFICATE
(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To,
The Board of Directors
Cosco (India) Limited
2/8, Roop Nagar
Delhi-110007

Dear Members of the Board,

We, Devinder Kumar Jain, Managing Director and Chief Executive officer and Pankaj Jain Whole Time Director and Chief Financial Officer of Cosco (India) Limited to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow statement of the Company for the year and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit committee:
 - a. that there are no significant changes in internal control over financial reporting during the year;
 - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. that there are no instances of significant fraud of which we have become aware.

By order of the Board of Directors

Registered Office:
2/8, Roop Nagar,
Delhi 110008

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Pankaj Jain
Whole Time Director and CFO
DIN : 00190414

ANNEXURE - 'F'

(Forming Part of the Directors' Report)

MANAGEMENT DISCUSSION AND ANALYSIS (MD & A)

This may be read in conjunction with the Directors' Report

Economic Scenario

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 lower than 7.1% in FY 2016-17 due to the impact of demonetization and implementation of GST. Consumer sentiments were subdued for most of the financial year. The implementation of GST will create a single marketplace, enabling supply chain efficiencies over the long-term however the first year of its implementation, as anticipated, witnessed disruptions in supply chain, working capital constraints and greater compliance responsibility, especially for small and medium enterprises. The GST has been successfully implemented and processes under GST are being streamlined gradually. The GDP is expected to grow 7.3 per cent in 2018-19 as the economy is gradually picking up.

According to the International Monetary Fund, Global Output grew by 3.9% during the calendar year 2017 compared to a growth of 3.2% during the calendar year 2016. The majority of the world's economic growth will continue to be derived from the emerging markets, particularly in Asia. India continues to be the front runner. There is a pickup in global trade flows and a rise in global commodity prices, particularly crude oil & petroleum and metal prices.

The Government firmly pushed ahead its reform agenda by putting in place and implementation of GST, the Indian Bankruptcy Code and Real Estate Regulations (RERA), among others. Taking note of these developments, Moody's raised India's rating from the lowest investment grade of Baa3 to Baa2 and changed the outlook from stable to positive in November 2017. This was India's first rating upgrade in 14 years..

Industry Structure and Developments

India's Export of Indian Sports Goods and Toys remained stagnant. As per data based on the export returns submitted by its members, compiled by The Sports Goods Export Promotion Council, the export of sports goods & toys for the year 2017-18 has been recorded as ₹ 1079.35 crs (USD 166.98 million) compared to ₹ 1095.33 Crores during 2016-17 with marginal decline of -1.46% in ₹ terms and growth of 2.22% in USD terms. As per DGCIS figures, the export of sports goods for the year 2017-18 is USD 232.80 million (₹ 1500.18 crs) compared to USD 224.83 million during the previous year registering a growth of 3.54%.

The main items exported from India were Inflatable Balls, Inflatable Balls Accessories, Sports Nets, Athletic Goods (General Exercise Equipments), boxing equipments, toys and games, Protective Equipment, Cricket Equipment, Sportswear, carom boards and hammock. The main export destinations were United Kingdom, Australia, USA, Germany, South Africa, France, New Zealand, Canada. India has emerged as one of the preferred international sourcing destination for inflatable balls and other sports goods for leading international brands.

India's share of Sports Goods in the global market is quite low. Foreign Brands and overseas manufacturers/suppliers from China and other countries are having edge over Indian manufacturers. Sports Goods Industry in India has been predominantly in small and tiny sector based on manual processes. The main clusters of sports goods industry in India are in and around, Gurgaon, Jalandhar and Meerut. Sports Goods Industry in India is thriving for skilled & talented workforce.

Sports Industry in India needs Technological Upgradation, Setting up of composite sports clusters equipped with technical and logistics support of international standards and JVs with global Industry leaders. The Industry needs to diversify its product range and should go in for the production of Hi-tech sports items and physical equipment(s). The Indian Sports Goods Industry is gradually moving towards mechanization on a reasonable scale for increasing productivity and competitiveness of Indian Sports Goods Sector. The Industry is gradually adapting new technology to keep up with the changing global trends.

Development of Sports Sector in India has been lagging due to inadequate infrastructure. Budgetary allocations for Development of Sports in India have been quite less compared to the expenditure on sports by developed countries. Govt. of India and State Governments are gradually increasing budgetary allocations for Sports and taking progressive policy initiatives to promote Sports and Sports Industry. The sports goods industry has potential for employment, growth and export.

Opportunities & Threats, Risks and Concerns:

The youth India is taking keen interest across diversified Sports and the popularity of sports is increasing among the masses. Girls and Women are actively participating in Sports events. Awareness about Health & Fitness is ever growing across all age groups. The domestic market for Sports Goods and Health equipments etc. is set to grow further with these developments. New Markets and Overseas buyers, who are also looking for alternate sources of supply in addition to China and developing countries need to be explored for Exports. The Sports Industry in India has some good quality manufacturing units and skilled manpower base.

The company manufactures mainly Sports Balls and deals in wide range of Sports Goods and Fitness Equipments. It has tie ups and arrangements with reputed international and Domestic manufacturers /suppliers. The Products are marketed mainly under 'Cosco Brand', which is well recognized in the Domestic Market. The Company has network of branches, distributors and about 775 authorized dealers in India and is one of the leading and most organized Indian Company in Sports Industry. The Company on continuous basis upgrades the quality of its products with in-house R & D. The products manufactured/traded by the company conform to International Standards. The company has immense potential to leverage upon its brand, accreditation and quality to increase sales and profitability.

Segment-wise product-wise performance

The Company's products segments are classified broadly into two segments viz

- Own manufactured products viz Sports Balls
- Traded Goods viz Fitness Equipments and other sports goods.

The segment wise performance and relevant information is given in Notes on the Financial Statements (Refer Note No. 35 of Notes on the Financial Statements Segment Information)

Outlook

The Financial year 2018-19 could well be the period that is likely to witness economic upsurge. The improvement in growth conditions in the second half of FY 2017-18 indicates normalisation of the supply chain, which was disrupted on account of demonetisation and GST implementation. Economic indicators of the first quarter of the current year are quite encouraging.

There is ever growing awareness about Sports and Fitness among the urban as well as rural population, which will further boost this product segment in India. Private Gymnasiums are growing at faster pace. Many multinational organizations have in-house gymnasiums or sponsor their staff for sports and fitness activities and/or organize intra-office sports events. The Government and Sports Organizations are taking initiative to promote Sports and are endeavoring for organizing more Sporting events in India. More Sports events on the lines of IPL are being organized in India across different sports segments. The company see promising future of Sports and Health & fitness in India.

Threats

1. Competition from Global Brands and their popularity amongst Indian consumers;
2. Infringement of Company's Brand and Trade mark by grey market operators;
3. Skilled Manpower constraints & rising manpower costs;
4. Infrastructure constraints for development of Sports;

Internal control systems and their adequacy.

The internal control systems of the Company provide for policies, guidelines, authorizations and approval procedures. Your Company has in place adequate internal control systems and procedures commensurate with size and nature of its business. All the transactions are properly authorized, recorded and reported to the Management. The Company has appointed Internal Auditors who conduct Internal Audit periodically. Audit Committee reviews Internal Audit Reports and adequacy of internal controls for ensuring checks and balances and that internal control systems are properly followed. The system of internal financial control ensures that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Board has taken note of the observations of the Auditors for improvement in certain areas of Internal Financial Controls and Scope of Internal Audit, which have been dealt in the main Directors Report under the head Independent Auditors' Report. Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.



The company is following the applicable Accounting Standards and has prepared financial statements for the year ended 31.03.2018 in accordance with Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the Accounting Standards (Previous GAAP).

Discussion on financial performance with respect to operational performance.

The relevant information is given in the Directors' Report under headings Financial Results, Company's Performance and State of Affairs for Financial Year 2017-18 read with the Financial Statements.

Material developments in Human Resources/Industrial Relations

The management believes that Human Resources is the driving force towards progress of the Company and regards it as its most valuable asset. The thrust of the Company is to create responsive and market driven organization. The Management believes in trust, transparency and teamwork. The Company seeks to motivate and provide opportunities to its personnel to grow with the organization. Your company has a total strength of about 403 employees as on 31.03.2018. The relations with employees remained cordial and satisfactory during the year under review. Your Directors are thankful for the confidence reposed by all associated with the Company and their continued support .

ANNEXURE - 'G'

(Forming Part of the Directors' Report)

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013

1. **A brief outline of the company's CSR policy including the statement of intent reflecting the ethos of the company, broad areas of CSR interest and an overview of activities proposed to be undertaken.**

The CSR initiatives of the Company aim towards inclusive development of communities through a range of social interventions, enhancing skills and building social infrastructure to improve their livelihood. Our CSR approach focuses on development of communities around the area of the Registered Office State Delhi.

In first year of CSR Policy Programme our company is focusing on areas of Education.

2. **The web-link to the CSR Policy.**

http://www.cosco.in/uploads/investors/corporate_social_responsibility_policy_1499423528.pdf

3. **Composition of the CSR Committee.**

Corporate Social Responsibility committee

Name	Designatio
Ms. Nisha Paul	Chairperson/Independent Director/Non Executive Director
Shri. Devinder Kumar Jain	Member/ Mg. Director and CEO
Mr Pankaj Jain	Member/ Executive Director (WTD)
Mr. Neeraj Jain	Member/Executive Director (WTD)

4. **Average Net Profit of the company for last 3 financial years. :**

₹ 522.14 Lakhs

5. **Threshold Limit-(2% of this amount as in 4 above)**

₹ 10.44 Lakhs

6. **Details of CSR activities/projects undertaken during the year:**

a. Total amount to be spent for the Financial year 2017-18 : ₹ 11.51 Lakhs :

b. Amount carried forward from earlier years: Nil

c. Amount carried forward for the year: Nil

d. Amount spent during the year as below:

1.	2	3	4	5	6	7	8
Sr No.	CSR project/ activity identified	Sector in which the Project is covered	Project/Programmes 1. Local area /others- 2. specify the state/district (Name of the District/s, State/s where project/programme was undertaken	Amount outlay (budget) project / programme wise	Amount spent on the project / programme Subheads: 1. Direct expenditure on project 2. Overheads	Cumulative spend upto to the reporting period.	Amount spent Direct / through implementing agency
1.	Developing infrastructure for Education interalia constructing and upgrading school building and provisions for hostel accomodation and educational equipments and allied infrastructure.	Education	Local Area in the State of Delhi	₹ 11.51 Lakhs (Part-financing)	₹ 11.51 Lakhs	₹ 11.51	Amount spent through-Shree Atma Vallabh Jain Samarak Shikshan Nidhi.

7. In case the company has failed to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, please provide the reasons for not spending the amount. Not Applicable.
8. The Corporate Social Responsibility Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Ms. Nisha Paul
Chairperson CSR Committee
DIN : 00325914

Registered Office:
2/8, Roop Nagar,
Delhi 110007

INDEPENDENT AUDITOR'S REPORT

To the members of Cosco (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Cosco (India) Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss and the cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31 March 2018 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

- Ø Attention is drawn to the Note No. 7.2 & 7.4 regarding non moving inventories, Note No 8.2 regarding provision for expected credit loss, Note No 11.1 regarding land compensation receivable, Note No. 18.1 trade payable to MSME, Note No 19.1(b) regarding other liabilities, and Note No 42.2 regarding value of investment in erstwhile subsidiary of company.
- Ø The Internal Audit system of the company needs to be strengthened in scope, coverage and compliance.

Our opinion is not qualified in respect of these matters

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
- II. 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, statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
 - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For V. P. Jain & Associates
Chartered Accountants
Firm's registration number: 015260N

Swati Madan
Partner
Membership number: 521697

Place: New Delhi

Date: 30th May 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company and certificate provided by the bank, the title deeds of immovable properties are held in the name of the Company. Original copy of title deed has not been produced as the same is deposited as security with bank under loan agreement as confirmed by the management & Bank.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at the end of the year by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans and made any investment within the meaning of section 185 & 186 of the Act. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanation given to us, the company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) It has been certified by the management that company is not required to maintain the cost records prescribed under sub section (1) of the section 148 of the companies Act, 2013, since the same has not been specified by the Central Government. We have relied upon the assertions of the management.
- (vii) In respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, 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 other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited as at 31.03.2018 on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government during the year.
- (ix) The company has not obtained any term loan during the year, so this para of 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 give 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 V. P. Jain & Associates
Chartered Accountants
Firm's registration number: 015260N**

**Swati Madan
Partner
Membership number: 521697**

Place: New Delhi
Date: 30th May 2018

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Cosco (India) Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, except in certain areas as stated below an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

- Ø Inventory Levels : needs to be monitored more effectively.
- Ø The documentation and MIS : need improvement in respect of Annual procurement & Expense budget, Procurement Budgeting & Planning of Traded Goods, Quotation Management, Negotiation & Selection, Contract labour management,
- Ø Dealers selection and Appointment: needs improvement to prevent appointment of non credit worthiness dealer.
- Ø HR (attendance monitoring & performance review): needs improvement w.r.t. modification of attendance sheet to prevent excess payment of salary.
- Ø Fixed Assets Physical verification: needs improvement to see all items of fixed assets are physically verified in scale of 3 years.

**For V. P. Jain & Associates
Chartered Accountants
Firm's registration number: 015260N**

**Swati Madan
Partner
Membership number: 521697**

Place: New Delhi
Date: 30th May 2018



BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹ Lacs)

	NOTE NO.	AS AT 31 st MARCH, 2018	AS AT 31 st MARCH, 2017	AS AT 1 st APRIL 2016
I. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3A	559.29	599.66	501.09
(b) Other Intangible Assets	3B	3.91	2.11	4.53
(c) Capital Work in Progress	3C	2.57	1.87	0.48
(d) Financial Assets				
i) Others	4	49.73	37.37	26.21
(e) Deferred Tax Assets (Net)	5	45.23	22.74	26.57
(f) Other Non-Current Assets	6	8.26	16.10	3.66
(2) Current Assets				
(a) Inventories	7	4,977.55	4,598.65	4,738.31
(b) Financial Assets				
i) Trade Receivables	8	2,425.68	2,034.70	1,917.07
ii) Cash & Cash Equivalents	9	243.46	633.14	91.60
iii) Current Investments	10	-	-	2.94
iv) Others	11	193.35	195.58	33.26
(c) Other Current Assets	12	271.12	417.72	424.65
Total Assets		8,780.15	8,559.64	7,770.37
II. EQUITY AND LIABILITIES				
(1) Equity				
a) Share Capital	13	416.10	416.10	416.10
b) Other Equity	14	3,029.39	2,605.08	2,060.61
(2) Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	15	1,400.00	1,400.00	1,409.76
b) Provisions	16	72.62	65.20	56.89
(3) Current Liabilities				
a) Financial Liabilities				
i) Short Term Borrowings	17	2,739.30	2,754.36	2,594.53
ii) Trade Payables	18	473.49	522.48	555.43
iii) Others	19	445.47	565.84	534.15
b) Other Current Liabilities	20	62.77	99.91	95.58
c) Income Tax Liabilities (Net)	21	82.54	78.82	-
d) Provisions	22	58.47	51.85	47.32
Total Equity & Liabilities		8,780.15	8,559.64	7,770.37

Significant Accounting Policies
Notes on Financial Statements
As per our report of even date.

FOR V.P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 015260N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

C.A. SWATI MADAN

Partner
Membership No. 0521697

PANKAJ JAIN

Whole Time Director and CFO
DIN : 00190414

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No. A33371

PLACE : New Delhi
DATED: 30th May, 2018



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH , 2018

(Amount in ₹ Lacs)

	NOTE NO.	FOR THE YEAR ENDED 31 st MARCH, 2018	FOR THE YEAR ENDED 31 st MARCH, 2017
I. Revenue from operations	23	12,622.94	13,653.42
II. Other Income	24	53.97	120.83
	III. Total Revenue (I+II)	12,676.91	13,774.25
IV. Expenses :			
(a) Cost of materials consumed	25	2,194.53	2,003.66
(b) Purchase of Stock-in-Trade	26	5,940.62	6,400.81
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(495.26)	275.58
(d) Employee benefit expense	28	1,376.00	1,342.89
(e) Financial costs	29	394.80	373.00
(f) Depreciation	30	100.89	100.24
(g) Other expenses	31	2,538.27	2,651.73
	Total Expenses	12,049.85	13,147.91
V. Profit before exceptional items and Tax		627.06	626.34
VI. Exceptional Items - charge / (income)	32	-	(163.64)
VII. Profit before Tax	(V-VI)	627.06	789.98
VIII. Tax Expenses :			
Current Tax	33	260.56	213.77
Earlier Year Taxation		-	10.70
Deferred Tax	5	(26.52)	9.52
IX. Profit for the period from continuing operations		393.02	555.99
X. Other Comprehensive Income, net of Income Tax			
(i) Items that will not be reclassified to profit or loss		12.20	(17.21)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.03)	5.69
		8.17	(11.52)
Total Comprehensive Income for the year		401.19	544.47
Earnings per Equity Share (Face Value ₹10)	34		
Basic		9.45	13.36
Diluted		9.45	13.36

Significant Accounting Policies
Notes on Financial Statements
As per our report of even date.

1 to 45

**FOR V.P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF BOARD OF DIRECTORS

FIRM'S REGISTRATION NO. : 015260N

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SUDHA SINGH
Company Secretary
Membership No. A33371

PLACE : New Delhi
DATED: 30th May, 2018



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

A. Equity Share Capital:		No. of shares	₹ in Lacs
Issued, subscribed and fully paid up (Share of ₹10 each)		4,161,000	416.10
At 1 st April, 2016		-	-
Increase / (Decrease) during the year		-	-
At 31st March, 2017		4,161,000	416.10
Increase / (Decrease) during the year		-	-
At 31st March, 2018		4,161,000	416.10

B. Other Equity:		(Amount in ₹ Lacs)			
Particulars	Reserve & Surplus			Other Comprehensive Income Remeasurement of defined benefit obligations	Total
	General Reserve	Securities Premium	Retained Earnings		
Balance as at April 1st, 2016	1,125.17	312.30	628.78		2,066.25
Changes in accounting policy / prior period errors	-	-	(5.64)		(5.64)
Restated balance at the beginning of the reporting period	1,125.17	312.30	623.14		2,060.61
Profit for the year	-	-	555.99		555.99
Other comprehensive income for the year	-	-	-	(11.52)	(11.52)
Balance as at March 31st, 2017	1,125.17	312.30	1,179.13	(11.52)	2,605.08
Prior period adjustments	-	-	23.12		23.12
Restated balance at the beginning of the reporting period	1,125.17	312.30	1,202.25	(11.52)	2,628.20
Profit/(loss) for the year	-	-	393.02		393.02
Other comprehensive income for the year	-	-	-	8.17	8.17
Balance as at March 31st, 2018	1,125.17	312.30	1,595.27	(3.35)	3,029.39

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR V.P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 015260N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

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SUDHA SINGH
Company Secretary
Membership No. A33371

PLACE : New Delhi
DATED: 30th May, 2018



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

(Amount in ₹ Lacs)

	YEAR ENDED 31 st March, 2018	YEAR ENDED 31 st March, 2017
A. Cash Flow from Operating Activities :		
Net Profit before tax	627.06	789.98
Adjustments to reconcile profit before tax to cash provided by operations :		
Depreciation	100.89	100.24
Finance Cost	376.32	342.83
Loss on sale of Assets	0.14	-
Assets written off	0.44	-
Other Comprehensive Income	12.20	(17.21)
Bad & Doubtful Advances Provided	-	2.00
Deferred Tax adjustment for Previous year	-	13.51
Deferred Tax Liability on Other Comprehensive Income	(4.03)	5.69
Adjustment relating to Prior Period Expenses	23.12	(5.64)
Land Compensation Claim Received	-	(158.72)
Interest Income	(0.04)	(40.73)
Profit on sale of Assets	-	(4.92)
Provision for Bad & Doubtful Debt W/back	(2.00)	-
Operating Profit before Working Capital Changes	1,134.10	1,027.02
Movements in Working Capital :		
(Increase) / Decrease in Trade and Other Receivables	(390.98)	(131.14)
(Increase) / Decrease in Inventories	(378.90)	139.67
(Increase) / Decrease in Loans and Advances	123.81	(177.16)
Increase / (Decrease) in Trade Payables	(48.99)	(32.95)
Increase / (Decrease) in Other Current Liabilities	(574.21)	217.00
Cash Generated from Operations	(135.17)	1,042.44
Direct Taxes Paid	234.04	233.99
Net Cash (used in) / Flow From Operating Activities	(369.21)	808.45
B. Cash Flow from Investing Activities :		
(Purchase) of Fixed Assets	(64.16)	(198.74)
Sale of Fixed Assets	0.57	164.57
Sale of investments	-	2.95
Interest Received	0.04	40.73
Net Cash Flow from / (used in) Investing Activities	(63.55)	9.51
C. Cash Flow from Financing Activities :		
Proceeds From Borrowings	419.41	66.41
Interest Expenses	(376.33)	(342.83)
Net Cash used in Financing Activities	43.08	(276.42)
Increase in Cash and Cash Equivalents (A+B+C)	(389.68)	541.54
Cash and Cash equivalents as at 31.03.2017	633.14	91.60
Cash and Cash equivalents as at 31.03.2018	243.46	633.14

As per our report of even date

**FOR V.P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS**

FIRM'S REGISTRATION NO. : 015260N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

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Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No. A33371

PLACE : New Delhi

DATED: 30th May, 2018



NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Corporate information

Cosco (India) Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the erstwhile Companies Act 1956. The registered office of the Company is located at 2/8, Roop Nagar, New Delhi, India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacture and sale of sports goods and trading of Health Equipment and Fitness Accessories. The company has one manufacturing location, situated in the state of Haryana at Gurugram.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and compliance with Ind AS

(i) For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the Accounting Standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013. In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2017 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2018. These financial statements as and for the year ended March 31, 2018 (the "Ind AS Financial Statements") are the first financial statements, the Company has prepared in accordance with Ind AS.

(ii) The Company had prepared a separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company on May 30, 2017 and May 30, 2016 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special Purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

(iii) These financial statements were approved for issue by the Board of Directors on May 30, 2018.

(iv) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Non - monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.2 Current versus non-current classification

All assets and Liabilities have been classified as current or non-current considering the operating cycle of 12 months.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

2.3 Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

2.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and / or disclosed in these financial statement is determined on such a basis.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows;

level I - III

Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date, a quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exception. If an entity hold a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- Input other than quoted prices that are observable for the assets or liabilities, for example – interest rate and yield curve observable at commonly quoted interval.
- implied volatility.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').

Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lacs.

2.6 Property, Plant and Equipment**(i) Property, plant and equipment**

The Company has applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2016.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred.

Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in Statement of Profit & Loss.

(ii) Capital work in progress

Assets in the course of construction are transferred to Capital Work in Progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction.

(iii) Depreciation

The Company depreciates property, plant and equipment over the useful life as prescribed in Schedule II of the Companies Act, 2013 on the Written Down Value method on pro rata basis (completed month of use) from the date the assets are ready for intended use. Assets in the course of construction and freehold land are not depreciated.

The estimated useful lives of assets are as follows:

- Buildings 30-60 years
- Plant and equipments 15 years
- Furniture and fixtures 8 -10 years
- Vehicles 8 - 10 years
- Office equipments 3 - 6 years
(Including computer software)

2.7 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

2.8 Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of the cash generating unit to which the assets belongs. Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss recognized immediately in the Statement of Profit & Loss.

2.9 Cash and Cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

(i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets or issue of financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement of financial assets:

For purposes of subsequent measurement, financial assets are classified in four categories and measured as under:

- (a) Debt instruments at amortised cost.
- (b) Debt instruments at fair value through other comprehensive income (FVTOCI).
- (c) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI).
- (a) A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:
 - (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
 - (ii) Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.
- (b) A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:
 - (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
 - (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the profit or loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.
- (c) FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.
- (d) All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

(iii) Derecognition of Financial Assets :

The Company derecognises a financial asset when and only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and Loss on disposal of that financial asset.

(iv) Impairment of financial assets:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance, the application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

(v) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

(vi) Derecognition of financial liabilities

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

2.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value. Costs comprises as follow:

- (i) Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- (ii) Finished goods: Cost includes cost of conversion. The cost of conversion has been worked out for all the products on the basis of weighted average cost derived by preparing the manufacturing account wherein 50% of the fixed production overheads are allocated to the units of production having regard to capacity utilisation which is reviewed after three years and accordingly allocation of overheads is made.
- (iii) Work-in-progress: Work-in-progress is valued at direct cost plus cost of conversion (weighted average cost). The indirect expenses have been allocated on the proportionate basis of raw material lying in work-in-progress to total raw material consumed.
- (iv) Net realisable value is the list selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- (v) In the case of Synthetic Panel Sets the net realisable value of synthetic balls is taken and from the NRV, the cost of conversion of panel sets to balls is reduced there from to arrive at the cost.
- (vi) The net realizable value of the finished goods in respect of export surplus balls has been determined consistently as under:

Stock lying for less than two years	:	List price
Stock lying more than two years but less than five years	:	List price less 25%
Stock lying more than five years	:	List price less 40%
- (vii) For trading goods cost means direct cost incurred to bring inventory at intended place.

2.13 Retirement Benefits

Company follows INDAS-19 as detailed below:-

- (a) Short-term benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- (b) Company provides bonus to eligible employees as per Bonus Act 1965 and accordingly liability is provided on actual cost at the end of the year.
- (c) Provident Fund:
The eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.
- (d) The Company has an obligation towards gratuity liability in respect of Employees who have completed two years of service (other than directors in the whole time employment of the company) below 60 years of age is fully covered under the Group Gratuity Scheme of Life Insurance Corporation of India. Amount paid to the trust/LIC has been charged to Statement of Profit and Loss. In respect of directors, gratuity is provided during the year on actuarial valuation basis. The plan provides for a lump sum payment to employees at retirement/determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of ₹ 20 Lacs.
Company's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

2.14 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking in to account contractually defined terms of payment excluding others taxes or duties collected on behalf of the government. In respect of following source(s) revenue is recognised as per following criteria:

- (a) Export sales are recognized on the basis of date of bill of lading.
- (b) Export entitlements i.e. duty free scrip and duty draw back are accounted for on the basis of export of goods on FOB value determined for custom purpose.
- (c) Interest Income is recorded on time proportion basis using the effective rate of Interest (EIR).
- (d) Income from Value of licence granted by DGFT subsequent to the date of Balance Sheet, on account of exports made is accounted for in terms of IndAS-18.

2.16 Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses including unabsorbed depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Service Tax/Sales Tax/ value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the amount of GST/sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT): MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.17 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.18 Foreign Currency Transactions

Foreign Currency Transactions involving export sales are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the customs rate on the date of dispatch of goods. The difference between the rates recorded and the rates on the date of actual realization is transferred to difference in exchange fluctuation account. At the year end, the balances are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the exchange fluctuation account. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated.

2.19 Earning per shares

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.20 Segment Reporting

As per IND AS-108 "Segment Reporting" the company has identified two segments viz. Own Manufactured Products and Traded Goods.

(a) Assets and Liabilities:

All Segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of PPE, inventories, trade receivable, financial assets and operating cash and bank balances. Segment assets and liabilities do not include inter-corporate deposits, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).

(b) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

2.21 Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.

2.23 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

2.24 Use of estimates and judgments

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which is known/materialised.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Property, Plant and Equipments –
- (ii) Intangible assets -
- (iii) Taxes on income -
- (iv) Retirement and other employee benefits -

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

3A. PROPERTY, PLANT AND EQUIPMENT

SR. No.	DESCRIPTION	GROSS BLOCK OF ASSETS (AT COST OR DEEMED COST)			ACCUMULATED DEPRECIATION			NET BLOCK BALANCE AS AT 31st Mar, 2018
		BALANCE AS AT 1st Apr, 2017	ADDITIONS	DISPOSALS	BALANCE AS AT 31st Mar, 2018	CHARGE FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	
1.	Freehold Land (Refer note 3.1)	3.25	-	-	3.25	-	-	3.25
2.	Buildings - Factory	49.65	-	-	49.65	4.11	-	40.98
3.	Buildings - Other than Factory	242.81	8.44	-	251.25	12.77	-	225.86
4.	Temporary Shed	4.20	3.74	0.14	7.80	1.70	0.14	4.10
5.	Plant and Equipments (Refer note 3.2)	188.23	18.00	-	206.23	28.17	-	155.28
6.	Laboratory Equipment	7.33	-	-	7.33	1.15	-	4.55
7.	Electric Machinery	30.37	5.12	0.98	34.51	6.07	0.80	25.07
9.	Office Equipments	15.47	6.36	1.24	20.59	5.74	1.14	11.17
8.	Computer	10.01	3.57	4.09	9.49	4.76	4.07	4.89
10.	Furniture and Fixtures	11.96	0.78	2.48	10.26	2.26	2.32	8.14
11.	Vehicles	111.83	14.21	10.21	115.83	32.70	9.51	76.00
	Total	675.11	60.22	19.14	716.19	99.43	17.98	559.29

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)
Previous Year

SR. No.	DESCRIPTION	GROSS BLOCK OF ASSETS (AT COST OR DEEMED COST)				ACCUMULATED DEPRECIATION			NET BLOCK BALANCE AS AT 31st Mar. 2017
		BALANCE AS AT 1st Apr. 2016	ADDITIONS	DISPOSALS	BALANCE AS AT 31st Mar. 2017	BALANCE AS AT 1st Apr. 2016	CHARGE FOR THE YEAR	DEDUCTIONS/ADJUSTMENTS	
1.	Freehold Land (Refer note 3.1)	3.25	-	-	3.25	-	-	-	3.25
2.	Buildings - Factory	49.65	-	-	49.65	-	4.56	-	45.09
3.	Buildings - Other than Factory	187.80	55.01	-	242.81	-	12.62	-	230.19
4.	Temporary Shed	2.81	1.39	-	4.20	-	2.14	-	2.06
5.	Plant and Equipments (Refer note 3.2)	142.43	49.86	4.06	188.23	-	26.82	4.04	165.45
6.	Laboratory Equipment	7.33	-	-	7.33	-	1.63	-	5.70
7.	Electric Machinery	10.39	19.98	-	30.37	-	4.17	-	26.20
9.	Office Equipments	10.14	5.61	0.28	15.47	-	5.08	0.26	10.65
8.	Computer	4.94	5.27	0.20	10.01	-	4.11	0.20	6.10
10.	Furniture and Fixtures	4.97	6.99	-	11.96	-	2.18	-	9.78
11.	Vehicles	77.38	52.73	18.28	111.83	-	34.02	17.38	95.19
	Total	501.09	196.84	22.82	675.11	-	97.33	21.88	75.45

3.1 The possession of land, belonging to the company, bearing Khasra No.420, total area measuring 1 bigha, 19 biswas and 3 biswansi situated at village Gurgaon, is in dispute and company has filed a suit for getting possession of the same.

3.2 The Company has taken certain plant & equipments on lease from a company under the same management and this machinery as per technical opinion obtained by the company are of immovable nature and permanently attached to the earth.

The Company's future lease rentals under the operating lease arrangements as at the year end are as under :

	31.03.2018	31.03.2017
Future Lease Rentals		
Within 1 year	11.00	11.00
Over 1 year but less than 5 years	11.00	11.00
Amount Charged to Statement of Profit & Loss (as part of rent)	11.00	11.00

The lease term contains an option given to Company to renew the lease or purchase the equipments.

3.3 Computer Software is considered as part of Computers and amortised accordingly on WDV basis according to the rates applicable to Computers as prescribed in Schedule II of the Companies Act, 2013.

3.4 For property, plant and equipment and intangible assets existing as at April 1, 2016 i.e. date of transition to Ind AS, the Company has used previous GAAP carrying value as deemed cost as permitted by Ind AS 101-First time adoption. Accordingly, the net written down value as per previous GAAP as at April 1, 2016 has been considered as deemed cost under Ind AS



NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

3B. INTANGIBLE ASSETS

SR. No.	DESCRIPTION	GROSS BLOCK OF ASSETS (AT COST OR DEEMED COST)				ACCUMULATED DEPRECIATION			NET BLOCK BALANCE AS AT 31st Mar, 2018
		BALANCE AS AT 1st Apr, 2017	ADDITIONS	DISPOSALS	BALANCE AS AT 31st Mar, 2018	CHARGE FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	BALANCE AS AT 31st Mar, 2018	
1.	Computer Software (Refer note 3.3)	5.02	3.26	-	8.28	1.46	-	4.37	3.91
	Total	5.02	3.26	-	8.28	1.46	-	4.37	3.91

Previous Year

SR. No.	DESCRIPTION	GROSS BLOCK OF ASSETS (AT COST OR DEEMED COST)				ACCUMULATED DEPRECIATION			NET BLOCK BALANCE AS AT 31st Mar, 2017
		BALANCE AS AT 1st Apr, 2016	ADDITIONS	DISPOSALS	BALANCE AS AT 31st Mar, 2017	CHARGE FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	BALANCE AS AT 31st Mar, 2017	
1.	Computer Software (Refer note 3.3)	4.53	0.49	-	5.02	2.91	-	2.91	2.11
	Total	4.53	0.49	-	5.02	2.91	-	2.91	2.11

3C. CAPITAL WORK IN PROGRESS

As at April 1,	0.48
As at March 31, 2017	1.87
As at March 31, 2018	2.57

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	ASAT 31st March, 2018	ASAT 31st March, 2017	ASAT 1st April, 2016
4. FINANCIAL ASSETS - OTHERS			
Government and other securities Unquoted			
6 years National Savings Certificate (Non-Trade)	0.05	0.05	0.05
Security Deposits	<u>49.68</u>	<u>37.32</u>	<u>26.16</u>
	<u>49.73</u>	<u>37.37</u>	<u>26.21</u>

4.1 The National Saving Certificate of ₹ 0.05 Lacs in the name of a Director of the Company and the same is pledged with the Sales Tax Authorities, Mumbai.

4.2 Security Deposits Includes ₹ 28.32 lacs (March 31, 2017: ₹ 16.07 lacs; April 1, 2016: ₹ 9.47 lacs) paid as Security of Freight for Import consignments.

5. DEFERRED TAX ASSET

Particulars	For the year ended March 31, 2018			
	As at April 1, 2017	Recognised in		As at March 31, 2018
		Profit & Loss	OCI	
Tax effect of items constituting deferred tax assets				
Property, Plant and equipment	0.76	(1.34)	-	(0.58)
Trade Receivables	18.11	3.02	-	21.13
Other Financial Liabilities	0.75	(0.75)	-	-
Employee retirement benefits	3.12	21.11	(4.03)	20.20
Other Provisions	-	4.48	-	4.48
Total (A)	22.74	26.52	(4.03)	45.23
Tax effect of items constituting deferred liabilities				
Total (B)	-	-	-	-
Deferred Tax Assets (Net)	22.74	26.52	(4.03)	45.23

Particulars	For the year ended March 31, 2017			
	As at April 1, 2016	Recognised in		As at March 31, 2017
		Profit & Loss	OCI	
Tax effect of items constituting deferred tax assets				
Property, Plant and equipment	(0.16)	0.92	-	0.76
Others	16.23	1.88	-	18.11
Other Financial Liabilities	8.92	(8.17)	-	0.75
Employee retirement benefits	1.58	(4.15)	5.69	3.12
Total (A)	26.57	(9.52)	5.69	22.74
Tax effect of items constituting deferred liabilities				
Total (B)	-	-	-	-
Deferred Tax Assets (Net)	26.57	(9.52)	5.69	22.74

6. OTHER NON-CURRENT ASSETS

	ASAT 31st March, 2018	ASAT 31st March, 2017	ASAT 1st April, 2016
Pre Payment Expenses	8.26	16.10	3.66
Unsecured - Considered Doubtful			
Advance for Immovable Properties (Refer Note 6.1)	126.24	126.24	126.24
Advance to Supplier	-	2.00	-
	<u>134.50</u>	<u>144.34</u>	<u>129.90</u>
Less : Provision for Doubtful Advances	<u>126.24</u>	<u>128.24</u>	<u>126.24</u>
	<u>8.26</u>	<u>16.10</u>	<u>3.66</u>

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

- 6.1 Represents advance of ₹126.24 Lacs given to a Builder / Developer Company in earlier years for Immovable Properties. The Builder / Developer Company to whom the amount was advanced, has been acknowledging the advance and has also been assuring to transfer suitable properties of equal value and get the documents of title executed in favour of company. However till date, the Builder / Developer Company has neither transferred any property and / or executed title deed(s) in favour of company nor repaid any amount in spite of the assurances given from time to time. As a matter of abundant precaution the amount has already been fully provided in the year ended 31.03.2013.

	AS AT 31st March, 2018	AS AT 31st March, 2017	AS AT 1st April, 2016
7. INVENTORIES			
(As taken, valued and certified by the Management)			
(a) Raw Material	305.41	385.29	288.96
(b) Work in Progress	426.29	323.12	249.53
(c) Finished Goods	1,260.78	1,045.99	1,135.19
(d) Stock-in-Trade	2,867.71	2,690.41	2,950.37
(e) Stores	117.36	153.84	114.26
	<u>4,977.55</u>	<u>4,598.65</u>	<u>4,738.31</u>

- 7.1 Refer note no.1(C) of Significant Accounting Policies, regarding valuation of inventories.
- 7.2 Non-moving items included in Raw Materials valued at ₹ 1.53 lacs (March 31, 2017 : ₹ 1.26 lacs; April 1, 2016 : ₹ 1.39 lacs), in store valued at ₹ 0.52 Lacs (March 31, 2017: ₹ 0.53 Lacs; April 1, 2016: ₹ 0.56 Lacs) and stock-in trade valued at ₹4.92 Lacs (March 31, 2017; ₹ 4.16 Lacs; April 1, 2016; ₹ 4.41 Lacs) which are valued at scrap value except Finished Goods which are valued at 50% of Net Realisable value as per policy of the company.
- 7.3 Above inventories include Goods In Transit as detailed below :
- | | | | |
|----------------|-------|-------|-------|
| Raw Materials | 0.55 | 30.45 | 3.55 |
| Stock in Trade | 61.77 | Nil | 81.76 |
| Store | 0.65 | Nil | 0.04 |
- 7.4 During the year the defective items of health and fitness equipment and spares of ₹ 10.53 lacs (March 31, 2017 : ₹ 9.25 lacs; April 1, 2016 : ₹ 8.82 lacs) included in stock in trade has been valued at scrap value and inventory of traded goods amounting to ₹ 138.80 lacs (March 31, 2017 : ₹ 139.50 Lacs; April 1, 2016 : ₹ 57.07 Lacs) included above is slow moving and valued at estimated realisable value as certified by the management.
- 7.5 For detail of inventories provided as security for borrowings refer note 17.1.

8. TRADE RECEIVABLES

(a) Trade receivables (exceeding six months)

Unsecured and considered good	78.14	38.03	45.31
Doubtful	63.92	58.61	52.53
	<u>142.06</u>	<u>96.64</u>	<u>97.84</u>
Less : Provision for doubtful debts	63.92	58.61	52.53
	<u>78.14</u>	<u>38.03</u>	<u>45.31</u>

(b) Other trade receivable

Unsecured, considered good	2,347.54	1,996.67	1,871.76
	<u>2,425.68</u>	<u>2,034.70</u>	<u>1,917.07</u>
Current	<u>2,425.68</u>	<u>2,034.70</u>	<u>1,917.07</u>
Non-Current	-	-	-

- 8.1 No debts are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Also, no debts are due from firms or private companies, respectively, against which any director is a partner or a director or a member.
- 8.2 Company has system of creating provision of doubtful debts in outstanding more than 3 years. Company has not made any provision for expected credit loss as the same is not considered to be significant.

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	AS AT 31st March, 2018	AS AT 31st March, 2017	AS AT 1st April, 2016
9. CASH & CASH EQUIVALENTS			
Balances with Banks	235.22	624.87	76.77
Cash on hand	8.24	8.27	14.83
	<u>243.46</u>	<u>633.14</u>	<u>91.60</u>
10. CURRENT INVESTMENT			
<u>In Mutual Fund - Unquoted</u>			
(11,319.211) 11,319.211 units UTI Master Share Unit Scheme (Growth) of ₹ 10 each	-	-	2.90
<u>Other Investments (Non Trade)</u>			
In Equity Shares-Quoted, fully paid-up			
(5,000) 5,000 Antarctica Ltd. of ₹ 1 each	-	-	0.05
Less : Prov. for Diminution in value of Investment	-	-	0.01
	<u>-</u>	<u>-</u>	<u>2.94</u>
Aggregate Cost of Quoted Investments			0.05
Aggregate Market Value of Quoted Investments			0.04
11. OTHER FINANCIAL ASSETS			
Duty Drawback Claim Refundable	1.86	12.16	7.82
Loan to Employee	22.50	13.72	14.94
Product Focus Scheme Receivable	10.25	10.96	10.50
Land Compensation Claim Receivable	158.74	158.74	-
	<u>193.35</u>	<u>195.58</u>	<u>33.26</u>
11.1 Amount of Land Compensation Claim Receivable is on account of enhanced compensation awarded by the court in respect of about 325 sq. yards of factory land acquired by PWD (B&R) Gurgaon. Management has certified that this amount will be received within 12 months of the reporting date.			
12. OTHER CURRENT ASSETS			
(Unsecured and considered good)			
Advances recoverable in cash or in kind or for value to be received :			
Output Tax Receivable	96.26	-	1.99
Advance to Supplier	17.87	12.04	16.74
Advance Against Import	116.94	368.51	206.87
Advance Tax (net of provision of tax)	-	-	167.02
Others Considered good	40.05	37.17	32.03
	<u>271.12</u>	<u>417.72</u>	<u>424.65</u>
12.1 Others include ₹ 0.26 Lacs (March 31, 2017 : ₹ 0.60 Lacs; April 1, 2016 : ₹ 0.80 Lacs) recoverable from directors on account of TDS and Advance against Bonus ₹ 13.55 Lacs (March 31, 2017 : ₹ 15.93 Lacs; April 1, 2016 : ₹ 16.52 lacs).			
12.2 In the opinion of the board, the current assets, loans and advances (Refer Note no. 11 have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.			
13. SHARE CAPITAL			
AUTHORISED			
10,000,000 Equity Shares of ₹10 each	1,000.00	1,000.00	1,000.00
ISSUED, SUBSCRIBED AND PAID UP			
41,61,000 Equity Shares of ₹10 each	416.10	416.10	416.10

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	AS AT 31st March, 2018	AS AT 31st March, 2017	AS AT 1st April, 2016
13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year			
Equity Shares		Numbers	₹ in Lacs
Issued, subscribed and fully paid up			
As at April 1, 2016		4,161,000	416.10
Increase/(Decrease) during the year		-	-
As at March 31, 2017		4,161,000	416.10
Increase/(Decrease) during the year		-	-
As at March 31, 2018		4,161,000	416.10

13.2 Shareholder holding more than 5% Shares in the company :

Name of Shareholder	No.	%	No.	%	No.	%
Navendu Investment Co. Pvt. Ltd.	1,474,000	35.42	14,47,000	34.78	14,47,000	34.78
Pankaj Jain	-	-	2,33,500	5.61	2,33,500	5.61

14. OTHER EQUITY

Securities Premium Reserve	312.30	312.30	312.30
General Reserve	1,125.17	1,125.17	1,125.17
Retained Earning	1,595.27	1,179.13	623.14
Other Comprehensive Income	(3.35)	(11.52)	-
Balance as at the end of reporting period	<u>3,029.39</u>	<u>2,605.08</u>	<u>2,060.61</u>

14.1 Securities Premium Reserve

Where the Company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium account". The company may issue fully paid-up bonus shares to its members out of balance lying in the securities premium account and the Company can also use this reserve for buy-back of shares.

14.2 General Reserve

General reserve is created out of profit earned by the company by way of transfer from surplus in the Statement of Profit & Loss. The Company can use this reserve for payment for dividend and issue of fully paid up shares.

14.3 The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity

15. LONG TERM BORROWINGS

a) Term Loan (Secured)

From NBFC	-	-	9.76
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b) From Related Parties (Unsecured)

(i) Companies	200.00	400.00	400.00
(ii) Directors	1,200.00	1,000.00	1,000.00
	<u>1,400.00</u>	<u>1,400.00</u>	<u>1,409.76</u>

15.1 Out of the total Unsecured Borrowings from related parties aggregating ₹2693.36 lacs (March 31, 2017: ₹2273.95 lacs, April 1, 2016: ₹2197.78 lacs), a sum of ₹1400 lacs (March 31, 2017: ₹1400 lacs, April 1, 2016: ₹1409.76 lacs) has been classified as long term borrowing (s) as per the CMA projections given to the bank for availing credit limits. The balance amount has been considered short term borrowing(s).

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	AS AT 31st March, 2018	AS AT 31st March, 2017	AS AT 1st April, 2016
16. PROVISIONS			
Gratuity	38.32	34.38	30.00
Compensated absence	34.30	30.82	26.89
	<u>72.62</u>	<u>65.20</u>	<u>56.89</u>

16.1. Provision for Gratuity and compensated absence has been made in terms of IND AS-19. Gratuity and compensated absence have been determined by actuary as on 31.03.2018 (for detail refer note 28.3).

17. SHORT TERM BORROWINGS

a) Loan Repayable on Demand (Secured)

Working Capital Loans From Bank

(i) Rupee Loans (Refer note 17.1)	882.26	1,124.49	1,102.40
(ii) Foreign Currency Loans (Refer note 17.1 & 17.2)	563.68	755.92	694.36

b) From Related Parties (Unsecured)

(Refer note no. 15.1)

(i) Companies	198.00	271.59	245.46
(ii) Directors	1,095.36	602.36	552.31
	<u>2,739.30</u>	<u>2,754.36</u>	<u>2,594.53</u>

17.1 Working Capital Loans are secured against hypothecation of all moveable properties including plant & equipments, stocks of raw materials, stores, semi - finished goods, manufactured goods, stock in trade and all book debts, bills and claims receivables. The loans from banks are collaterally secured against equitable mortgage of factory land/building & guaranteed by all Executive Directors.

17.2 The term 'Foreign Currency loan' means Buyer's Credit loan from bank.

18. TRADE PAYABLES

Micro, Small and Medium Enterprises	46.91	84.19	104.90
Others	426.58	438.29	450.53
	<u>473.49</u>	<u>522.48</u>	<u>555.43</u>

18.1 The above information regarding micro, small and medium enterprises have been determined to the extent such parties are identified on the basis of information available with the Company, which has been relied upon by the Auditors.

19. OTHER FINANCIAL LIABILITIES

Salary, Wages & Bonus	97.00	89.74	87.05
Interest Accrued But Not Due	4.35	5.06	2.56
Other Liabilities (Refer note no.19.1)	275.78	398.26	373.29
Security Deposits from Customers	68.34	62.78	57.83
Current Maturity of Secured Long Term Debt	-	10.00	13.42
	<u>445.47</u>	<u>565.84</u>	<u>534.15</u>

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

- 19.1 a) Other Liabilities include ₹ 236.80 lacs (March 31,2017 : ₹342.02 lacs; April 1,2016 : ₹ 313.39 lacs) towards interest payable on Unsecured Short Term Borrowings.
b) include ₹ 6.92 lacs (March 31,2017 : ₹ 1.66 lacs; April 1,2016: ₹ 0.57 lacs) credits pending for identification.
c) include ₹ 15.63 lacs (March 31,2017: ₹ 36.06 lacs; April 1,2016 : ₹ .28.49 lacs) towards Gratuity Fund Payable.

	AS AT 31st March, 2018	AS AT 31st March,2017	AS AT 1st April, 2016
20. OTHER CURRENT LIABILITIES			
Provident Fund & Pension Fund	10.52	11.45	10.88
Income Tax Deducted At Source	36.44	33.60	37.97
Other Statutory Dues	15.81	54.86	46.73
	<u>62.77</u>	<u>99.91</u>	<u>95.58</u>
21. CURRENT LIABILITIES			
Income Tax (Net of advance tax and TDS)	82.54	78.82	-
	<u>82.54</u>	<u>78.82</u>	<u>-</u>
22. PROVISIONS			
a) Provision for Employee Benefits			
Gratuity	40.95	20.53	20.53
Compensated absence	17.52	15.74	13.97
b) Others			
Excise Duty on Closing Stock of finished goods	-	15.58	12.82
	<u>58.47</u>	<u>51.85</u>	<u>47.32</u>

22.1 Excise duty has been replaced by G.S.T w.e.f 01.07.2017 and accordingly Nil amount has been provided for closing stock on finished goods.

22.2 Provision for Gratuity and compensated absence has been made in terms of IND AS-19. Gratuity and compensated absence have been determined by actuary as on 31.03.2018 (for detail refer note 28.3)

	FOR THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH, 2017
23. REVENUE FROM OPERATIONS		
Sale of Products gross of Excise Duty (including trading items & export)	12,563.11	13,535.26
Sale of Services	6.21	5.82
Other Operating Income	53.62	112.34
	<u>12,622.94</u>	<u>13,653.42</u>
23.1 Products		
i) Sports Balls & Latex Bladders for Sports Balls- Manufacturing	4,492.38	4,931.84
ii) Fitness Equipments, T.T., Cricket & other Sports Goods -Trading	8,070.73	8,603.42
	<u>12,563.11</u>	<u>13,535.26</u>
23.2 Revenue from Sale of Products is gross of excise duty for the previous year and gross up of excise duty upto 30.06.2017 and net of GST for the remaining period of current year as GST was implemented from 01.07.2017.		
23.3 Other operating income includes the followings :		
i) Duty Drawback	8.04	21.16
ii) Incentive under Product Focus Scheme	10.25	10.95
iii) Royalty Income (For right to use Cosco Trade mark)	-	32.23
iv) Provision written back for Doubtful Debts	12.67	13.53
v) Provision written back for Excise Duty on Closing Stock of manufactured goods	15.58	12.82
vi) Others	7.08	21.65
	<u>53.62</u>	<u>112.34</u>

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	FOR THE YEAR ENDED 31ST MARCH, 2018		FOR THE YEAR ENDED 31ST MARCH, 2017	
24. OTHER INCOME				
Interest received		0.05		40.73
Other Non-operating Income		<u>53.92</u>		<u>80.10</u>
		<u>53.97</u>		<u>120.83</u>
24.1 Interest Received includes ₹ Nil (March 31, 2017 : ₹ 40.55 lacs;) on account of Interest on Income Tax Refund.				
24.2 Other Non-Operating income includes ₹ 51.92 lacs (March 31, 2017 : ₹ 72.01 lacs;) towards gain in Foreign Exchange Difference and ₹ Nil (March 31, 2017 : ₹ 8.07 lacs;) towards Profit on Sale of Investment and ₹ 2 lacs for Provision for Doubtful Advance Written Back (March 31, 2017 : ₹ Nil;).				
25. RAW MATERIAL CONSUMED				
Rubber		505.23		481.71
Cloth		369.44		378.43
Ball Covering Materials		316.86		336.22
Chemicals & Solvent		450.10		464.34
Nylon Yarn		38.95		42.44
H.T.Labels		60.24		63.38
Accessories, Fevicol and other materials		<u>453.71</u>		<u>237.14</u>
		<u>2,194.53</u>		<u>2,003.66</u>
26. PURCHASE OF STOCK-IN-TRADE				
Health Equipments & Fitness Accessories		2,597.78		3,500.00
T.T. & Cricket Equipments & other Sports Goods		<u>3,342.84</u>		<u>2,900.81</u>
		<u>5,940.62</u>		<u>6,400.81</u>
27. CHANGES IN INVENTORIES				
OPENING STOCKS				
Finished Goods	1,045.99		1,135.19	
Stock-in-Trade	2,690.41		2,950.37	
Work in Progress	<u>323.12</u>	4,059.52	<u>249.54</u>	4,335.10
CLOSING STOCKS				
Finished Goods	1,260.78		1,045.99	
Stock-in-Trade	2,867.71		2,690.41	
Work in Progress	<u>426.29</u>	<u>4,554.78</u>	<u>323.12</u>	<u>4,059.52</u>
		<u>(495.26)</u>		<u>275.58</u>
27.1 Details of stock in trade acquired for trading :				
	<u>Opening Stock</u>	<u>Closing Stock</u>	<u>Opening Stock</u>	<u>Closing Stock</u>
Health Equipments & Fitness Accessories	1,715.31	1,592.14	1,374.10	1,715.31
T.T.& Cricket Equipments & other Sports Goods	<u>975.10</u>	<u>1,275.57</u>	<u>1,576.27</u>	<u>975.10</u>
	<u>2,690.41</u>	<u>2,867.71</u>	<u>2,950.37</u>	<u>2,690.41</u>
28. EMPLOYEE BENEFITS EXPENSES				
Salaries and Wages including bonus		1,172.07		1,130.08
Contribution to Provident & Other Funds		117.63		120.07
Gratuity		24.70		17.80
Staff Welfare		<u>61.60</u>		<u>74.94</u>
		<u>1,376.00</u>		<u>1,342.89</u>
28.1 Staff Welfare includes ₹ 4.30 Lacs (March 31, 2017: ₹ 5.87 Lacs) towards medical expenses reimbursed to Directors.				
28.2 DIRECTORS' REMUNERATION				
Salary		152.40		133.20
House Rent Allowance		76.20		66.60
Contribution to Provident & Other Funds		1.30		1.30
Leave Encashment & Gratuity		<u>34.22</u>		<u>7.19</u>
		<u>264.12</u>		<u>208.29</u>

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	FOR THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH, 2017
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28.3 EMPLOYEE BENEFITS

As per Ind AS 19, the disclosures of Employee benefits are given below:-

Defined Contribution Plans

The Company makes contribution towards provident fund and pension fund. These funds are administered by Government of India. Under the schemes; the Company is required to contribute a specified percentage of salary to the retirement benefit scheme to fund the benefit. Contribution to Defined Contribution Plan, recognised as expense for the year are as under :-

Employer's contribution to provident fund	28.55	28.90
Employer's contribution to pension fund	50.77	52.70

Defined Benefit Plan

Gratuity

The Company provides the gratuity benefit to its employees through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India which administers the plan and determines the contributions required to be paid by the trust. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

	Gratuity (Funded)	
I. Change in the benefit obligation		
Defined benefit obligation at beginning of the year	252.07	209.63
Interest cost	18.55	16.77
Current service cost	22.16	16.05
Benefits paid	17.13	10.50
Actuarial (Gain) / Loss on obligations	(5.32)	20.12
Defined benefit obligation at the end of the year	270.33	252.07
II Change in plan assets		
Fair value of plan assets at the beginning of the year	217.65	187.68
Expected return on plan assets	16.02	15.01
Employer Contribution	35.42	25.35
Benefits paid	17.13	10.50
Actuarial (Gain) / Loss on plan assets	0.20	(0.10)
Fair value of plan assets at the year end	251.75	217.65
Actual return on plan assets	15.81	15.12
III Reconciliation of fair value of assets and obligations		
Fair value of plan assets at the end of the year	251.75	217.65
Present value of obligation at the end of the year	270.33	252.07
Funded Status	(18.58)	(34.42)
Net Asset / (Liability)	(18.58)	(34.42)
IV Expenses recognised during the year		
Current Service Cost	22.16	16.05
Interest Cost	18.55	16.77
Expected return on plan assets	16.02	15.01
Net actuarial (Gain) / Loss	(5.12)	20.02
Expenses charged to Statement of Profit & Loss	24.69	37.82
V. Actuarial Assumptions		
Discount Rate	7.6% p.a	7.36% p.a
Salary Escalation	6% p.a	6% p.a
Expected return on plan assets	8% p.a	8% p.a

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

VI. Sensitivity Analysis :

	For the year ended		For the year ended	
	March 31, 2018		March 31, 2017	
	<u>1% Increase</u>	<u>1% Decrease</u>	<u>1% Increase</u>	<u>1% Decrease</u>
Discount rate	15.05	(16.00)	16.77	(18.20)
Salary increase rate	(16.17)	15.35	(18.36)	17.05
Employee Attrition rate: Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.				
The management of funds is entrusted with Life Insurance Corporation of India. The detail of investments made by them are not available.				

28.4 LEAVE ENCASHMENT

It is an unfunded defined benefit plan for which the obligation is recognised on actuarial valuation basis. A sum of ₹ 5.26 lacs (March 31,2017 : ₹ 5.72 lacs; April 1,2016 : ₹ 3.13 lacs) has been provided and included in Salaries & Wages.

28.5 Bonus provision under The Payment of Bonus Act,2016 for the year has been made on estimated basis and any adjustment on account of final liability will be made in the subsequent year.

	FOR THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH, 2017
29. FINANCIAL COSTS		
Interest Expenses :		
On Long Term Borrowings	158.19	154.81
On Short Term Borrowings	218.34	188.06
Bank Charges	18.27	30.13
	<u>394.80</u>	<u>373.00</u>
30. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of property, plant & equipment	99.43	97.33
Amortisation of intangible assets	1.46	2.91
	<u>100.89</u>	<u>100.24</u>
31. OTHER EXPENSES		
Power & Fuel	258.86	276.33
Ball Stitching	322.36	319.12
Other Manufacturing Expenses	322.87	217.06
Stores Consumed	297.22	285.63
Repairs to Machineries	55.80	69.99
Central Excise Duty (Refer note no.30.2)	43.69	205.48
Repairs to Building	19.24	12.21
Repairs to Others	54.49	50.23
Rent	90.40	75.69
Rates & Taxes (excluding taxes on income)	74.26	75.55
Insurance	20.11	20.30
Travelling Expenses (Refer note no.30.1)	99.54	87.85
Auditor's Remuneration (Refer note no.30.3)	7.69	6.19
Transportation, Shipping & Packing Charges	203.63	237.34
Commission, Discounts and Rebates	254.75	306.06
Provision for Doubtful Debts	17.64	19.61
Advertisement & Publicity	19.68	23.26
Freight & Octroi	15.96	16.45
Legal & Professional Fees	92.42	70.38
Postage & Telephone	26.52	32.56
Printing & Stationery	13.69	14.95
Royalty Expenses	14.52	43.45
CSR Expenditure	11.51	-
Sales Promotion	115.82	104.45
Bad Debts written off	5.92	2.21
Miscellaneous Expenses	79.68	79.38
	<u>2,538.27</u>	<u>2,651.73</u>

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	FORT THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH 2017
31.1	Travelling Expenses include Directors' Travelling ₹ 31.98 lacs (March 31,2017 : ₹ 25.94 lacs).	
31.2	Excise duty include ₹ NIL (March 31, 2017: ₹ 15.58 Lacs) towards Excise duty on closing stock of finished goods and ₹ 20.71 Lacs (March 31, 2017: ₹ 91.15 Lacs) towards excise duty on branch transfer. Excise duty has been replaced by Goods and Service Act w.e.f. 01-07-2017.	
31.3	Details of Auditor's Remuneration :	
	(Including GST/Service Tax)	
	For Audit	5.31
	For Tax Representation	3.66
	For Other Services	-
	Reimbursement of expenses	1.51
	-	0.74
	-	0.28
	<u>5.31</u>	<u>6.19</u>
31.4	Corporate Social Responsibility (CSR)	
	(a) CSR amount required to be spent as per section 135 of the Companies Act,2013 read with Schedule VII thereof by the Company during the year is ₹11 lacs (Previous Year ₹Nil).	
	(b) Expenditure related to Corporate Social Responsibility is ₹11.51 lacs (Previous Year ₹Nil).	
	Details of Amount spent towards CSR given below :	
	For Education Purpose	11.51
		-
32.	EXCEPTIONAL ITEMS	
	Expenditure	
	Expenses	
	Total (A)	-
		-
	Income	
	Profit on sale of Fixed Asset	
	-	4.92
	Enhanced Compensation (Land Acquisition)	
	-	158.72
	Total (B)	163.64
	-	-
	Total (A-B)	(163.64)
33.	TAX EXPENSES	
	Income Tax recognised in Statement of Profit and Loss	
	Current Tax	260.56
	Earlier Year Taxation	213.77
	Deferred Tax	-
	(26.52)	10.70
	Total Income Tax expenses recognised in the current year	9.52
	234.04	233.99
	The Income Tax expenses for the year can be reconciled to the accounting profit as follows :	
	Profit Before Tax	627.06
	Applicable Tax Rate	33.063%
	Computed Tax Expenses	33.063%
	207.32	261.19
	Tax Effect of :	
	Allowed Expenses/Non taxable income	(38.86)
	Expenses Disallowed	92.10
	Current Tax Provision (A)	213.77
	260.56	213.77
	Incremental Deferred Tax Asset/(Liability) on account of Property, Plant and Equipment and Intangible Asset	1.34
	-	(2.80)
	Incremental Deferred Tax Asset on account of Financial Assets & Other Items	(23.83)
	Deferred Tax Charged on Other Comprehensive Income	6.63
	(4.03)	5.69
	Deferred Tax Provision (B)	(26.52)
	-	9.52
	Earlier Year Taxation (C)	-
	-	10.70
	Tax Expenses recognised in Statement of Profit and Loss (A+B+C)	234.04
	Effective Tax Rate	37.32%
	233.99	29.62%
34.	EARNING PER SHARE	
	Net Profit After Tax	393.02
	Weighted Average No. of Equity Share	4,161,000
	Nominal Value of Equity Per Share	10.00
	Basic Earning per Share	9.45
	555.99	13.36
	4,161,000	10.00
	10.00	13.36

**NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)**

35. **Segment information:**
The company's operating segments are established on the basis of those components of the group that are evaluated regularly by the chief operating officer (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The Company's business segments are as under:
- (i) Own Manufactured Products: Segment includes manufacturing and supply of sport items.
 - (ii) Traded Goods: Segment includes trading of health equipment and fitness accessories.
- The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting:
- (a) Expenses have been identified to a segment on the basis of sale of the respective segment to the total sale of the company. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
 - (b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

SR. No.	PARTICULARS	Manufactured Products		Traded Goods		Unallocable		Total	
		For The Year Ended on		For The Year Ended on		For The Year Ended on		For The Year Ended on	
		31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
1	Segment Revenue								
	Sales	4,492.38	4,931.84	8,070.73	8,603.42	-	-	12,563.11	13,535.26
	Sale of Services	-	-	6.21	5.82	-	-	6.21	5.82
	Other Income	43.64	69.14	9.98	11.15	-	-	53.62	80.29
		4,536.02	5,000.98	8,086.92	8,620.39	-	-	12,622.94	13,621.37
2	Segment Results								
	Profit Before Interest & Tax	176.61	312.32	791.27	533.95	-	-	967.88	846.27
	Less : Interest Expense	141.17	134.19	253.62	238.81	-	-	394.79	373.00
	Add : Other Income / (expenses)					53.97	153.07	53.97	153.07
	Profit before exceptional and extraordinary items and Tax	35.44	178.13	537.65	295.14	53.97	153.07	627.06	626.34
	Less : Exceptional Items					-	(163.64)	-	(163.64)
	Profit Before Tax					-	-	627.06	789.98
	Less : Tax								
	Current Tax					260.56	213.77	260.56	213.77
	Earlier Year Taxation					-	10.70	-	10.70
	Deferred Tax					(26.52)	9.52	(26.52)	9.52
	Net Profit After Tax							393.02	555.99
3	Other Information								
A.	Segment Assets	6,387.74	3,028.42	1,706.46	4,620.26	685.96	1,232.79	8,780.16	8,881.47
B.	Segment Liabilities	524.73	768.72	511.12	857.18	2,898.82	2,834.39	3,934.67	4,460.29
	Capital Expenditure	35.39	103.48	28.77	95.25	-	-	64.16	198.73
	Depreciation	57.86	57.43	43.03	42.81	-	-	100.89	100.24
C.	Working Capital (A-B)	5,863.01	2,259.70	1,195.34	3,763.08	(2,212.86)	(1,601.60)	4,845.49	4,421.18

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

(ii) Secondary Segment Information

S. No	PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
1	Segment Revenue		
	- Within India	12,374.65	13,360.03
	- Outside India	248.29	261.34
	Total Revenue	12,622.94	13,621.37
2	Segment Assets		
	- Within India	8,723.44	8,858.49
	- Outside India	56.72	22.98
	Total Assets	8,780.16	8,881.47
3	Segment Liabilities		
	- Within India	3,934.67	4,460.29
	- Outside India	-	-
	Total Liabilities	3,934.67	4,460.29
4	Capital Expenditure		
	- Within India	64.16	198.73
	- Outside India	-	-
	Total Expenditure	64.16	198.73

36. RELATED PARTY DISCLOSURE

As per Ind AS 24 the disclosure of transactions with the related parties as defined in the Accounting Standard are given below :

(i) List of Parties with whom transactions entered during the year

Companies under the same Management

- 1 Cosco Polymer Industries (P) Ltd.
- 2 Vijay Vallabh Securities Ltd.
- 3 Cosco Polymer Lanka Pvt. Ltd.

Key Management Personnel

- | | | |
|---|---------------------|-----------------------------|
| 1 | Devinder Kumar Jain | Managing Director and CEO |
| 2 | Narinder Kumar Jain | Managing Director |
| 3 | Pankaj Jain | Whole Time Director and CFO |
| 4 | Manish Jain | Whole Time Director |
| 5 | Neeraj Jain | Whole Time Director |
| 6 | Arun Jain | Whole Time Director |

Relatives of Key Management Personnel

- | | | |
|---|---------------------|-----|
| 1 | Devinder Kumar Jain | HUF |
| 2 | Narinder Kumar Jain | HUF |
| 3 | Prabha Jain | |
| 4 | Veena Jain | |

(ii) Disclosure of transactions between the company and related parties and the status of outstanding balance as on 31st March, 2018 :

A		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
	Companies under the same Management		
	Loans Received		
	Cosco Polymer Industries (P) Ltd.	42.50	30.00
	Vijay Vallabh Securities Ltd.	1.50	-
	Loans Paid		
	Vijay Vallabh Securities Ltd.	317.59	4.00
	Interest Paid		
	Cosco Polymer Industries (P) Ltd.	39.22	39.00
	Vijay Vallabh Securities Ltd.	-	19.00
	Lease Rent Paid		
	Cosco Polymer Industries (P) Ltd.	9.60	9.60
	Guarantee		
	Cosco Polymer Industries (P) Ltd.	1.00	1.00
	Loans Outstanding		
	Cosco Polymer Industries (P) Ltd.	398.00	355.50
	Vijay Vallabh Securities Ltd.	-	316.09

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
B Key Management Personnel		
<u>Loans Received</u>		
Devinder Kumar Jain	150.50	38.50
Narinder Kumar Jain	142.04	39.14
Manish Jain	78.50	26.00
Pankaj Jain	195.00	181.44
Neeraj Jain	88.00	25.00
Arun Jain	76.00	15.75
<u>Loans Paid</u>		
Darshan Kumar Jain	-	184.70
Devinder Kumar Jain	6.00	2.00
Narinder Kumar Jain	9.54	50.14
Manish Jain	3.50	3.00
Pankaj Jain	10.50	9.69
Neeraj Jain	4.50	4.00
Arun Jain	3.00	22.25
<u>Interest Paid</u>		
Devinder Kumar Jain	54.70	44.89
Narinder Kumar Jain	22.71	13.81
Manish Jain	34.54	29.70
Pankaj Jain	548.45	45.53
Neeraj Jain	34.57	29.29
Arun Jain	18.92	14.59
<u>Rent Paid</u>		
Devinder Kumar Jain	3.90	3.90
Narinder Kumar Jain	7.02	7.02
<u>Remuneration</u>		
Devinder Kumar Jain	71.20	41.44
Narinder Kumar Jain	71.20	40.00
Manish Jain	47.89	32.86
Pankaj Jain	47.81	32.93
Neeraj Jain	56.66	32.09
Arun Jain	50.09	34.42
<u>Loans Outstanding</u>		
Devinder Kumar Jain	555.35	410.85
Narinder Kumar Jain	247.11	114.61
Manish Jain	347.80	272.80
Pankaj Jain	591.75	407.25
Neeraj Jain	351.85	268.35
Arun Jain	201.51	128.51
C Key Management Personnel's Relatives		
<u>Rent Paid</u>		
Prabha Jain	5.46	5.46
Veena Jain	7.02	7.02

36.1 Related parties have been identified by the management.

36.2 Key Management Personnel remuneration does not include provision for gratuity and compensated absences which is determined for the Company as whole

36.3 No amounts have been written off/provided for or written back during the year in respect of amounts receivable from or payable to related parties.

36.4 Remuneration paid to KMP excludes expenses incurred in the course of performance of duty.

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

	AS AT 31 st MARCH, 2018	AS AT 31 st MARCH, 2017
37. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF		
(i) Claims against the company not acknowledged as debt : Cases against the Company in Labour Court & High Court by ex-employees	59.20	53.46
(ii) Guarantee		
(a) Outstanding Letters of Credit	Nil	208.10
(b) To Sales Tax Authorities : for group concerns	1.00	1.00
for others	5.27	5.27
(c) To State Electricity Board : for others	Not Ascertainable	Not Ascertainable
(d) To Others	103.30	97.56

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, bank balances and security deposits that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk such commodity risk.

Financial instruments effected by market risk include borrowings including foreign currency loan comprising of buyer's credit, trade payables, trade receivables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates/volatility in rupee value against foreign currency fluctuations.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	<u>1% Increase</u>	<u>1% Decrease</u>	<u>1% Increase</u>	<u>1% Decrease</u>
Impact on Profit Before Tax :				
BORROWINGS				
Impact on PBT of 1%				
Increase/(Decrease) in average interest rate	41.47	(41.47)	40.79	(40.79)

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company deals in import of health equipment and exports sports goods. Adverse changes in rupees due to imports are partially off set by exports and company is able to pass on the increase in price of imports to the customers. In view of the insignificant risk, sensitivity analysis showing impact on profit is not calculated.

iii. Commodity price risk

The company does not have significant risk in raw material price variations. In case of any variation in price, the same is passed on to customers through appropriate adjustment to selling prices.

b) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government. Company has good past track record of recovery from trade receivables. Defaults in past have been very few and too less.

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

c) Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings, unsecured loans from directors on a continuous basis and security from dealers. The table below summarises the maturity profile of the Company's Financial liabilities :

	Maturities			Total
	Up to 1 year	1-2 years	2-3 years	
31-Mar-18				
Non-current borrowings			1,400.00	1,400.00
Current borrowings	2,739.30	-	-	2,739.30
Trade payables	473.49	-	-	473.49
Other financial liabilities	445.47	-	-	445.47
Total	3,658.26	-	1,400.00	5,058.26
31-Mar-17				
Non-current borrowings	-	-	1,400.00	1,400.00
Current borrowings	2,754.36	-	-	2,754.36
Trade payables	522.48	-	-	522.48
Other financial liabilities	565.84	-	-	565.84
Total	3,842.68	-	1,400.00	5,242.68
1-Apr-16				
Non-current borrowings	-	9.76	1,400.00	1,409.76
Current borrowings	2,594.53	-	-	2,594.53
Trade payables	555.43	-	-	555.43
Other financial liabilities	534.15	-	-	534.15
Total	3,684.11	9.76	1,400.00	5,093.87

39. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a good credit rating and capital ratios in order to support its business and maximise shareholder value. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current Borrowings	15	1,400.00	1,400.00	1,400.00
Current maturities of Non-Current Borrowings	15	-	-	9.76
Current Borrowings	17	2,739.30	2,754.36	2,594.53
Less : Cash and Cash equivalents	9	8.24	8.27	14.83
Less : Other Bank Balances	9	235.22	624.87	76.77
Net Debt (A)		3,895.84	3,521.22	3,912.69
Equity Share Capital	13	416.10	416.10	416.10
Other Equity	14	3,029.38	2,605.07	2,066.25
Total Capital (B)		3,445.48	3,021.17	2,482.35
Gearing Ratio (A/B)		1.13	1.17	1.58

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
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40. FIRST TIME ADOPTION OF Ind AS

The Company has prepared financial statements which comply with Ind AS applicable for period ending on March 31, 2018, together with the comparative period data as at end for the year ended March 31, 2017 as described in summary of significant accounting policies. In preparing these financial statement the Company's opening balance sheet was prepared as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company (as per Ind AS 101) as detailed below:

Optional Exemption applied

a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. The exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangibles at their Previous GAAP carrying value. Therefore there is NIL adjustment in the value of PPE/other intangible assets in the previous GAAP figures.

The effect on account of other changes in the previous GAAP figure are given and explained below:

(A) Reconciliation of Equity as at April 1, 2016 and March 31, 2017

	As at April 1, 2016			As at March 31, 2017		
	GAAP	Adjustments	Ind AS	GAAP	Adjustment	Ind AS
I ASSETS						
(1) Non-Current Assets						
(a) Property, Plant and Equipment	501.08	-	501.08	599.66	-	599.66
(b) Capital Work in Progress	0.48	-	0.48	2.11	-	2.11
(c) Other Intangible Assets	4.53	-	4.53	1.87	-	1.87
(d) Financial Assets						
(i) Others	26.21	-	26.21	37.37	-	37.37
(e) Deferred Tax Assets (Net) (refer Note 40.3)	30.78	(4.21)	26.57	36.25	(13.51)	22.74
(f) Other Non-Current Assets	3.66	-	3.66	16.10	-	16.10
(2) Current Assets						
(a) Inventories	4,738.32	-	4,738.32	4,598.65	-	4,598.65
(b) Financial Assets						
(i) Trade Receivables	1,917.07	-	1,917.07	2,034.70	-	2,034.70
(ii) Cash & Cash Equivalents	91.60	-	91.60	633.14	-	633.14
(iii) Current Investment	2.94	-	2.94	-	-	-
(iv) Others	33.26	-	33.26	195.58	-	195.58
(c) Other Current Assets	424.65	-	424.65	417.72	-	417.72
	7,774.58	(4.21)	7,770.37	8,573.15	(13.51)	8,559.64
II. EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity Share Capital	416.10	-	416.10	416.10	-	416.10
(b) Other Equity (refer reconciliation given below)	2,070.46	(9.85)	2,060.61	2,618.59	(13.51)	2,605.08
(2) Non-Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,409.76	-	1,409.76	1,400.00	-	1,400.00
(b) Provisions	56.89	-	56.89	65.20	-	65.20
(3) Current Liabilities						
(a) Financial Liabilities						
(i) Short Term Borrowings	2,594.53	-	2,594.53	2,754.36	-	2,754.36
(ii) Trade Payables	555.43	-	555.43	522.48	-	522.48
(iii) Others (refer Note 40.1)	528.51	5.64	534.15	565.84	-	565.84
(b) Other Current Liabilities	95.58	-	95.58	99.91	-	99.91
(c) Income Tax Liabilities (Net)	-	-	-	78.82	-	78.82
(d) Provisions	47.32	-	47.32	51.85	-	51.85
	7,774.58	(4.21)	7,770.37	8,573.15	(13.51)	8,559.64

NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
(All amounts in Indian Rupees Lacs, except as otherwise stated)

(B) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2017

	Previous GAAP	Adjustments	Ind As
I. Revenue from operations	13,653.42	-	13,653.42
II. Other Income (Refer Note 40.1)	121.01	(0.18)	120.83
III. Total Revenue (I+II)	13,774.43	(0.18)	13,774.25
IV. Expenses :			
(a) Cost of materials consumed	2,003.66	-	2,003.66
(b) Purchase of Stock-in-Trade	6,400.81	-	6,400.81
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	275.58	-	275.58
(d) Employee benefit expense (Refer note 40.2)	1,360.10	(17.21)	1,342.89
(e) Financial costs	373.00	-	373.00
(f) Depreciation	100.24	-	100.24
(g) Other expenses (Refer Note 40.1)	2,657.56	(5.83)	2,651.73
IV. Total Expenses	13,170.95	(23.04)	13,147.91
V. Profit before exceptional items and Tax	603.48	22.86	626.34
VI. Exceptional Items - charge / (income)	(163.64)	-	(163.64)
VII. Profit before Tax	767.12	22.86	789.98
VIII. Tax Expenses :			
Current Tax	213.77	-	213.77
Earlier Year Taxation	10.70	-	10.70
Deferred Tax	(5.46)	14.98	9.52
IX. Profit for the period from continuing operations	548.11	7.88	555.99
X. Other Comprehensive Income, net of Income Tax			
(i) Items that will not be reclassified to profit or loss (Refer Note 40.2)	-	(17.21)	(17.21)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	5.69	5.69
	-	(11.52)	(11.52)
Total Comprehensive Income for the year	548.11	(3.64)	544.47

(C) Reconciliation of total equity

<u>Particulars</u>	<u>As at April 1, 2016</u>	<u>As at March 31 2017</u>
As per IGAAP	2,070.46	2,618.59
Ind AS Adjustments:		
Adjustment on account of prior period items (Refer note 40.1)	(5.65)	-
Adjustment with deferred tax (Refer note 40.3)	(4.21)	(13.50)
As per Ind AS	2,060.60	2,605.09

40.1 Under Previous GAAP, Prior Period Income and Expenses are considered as part of Income and expenses respectively. However, under Ind AS, this is treated as error and adjusted with retained earnings.

As a result prior period income of ₹ 0.18 Lacs and prior period expenses of ₹ 5.82 Lacs are removed from other income and other expenses respectively and adjusted with retained earnings as on April 1, 2016.

40.2 Under previous GAAP, there is no concept of Other Comprehensive Income (OCI). Under Ind AS specified items of income expenses, gain and loss are required to be presented in OCI.

Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, were charged to profit or loss. Under Ind AS, re-measurement (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through other comprehensive income.

40.3 As a result, employee benefit cost for the year ended March 31, 2017 have been reduced by ₹ 17.21 Lacs and re-measurement losses of ₹ 11.52 Lacs, (net of deferred tax income of ₹ 5.69 Lacs) on defined benefit plans has been recognised in the Other Comprehensive Income.

Previous GAAP requires deferred tax accounting using the income statement approach whereas Ind AS 12 requires deferred tax accounting using the balance sheet approach. Under the both approaches benefit of payment of bonus u/s 43B of the Income Tax Act, 1961 can be taken up to the due date of filing of return u/s 139 of the Act. While preparing the financial statements under previous GAAP the benefits of Section 43B were taken for payment made till date of



NOTES TO THE STANDALONE Ind AS FINANCIAL STATEMENTS
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- preparation of Financial Statements instead of due date and accordingly deferred tax asset as on 01.04.2016 is reduced by ₹ 4.21 Lacs with a corresponding effect on retained earnings on 01.04.2016. Similarly deferred tax assets of ₹ 9.30 Lacs (cumulative ₹ 13.51 Lacs including ₹ 4.21 lacs as on 01.04.2016) has been reduced as on 31.03.2017 with corresponding effect reduction in Total Comprehensive Income for the year end 31.03.2017 (comprising of deferred tax expenses ₹ 14.98 Lacs and deferred tax income ₹ 5.69 Lacs)
- 40.4** The transition from Previous GAAP to Ind AS did not have a material impact on Statement of Cash Flows.
- 40.5** Under Previous GAAP, sale of products was presented net of excise duty. However, under Ind AS, sale of products includes excise duty and excise duty on sale of product is shown separately as expenses in Statement of Profit and Loss.
- As a result, sale of products under Ind AS has increased by ₹ 97.66 lacs for the year ended March 31, 2017 with a corresponding increase in other expenses. There is no impact on profit of the company.
- 41.** No impairment loss is recognised as on 31.03.2018 since the present value of estimated future cash flows over a period of five years exceeds the carrying value of assets of the Company's cash generating units.
- 42.1** Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. Accordingly, "Consolidated Financial Statements" as per Ind AS 110, have not been prepared.
- 42.2** The Equity Shares held by the Company in Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) stand vested in the Secretary to the Treasury of the Government of Sri Lanka under the Revival of Underperforming Enterprises or Underutilised Assets Act No.43 of 2011 (of Republic of Sri Lanka) as per disclosures made in the earlier year Accounts. Competent Authority appointed under the said Act is controlling, administering and managing such Enterprises / Units / Assets. The Act (of Sri Lanka), provides for payment of compensation and accordingly claim was filed in Sri Lanka with the Compensation Tribunal constituted under the said Act. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 480 Lacs (Equivalent INR 204.66 Lacs) and after deducting LKR 16.74 Lacs due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 463.26 Lacs (Equivalent INR 197.52 Lacs). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.
- 43.** Ind AS 115 was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 1, 2018. The Company will adopt the new standard on the required effective date using the modified retrospective method. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.
- 44.** The comparative financial information of the company for the year ended March 31, 2017 prepared in accordance with Ind AS included in this Financial Statements is based on Financial Statements audited under Indian GAAP by the previous auditor Madan & Associates, Chartered Accountants vide their report dated May 30, 2017.
- 45.** Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with Financial Statements prepared under Ind AS.

As per our report of even date.

FOR V.P. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 015260N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

C.A. SWATI MADAN
Partner
Membership No. 0521697

PANKAJ JAIN
Whole Time Director and CFO
DIN : 00190414

DEVINDER KUMAR JAIN
Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN
Managing Director
DIN : 00195619

SUDHA SINGH
Company Secretary
Membership No. A33371

PLACE : New Delhi
DATED: 30th May, 2018



COSCO (INDIA) LIMITED (CIN: L25199DL1980PLC010173)

Registered Office: 2/8, Roop Nagar, Delhi-110007;
 Website: www.cosco.in; Email: mail@cosco.in; Tel: 91-11-23843000; Fax: 91-11-23846000
 [Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies
 (Management and Administration) Rules, 2014]

PROXY FORM (FORM NO. MGT-11)

Name of the Member(s)	
Registered Address:	
Folio No./ DP ID- Client ID	
E-mail-ID:	
No. of Shares held	

I/We being the member(s) holding.....Shares of the above named Company, hereby appoint:

1. Name	2. Name	3. Name
Address:	Address:	Address:
Email ID	Email ID	Email ID
Signature.....	Signature.....	Signature.....
or failing him/her person named in Col. 2/3	or failing him/her person named in Col. 3	

As my/our proxy to attend and vote (on a poll) for me/us and my/ our behalf at the 39th Annual General Meeting of the Company, to be held on Saturday, the 29th day of September, 2018 at 10.30 AM at Amitabh, E-23 , Bungalow Road, Kamla Nagar, Delhi-110007 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Item No.	Description of Resolutions	No. of Equity shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Ordinary Business :				
1.	To adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2018 and the Reports of the Directors' and the Auditors' thereon.			
2.	To Re- appoint Mr. Arun Jain (DIN: 01054316) as Director , who retires by rotation.			
Special Business :				
3.	To Re-appoint Shri Devinder Kumar Jain (DIN: 00191539) as Managing Director and Chief Executive Officer of the Company as per the terms, conditions and remuneration set forth in the Resolution(s)			
4.	To Re-appoint Shri Narinder Kumar Jain (DIN: 00195619) as Managing Director of the Company as per the terms, conditions and remuneration set forth in the Resolution(s).			

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

Affix
Revenue
Stamp

Signature of Proxy Holder(s) _____ Signature of Share Holder _____

- Notes:**
- This Form of Proxy in order to be effective should be duly completed and deposited at the office of the Share and Transfer Agents of the Company M/s. Skyline Financial Services Pvt. Ltd., D 153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020. Duly completed and Signed, not less than Forty Eight hours before the commencement of the Annual General Meeting (on or before 27th September, 2018 10.30A.M. IST).
 - The Proxy Form should be signed across the revenue stamp as per specimen signatures registered with RTA/Depository Participant (DP).
 - It is optional to put 'X' in the appropriate column against the Resolution(s) indicated in the Box. If you leave 'For' or 'Against' Column Blank against any or all Resolution(s), your proxy will be entitled to Vote in the manner as He/She thinks appropriate.



COSCO (INDIA) LIMITED (CIN : L25199DL1980PLC010173)

Registered Office : 2/8, Roop Nagar, Delhi-110007
Website : www.cosco.in; Email : mail@cosco.in; Tel. : 91-11-23843000; Fax : 91-11-23846000

ATTENDANCE SLIP

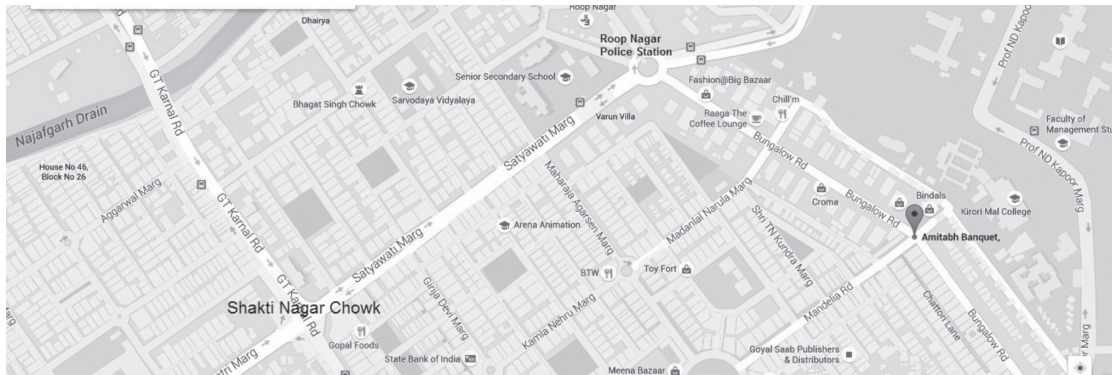
(Please complete the Attendance Slip and hand it over at the entrance of the Meeting hall)

Name of the Attending Member (IN BLOCK LETTERS)	
Registered Address:	
Folio No./DP ID- Client ID	
E-mail-ID:	
No. of Shares held	
Name of Proxy Attending Meeting (IN BLOCK LETTERS), if the Proxy attends instead of the Member	

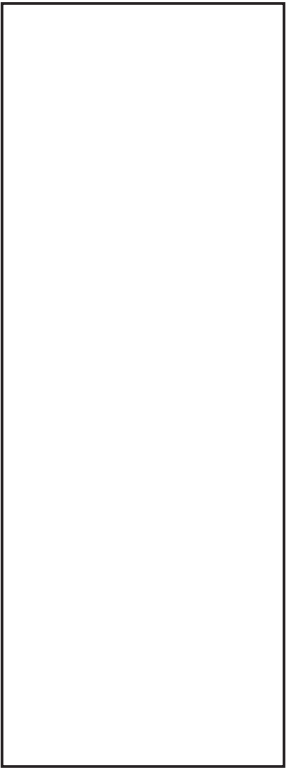
I hereby record my attendance at the Thirty Ninth Annual General Meeting of the Company being held on Saturday, the 29th day of September, 2018 at 10.30 AM at Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi-110007 or at any adjournment thereof.

Signature of Shareholder/Proxy

[ROUTE MAP AND PROMIENT LANDMARK]



BOOK POST



If undelivered please return to :

COSCO (INDIA) LIMITED

2/8, Roop Nagar, Delhi-110007