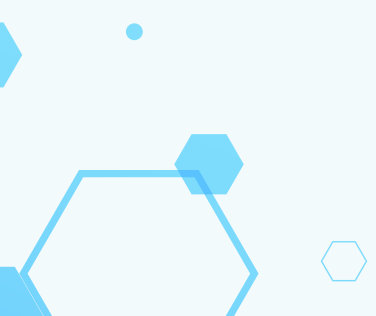




**VALUE INDUSTRIES LIMITED**  
**ANNUAL REPORT 2018-19**



## CORPORATE INFORMATION

### RESOLUTION PROFESSIONAL

**ABHIJIT GUHATHAKURTA**  
(IBBI/IPA-003/IP-N000103/2017-2018/11158)

### REGISTERED OFFICE

14 K.M. Stone, Aurangabad-Paithan Road  
Village: Chittegaon, Taluka: Paithan,  
District: Aurangabad – 431105 (Maharashtra)

### BOARD OF DIRECTORS

Bhujang S. Kakade - Independent Director  
Deepak A. Pednekar - Independent Director  
Naveen B. Mandhana - Independent Director

### MANUFACTURING FACILITY

15 K.M. Stone, Aurangabad-Paithan Road,  
Village: Chittegaon, Taluka: Paithan,  
District: Aurangabad- 431 105 (Maharashtra)

### COMPANY SECRETARY

**Mayank Bhargava**

### CORPORATE OFFICE

171-C, Floor-17, Plot-224, C Wing, Mittal Court, Nariman Point,  
Mumbai – 400021(Maharashtra).

### AUDITORS

**S.Z DESHMUKH & CO.**  
1108, Shivaji Nagar, Flat No, 4, Building B,  
Shirole Baug, Ganesh Khind Road, Pune - 411016

### BANKERS

Indian Bank	IDBI Bank Limited
Allahabad Bank	Punjab National Bank
Axis Bank Limited	State Bank of India
Bank of Baroda	The Federal Bank Limited
Bank of India	UCO Bank

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## NOTICE TO MEMBER

The Hon'ble National Company Law Tribunal, Mumbai Bench, ("NCLT"), had vide its order dated 5th September, 2018 admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of Value Industries Limited ("Company" or "Corporate Debtor") ("Admission Order") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"). Subsequently, the Hon'ble NCLT vide its order dated 08th August, 2019 ("Consolidation Order") has ordered the consolidation of the CIRP of the 13 Videocon Group entities, including the Corporate Debtor, ("Videocon Group Entities"). Further, the NCLT vide an order dated 25th September, 2019 has appointed Mr. Abhijit Guhathakurta as the resolution professional ("Resolution Professional") for the consolidated CIRP of the Videocon Group Entities including the Corporate Debtor ("Appointment Order"). The Appointment Order was published on 27th September, 2019, on which date the Resolution Professional has taken over the management and affairs of the Videocon Group Entities. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the Board of Directors of the Company stand suspended and the same have been vested with and are being exercised by the Resolution Professional.

**NOTICE** is hereby given that the **Thirty First** Annual General Meeting of the Members of **VALUE INDUSTRIES LIMITED** (a company under corporate insolvency resolution process as per the terms of the Insolvency and Bankruptcy Code, 2016) will be held on Tuesday, 4th Day of February, 2020, at the Registered Office of the Company at 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist.: Aurangabad -431105 (Maharashtra) at 11:30 a.m. ("**AGM**") to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2019 and the Audited Balance Sheet as at that date together with the Cash Flow Statement and notes and annexures thereto, and the Reports of the Directors and Auditors thereon.

2. To consider the remuneration of the Statutory Auditors and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof or the time being in force) and on the recommendation of the Audit Committee of the Directors, the Company do hereby authorize the Directors to recommend to the Resolution Professional to finalise the fees payable to M/s S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (Firm Registration No. 102380W), who were appointed as Auditors of the Company to hold office from the conclusion of 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting.

**RESOLVED FURTHER THAT** the Directors of the Company (including any Committee thereof) be and are hereby authorised to do all such acts, deeds and take all such steps as may be necessary, proper and expedient as required by the Resolution Professional to give effect to this Resolution."

### SPECIAL BUSINESS

3. To reappoint Mr. Naveen B. Mandhana (DIN: 01222013), who completed his tenure as an Independent Director on 13th August, 2019 and, being eligible, offered himself for reappointment as an Independent Director for further term of five years, and in this regard to consider and if thought fit to pass following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and such other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in

force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, the approval of the members of the Company be and is hereby accorded for reappointment of Mr. Naveen B. Mandhana (DIN: 01222013), as an Independent Director (Non-Executive) of the Company for a period of 5 consecutive years from 14th August, 2019."

4. To consider and ratify the remuneration of Cost Auditors for the financial year 2019-20 and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding applicable Goods and Services Tax, reimbursement of travelling and other out of pocket expenses payable at actual to M/s. B R Chandak & Co., Cost Accountants (Membership No.21959), for conducting Audit of Cost Accounting Records maintained by the Company in respect of 'Machinery and Mechanical Appliances' for the financial year commencing on 1st April, 2019 and ending on 31st March, 2020.

**RESOLVED FURTHER THAT** the Directors of the Company (including any Committee thereof) be and are hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper and expedient as required by the Resolution Professional to give effect to this Resolution."

5. To consider and ratify the remuneration of Cost Auditors for the financial year 1st April, 2018 and ended on 31st March, 2019 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding applicable Goods and Services Tax, reimbursement of travelling and other out of pocket expenses at actual paid/payable to M/s. B R Chandak & Co., Cost Accountants (Membership No. 21959), for conducting Audit of Cost Accounting Records maintained by the Company in respect of 'Machinery and Mechanical Appliances' for the financial year from 1st April, 2018 and ended on 31st March, 2019.

**RESOLVED FURTHER THAT** the Directors of the Company (including any Committee thereof) be and are hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper and expedient as required by the Resolution Professional to give effect to this Resolution."

**For VALUE INDUSTRIES LIMITED**  
(A Company under Corporate Insolvency  
Resolution Process by NCLT order dated  
September 5, 2018 read with order dated August 8, 2019)

**MAYANK BHARGAVA**  
**COMPANY SECRETARY**  
**MEMBERSHIP NO.: A46180**

**Place:** Mumbai  
**Date:** 3rd January, 2020

**Registered Office:**  
14 K. M. Stone, Aurangabad- Paithan Road,  
Village: Chittegaon, Taluka: Paithan,  
Dist.: Aurangabad - 431 105 (Maharashtra).  
**CIN:** L99999MH1988PLC046445  
**E-mail Id:** secretarial\_value@videoconmail.com  
**Website:** www.valueind.in  
**Tel. No.:** +91 22 66113500

## NOTES

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING"/ "ANNUAL GENERAL MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% (TEN PERCENT) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN 10% (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 PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**
2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.
3. Copies of the Notice of 31st Annual General Meeting ("**Meeting**") together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company/Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares in physical form and whose names appear in the Company's Register of Members on Friday, 20th December, 2019 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 20th December, 2019 as per the particulars of beneficial owners furnished by National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**"). Upon request, printed copy of Annual Report will be supplied to those shareholders to whom Annual Report has been sent through Electronic Mode.
4. Details under Regulation 26(5) and 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India in respect of Directors seeking reappointment at the ensuing Annual General Meeting is appended to the Notice.
5. Corporate Members intending to send their authorized representative(s) to attend the Meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
6. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by attendance slip, which is annexed herewith. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue. The Company shall reserve all its rights to restrict non-members of the Company from attending the Meeting.
7. The business set out in this Notice is also being conducted through remote e-voting. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to offer the remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. Please note that the Voting through Electronic Mode is optional. For this purpose the Company has entered into an agreement with NSDL for facilitating e-voting to enable the shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the venue of the Annual General Meeting and have not casted their votes by availing the remote e-voting facility. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
8. In case of joint holders attending the Meeting, and who have not exercised their right to vote by remote e-voting facility, only such joint holder who is higher in the order of names shall be entitled to vote.
9. The remote e-voting facility shall be opened from Saturday, 1st February, 2020 at 9.00 a.m. to Monday, 3rd February, 2020 till 5.00 p.m., both days inclusive. Detailed instructions of Voting through Electronic Mode, forms part of this Notice. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Monday, 3rd February, 2020. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.
10. The Notice of the Meeting is being placed on the website of the Company viz., [www.valueind.in](http://www.valueind.in) and on the website of NSDL viz., [www.nsdl.co.in](http://www.nsdl.co.in).
11. Mr. Gaurav Dharmendra Varma, Company Secretary in Whole Time Practice (CP No. 22369), has been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting and remote e-voting process in a fair and transparent manner. Additionally, his willingness to be appointed for the said purpose has been received by the Company. Members may note that in case of any event arising due to which Mr. Gaurav Dharmendra Verma is unable to act as the scrutinizer, the Board of Directors of the Company or the Resolution Professional shall appoint any other person as the scrutinizer.
12. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Companies (Management and Administration) Rules, 2014 and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.valueind.in](http://www.valueind.in) and on the website of NSDL at [www.nsdl.co.in](http://www.nsdl.co.in), immediately after the results are declared by the Chairman or a person authorised by him in writing. The results shall also be submitted to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
13. The resolutions placed for e-voting shall be deemed to be passed on the date of the Annual General Meeting of Members scheduled to be held on Tuesday, 4th February, 2020.
14. The Company has fixed Tuesday, 28th January, 2020 as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

15. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date i.e. Tuesday, 28th January, 2020 may obtain the User ID and Password by sending an email request to [secretarial\\_value@videoconmail.com](mailto:secretarial_value@videoconmail.com). Members may also call on +91 22 6611 3500 or send a request to the Company Secretary, by writing to him at Value Industries Limited at 171-C, Mittal Court, 'C' Wing, Nariman Point, Mumbai - 400 021 (Maharashtra).
16. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Tuesday, 28th January, 2020 the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.
17. The Register of Members and Share Transfer Books shall remain closed from Tuesday, 28th January, 2020 to Tuesday, 4th February, 2020 (both days inclusive) for the purpose of the Meeting.
18. In accordance with Section 125 of the Companies Act, 2013 and Rule 3 of Rules Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund ("IEPF"). Similarly, members are requested to note that all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF.  
  
In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members shall be entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
19. As per Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the securities of the listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, the members of the Company who are holding shares in physical form are requested to consider converting their physical holdings into dematerialized form. The members can contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company, for such conversion.
20. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:
  - a) any change in the residential status on return to India for permanent settlement.
  - b) particulars of the NRE account with a Bank in India, if not furnished earlier.
21. The relevant documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all working days between 12.00 Noon to 4.00 p.m. upto the date of the Meeting.
22. The Annual Report of the Company will be made available on the Company's website at [www.valueind.in](http://www.valueind.in).
23. Members are requested to kindly bring their copy of the Annual Report to the Meeting.
24. A route map to the venue of the meeting has been annexed at the end of Annual Report.

25. In case of any queries regarding the Annual Report, Members may write to [secretarial\\_value@videoconmail.com](mailto:secretarial_value@videoconmail.com) to receive an email response. Members desiring any information relating to the financial statements at the meeting are requested to write to us at least Three (3) days before the meeting to enable us to keep the information ready at the time of the meeting.

**REMOTE E-VOTING INSTRUCTIONS**

The instructions for shareholders voting electronically are as under:

The voting period begins on Saturday, 1st February, 2020 at 9.00 a.m. and ends on Monday, 3rd February, 2020 till 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 28th January, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 are mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. 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.nsdl.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 i.e. Cast your vote electronically.

4. 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***

5. 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 to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- 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'.
  - If your email ID is not registered, you can check the communication sent to your postal address for further instructions about obtaining password.
- d) Member may obtain a User ID and password for casting his / her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by providing the details such as Demat account no or Folio no, PAN no, name, address etc.

**6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

**7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.**

**8. Now, you will have to click on "Login" button.**

**9. After you click on the "Login" button, Home page of e-Voting will open.**

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see the Homepage of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- 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.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- 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.

- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Gaurav Dharmendra Varma at [gauravdvarma@gmail.com](mailto:gauravdvarma@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 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.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- 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.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date/ entitlement date i.e., Tuesday, 28th January, 2020 may obtain the Login ID and Password from Mr. Mayank Bhargava, Company Secretary of the Company, who is responsible to address the grievances connected with facility for voting by electronic means. In case you have any grievances connected with facility for voting by electronic means you may contact the Company Secretary by sending an e-mail to [secretarial\\_value@videconmail.com](mailto:secretarial_value@videconmail.com). Members may also call on +91 22 6611 3500 or send a request at The Company Secretary, Value Industries Limited at 171-C, 17th Floor, C Wing, Mittal Court, Nariman Point, Mumbai - 400 021.

**For VALUE INDUSTRIES LIMITED  
(A Company under Corporate Insolvency  
Resolution Process by NCLT order dated  
September 5, 2018 read with order dated August 8, 2019)**

**Place:** Mumbai  
**Date:** 3rd January, 2020

**MAYANK BHARGAVA  
COMPANY SECRETARY  
MEMBERSHIP NO.: A46180**

**A STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3.**

Mr. Naveen B. Mandhana is a Non-Executive Independent director of the Company. He has been on the Board of Value Industries Limited since 8th March, 1988. In terms of the provisions of Sections 149, 150, 152, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, he was appointed as Director to hold office upto a term of Five consecutive years from 14th August, 2014, at the Twenty-Seventh Annual General Meeting held on 30th June, 2015.

In terms of the provision of Section 149(10) of the Companies Act, 2013, he can be reappointed as Director (Independent Non-Executive) for a further period of 5 Years by passing a Special Resolution at general body meeting. Being eligible he has offered himself for reappointment for further tenure of 5 years.

The Company has received from Mr. Naveen B. Mandhana consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014, (2) intimation in Form DIR-8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013 and (3) a declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Directors, Mr. Naveen B. Mandhana, the Independent Director proposed to be reappointed, fulfils the conditions specified in the Act and rules made thereunder and he is independent of the management. A copy of draft letter for the re-appointment of Mr. Naveen B. Mandhana, as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the company's Registered office during normal business hours on working day upto the date of AGM.

The Directors consider that his continued association would be immense benefit to the Company and it is desirable to continue to avail the services of Mr. Naveen B. Mandhana as an Independent Director.

A brief profile of Mr. Naveen B. Mandhana, seeking reappointment at the ensuing Annual General Meeting under Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is appended to the Notice.

The resolution is for seeking approval of members as a Special Resolution for the re-appointment of Mr. Naveen B. Mandhana as an Independent Director of the Company for a period of 5 years from the date 14th August, 2019, pursuant to the provisions of Section 149, 150, 152, 197 read with Schedule IV and other applicable provision of the Companies Act, 2013 and the rules made there under.

Except Mr. Naveen B. Mandhana, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No.3. This Explanatory Statement may also be regarded as the requisite disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**Item No. 4**

The Resolution Professional, based on the recommendation of Audit Committee and Directors, has approved the appointment of M/s. B R

Chandak & Co. Cost Accountants (Membership No. 21959), as the Cost Auditors of the Company to conduct the audit of the cost accounting records of the Company for the financial year from April 1, 2019 to March 31, 2020 at a remuneration of ₹75,000/- (Rupees Seventy Five Thousand Only) excluding tax, reimbursement of travelling and other out of pocket expenses at actual incurred by them in connection with the aforesaid audit of the Company.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors shall be fixed by the Directors of the Company on the recommendation of the Audit Committee and the same shall be ratified by the shareholders of the Company at a general body meeting.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year commencing from April 1, 2019 to March 31, 2020.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Directors recommend the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the members.

**Item No. 5**

The Board of Directors of the Company, on 31st August, 2018, on the recommendation of the Audit Committee approved appointment of M/s. B R Chandak & Co.; Cost Accountants (Membership No. 21959), as the Cost Auditors of the Company to conduct the audit of the cost accounting records of the Company for the financial year from April 1, 2018 to March 31, 2019 at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding tax, reimbursement of travelling and other out of pocket expenses at actual incurred by them in connection with the aforesaid audit of the Company. The said appointment was subject to finalisation of remuneration by the Company and M/s. B R Chandak & Co. However, the remuneration couldn't be finalised till the date of previous Annual General Meeting. Therefore, the remuneration payable to M/s. B R Chandak & Co. as Cost Auditor for the financial year 2018-19, could not be confirmed by shareholders at the previous Annual General Meeting held on 28th December, 2018.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration paid/payable to the Cost Auditors for the financial year 2018-19, as fixed by the Board of Directors of the Company on the recommendation of the Audit Committee needs to be ratified by the shareholders of the Company at a general body meeting.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration paid/payable to the Cost Auditors for the previous financial year from April 1, 2018 to March 31, 2019.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Directors recommend the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

**For VALUE INDUSTRIES LIMITED  
(A Company under Corporate Insolvency  
Resolution Process by NCLT order dated  
September 5, 2018 read with order dated August 8, 2019)**

**Place:** Mumbai  
**Date:** 3rd January, 2020

**MAYANK BHARGAVA  
COMPANY SECRETARY  
MEMBERSHIP NO.: A46180**

**BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA]:**

<b>PARTICULARS</b>	<b>PROFILE OF DIRECTOR</b>
Name of the Director	Mr. Naveen B. Mandhana
DIN	01222013
Date of Birth	18 September, 1956
Age (in years)	63
Education Qualification	Bachelor of Engineering
Date of Appointment	8 March, 1988
Category of the Director	Independent –Non Executive
Area of expertise/Work experience	He carries with him more than 3 decades of experience in the field of Manufacturing, Technical, Finance and Marketing.
Terms and Conditions of Appointment or Re-appointment along with the details of remuneration sought to be paid	He is Non-Executive Independent Director of the Company. He shall not be liable to retire by rotation.
Remuneration last drawn	Nil. He is paid sitting fees for attending Meetings of the Board of Directors and Committees.
Number of Board Meetings attended during the year	2
Names of other Directorships in Public Limited Companies in which the Director holds Directorship	Nil
Names of the other Committees in which Chairman*	Nil
Names of the other Committees in which Member*	Nil
Number of Shares held	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	NA

\* Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies.

\*\* Directorships includes only Public Limited Companies as on March 31, 2019.



## DIRECTORS' REPORT

Dear Shareholders,

The Hon'ble National Company Law Tribunal, Mumbai Bench, ("NCLT"), had vide its order dated September 05, 2018 admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of Value Industries Limited ("Company") ("Admission Order") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"). Subsequently, the Hon'ble NCLT vide its order dated August 08, 2019 ("Consolidation Order") has ordered the consolidation of the CIRP of the 13 Videocon group entities, including the Company, ("Videocon Group Entities"). Further, the NCLT vide an order dated September 25, 2019 has appointed Mr. Abhijit Guhathakurta as the resolution professional for the consolidated CIRP of the Videocon Group Entities including the Company ("Resolution Professional") ("Appointment Order"). The Appointment Order was published on September 27, 2019, on which date the Resolution Professional has taken over the management and affairs of the Videocon Group Entities. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the board of directors of the Company ("Board of Directors") stand suspended and the same have been vested with and are being exercised by the Resolution Professional.

Your Directors take pleasure in presenting the Thirty-First Annual Report together with the Audited Accounts and Auditors' Report for the financial year ended on March 31, 2019.

### PERFORMANCE REVIEW

The financial performance of the Company, for the financial year ended on March 31, 2019 is summarized below:

(₹ in Million)

Particulars	Financial Year Ended March 31, 2019	Financial Year Ended March 31, 2018
Net Revenue from Operations	186.51	2,525.17
Other Income	27.64	50.57
Total Income	214.15	2,575.74
Profit/(Loss) Before Finance Costs, Depreciation and Tax	(782.63)	(5,020.14)
Finance Costs	1,234.79	1,018.18
Depreciation and Amortization	790.02	842.74
Profit/(Loss) Before Tax	(2,807.44)	(6,881.06)
Tax Expenses (Deferred Tax)	(49.07)	(566.27)
Profit/(Loss) for the Period	(2,758.37)	(6,314.79)

The revenue from operations for the year ended 31st March, 2019 stood at ₹ 186.51 Million as compared to ₹ 2,525.17 Million for the previous year ending 31st March, 2018.

The Loss before Tax for the year ended 31st March, 2019 stood at ₹ 2,807.44 Million as compared to loss of ₹ 6,881.06 Million for the previous year ending 31st March, 2018. The Loss after Tax stood at ₹ 2758.37 Million for the year ending 31st March, 2019 as compared to loss of ₹ 6,314.79 Million for the previous year.

The Management Discussion and Analysis Report annexed herewith provides full details of the operational performance and business analysis of the Company.

### INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015 has issued Companies (Indian Accounting Standards) Rules, 2015. Accordingly, in compliance with the said Rules, the Financial Statements of the Company for the Financial Year 2018-19 have been prepared as per Indian Accounting Standards.

### CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the year under review.

### CORPORATE GOVERNANCE

The Company has substantially complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)"). A separate section on Corporate Governance under SEBI (LODR) along with a certificate from the Practicing Company Secretary confirming the compliance is marked as 'Annexure- 1' and forms part of this Directors Report.

### DIVIDEND

In view of the loss incurred by the Company, the Directors do not recommend any dividend for the financial period ended March 31, 2019.

### TRANSFER TO RESERVES

The Company do not propose to transfer any amount to the General Reserves.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company was required to transfer the unclaimed dividend pertaining to the financial year 2009-10 of ₹ 20,71,574/-. However, in absence of clarity consequent to commencement of CIRP, the Company couldn't transfer the unclaimed dividend to the Investor Education and Protection Fund ("IEPF"). The Company is in the process of transferring the said amount to IEPF.

The Company is in the process of transferring the shares in respect of which dividend is unclaimed or unpaid for 7 consecutive years and which were due for transfer to IEPF under the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

### ISSUES/ALLOTMENT

During the year under review, the Company has not issued/ allotted any Equity Shares.

### DEPOSITS

Your Company has not accepted any Fixed Deposit within the meaning of Chapter V of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURED AFTER THE BALANCE SHEET DATE AND AS AT THE DATE OF SIGNING THIS REPORT

Except for the consolidation of the CIRP of the 13 Videocon Group Entities, there are no material changes and commitments affecting the financial position of the Company occurred after the Balance Sheet Date and as at the date of signing of this report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 134(3)(g) read with Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (LODR), disclosures relating to particulars of loans, guarantees given and investments made during the period is marked as 'Annexure- 2' and forms part of this Directors Report.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS AS PER SECTION 188(1):

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (LODR), all the related party transactions in the Company have been entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key

Managerial Personnel or other designated persons, etc., which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Indian Accounting Standards (Ind AS). However, in terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company is making disclosure of Related Party Transaction in Form AOC-2 which is marked as 'Annexure- 3' and forms part of this Directors Report.

The Policy on Related Party Transactions has been approved by the Board and the same has been uploaded on the website of the Company at the following URL-<http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf>

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate.

### COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has framed policies that were duly approved by the Board on the recommendations of the Nomination and Remuneration Committee prior to commencement of CIRP relating to directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of directors. Such policies form part of the charter documents of the Company. The other details form part of the Corporate Governance Report.

### EMPLOYEES REMUNERATION

Information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure- 4A' and forms part of this Directors Report.

A statement containing, inter alia, the names of top ten employees in terms of remuneration drawn and every employee employed throughout the financial year and in receipt of remuneration of ₹ 102 lakhs or more and, employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lakhs or more per month, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure- 4B' and forms part of this Directors Report.

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under 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, 2019 is marked as 'Annexure- 5' and forms part of this Directors Report.

### RISK MANAGEMENT POLICY OF THE COMPANY

The Company has put in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business. In line with the regulatory requirements, the Company has in place the Risk Management Policy to identify the risk elements and manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has proper confidentiality and privacy policies to control risk elements. The Company has wherever required, taken insurance policies to protect the property, assets etc.

The Company has formed Risk Management Committee. The scope and composition of the Committee forms part of the Corporate Governance Report. Further, the members of the Risk Management Committee and the senior management personnel review the Risk Management Policy periodically and discuss and mitigate the identified risks from time to time.

Major risks identified were discussed at the meeting of the Board of Directors of the Company prior to commencement of CIRP.

### CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility ("CSR") has been a commitment at the Company and forms an integral part of our activities.

The Company has formed a CSR committee in terms of the provisions of Section 135 of the Companies Act, 2013 and Rules made there-under read along with Schedule VII of the Act. The scope and composition of the committee forms part of the Corporate Governance Report.

Further, the Company was not required to make any CSR expenditure during the Financial Year 2018-19 since the average net profit for the three immediately preceding financial years was negative.

### HEALTH & SAFETY

The management of your Company believes that the employees are the heart and soul of the organization and hence, considers health and safety of its employees as its prime responsibility.

The Company continues to adopt the following health and safety initiatives:

- Accessibility of health and medical services to all employees through well-equipped health centers at all manufacturing facilities.
- Medical camps, at regular intervals, to ensure fitness of its employees.
- Availability of ambulance, in case of emergency.
- On-the-job and off-the-job training programs at regular intervals for up-gradation of employees on awareness front.
- Display of evacuation plans at various locations to reach assembly point.
- Display of cautionary boards, notice boards and information boards at work stations for information and awareness of the employees.
- Close monitoring of health and safety activities to ensure maintenance of adequate standards.

### ENVIRONMENTAL PROTECTION

Your Company has adopted various green initiatives from time to time in adherence to spirit enunciated under various policies and regulatory requirements for environmental protection. Your Company aims to carry out eco-friendly activities and strives to restrain the activities that result into the degradation of the environment.

The following are some of the initiatives which were adopted by the Company in the past and remain under implementation during the year under review:

- Promoting the use of alternative fuels and materials.
- Re-engineering the processes and products to reduce energy consumption.
- Tree-plantation campaigns.
- Awareness programs for employees at all levels.

The Company adopt clean technologies and processes that combine both economic progress and sustainable environment.

Your Company is in compliance of e-waste rules and guidelines and has a tie up with authorized recycler for collection and disposal of e-waste products.

### INFORMATION TECHNOLOGY

Your Company is fully focused on leveraging complete advantage of SAP system. We are using IT to the optimum benefits of our MIS users and decision makers. Your Company understands the significance and impact of the digital revolution and has significantly progressed in this direction.

### DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company respects and values diversity reflected in various backgrounds, experiences, and ideas and is committed towards providing a healthy environment. Keeping in view the same, the Company does not tolerate any discrimination and/or harassment in any form. The Company has in place an Internal Complaints Committee to inter-alia:

- 1) Prevent sexual harassment at the workplace; and
- 2) Redress the complaints in this regard.

The Company ensures that the process ensures complete anonymity

and confidentiality of information to report any sexual harassment cases at workplace.

During the year under review, there were no complaints / cases filed / pending with the Company during the year.

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Your Company provides an orientation and business overview to its Independent Directors to enable them to gain deeper understanding of your Company, its operations, business, senior management, policies, industry perspective, etc. The Directors are updated on a continual basis on any significant change and important developments in the Company. The detail of the familiarization programme for independent directors can be accessed at the website of the Company at <http://www.valueind.in/Documents/Familiarisation%20Program%20for%20independent%20directors.pdf>.

**DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE PERIOD**

During the year under review, Mr. Deepak A. Pednekar (DIN: 07639771), was appointed as a Director (Independent Non-Executive), for a period of 5 years at the previous Annual General Meeting held on 28th December, 2018, pursuant to the provisions of second proviso to Section 149(1) of the Companies Act, 2013 and the Rules made thereunder and in terms of the Articles of Association of the Company.

Mr. Naveen B. Mandhana (DIN:01222013), was appointed/confirmed as a Director (Independent Non-Executive), for a period of 5 years from 14th August, 2014 at the 27th Annual General Meeting held on 30th June, 2015. Being eligible he has offered himself for reappointment. In terms of the provision of Section 149(10), 152 of the Companies Act, 2013, he can be reappointed as Director for a further period of 5 Years by passing a Special Resolution.

A brief profile of Mr. Naveen B. Mandhana, seeking appointment at the ensuing Annual General Meeting under Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is appended to the Notice. The Directors proposes his reappointment as Director (Independent Non-Executive) for a further period of 5 years from 14th August, 2019, not liable to retire by rotation.

Since all the Directors of the Company are Independent Non-Executive there are no Directors liable to retire by rotation.

**Details of Key Managerial Personnel:**

The Board on the recommendation of the Nomination and Remuneration Committee and as approved by the erstwhile Resolution professional Mr. Dushyant Dave (IP Registration No. IIBBI/IPA-003/IP-P00061/2017-18/10502) appointed Ms. Samridhi Kumari, as the Company Secretary of the Company w.e.f. 5th December, 2018. Subsequently, she had resigned from the Company w.e.f. 31st March 2019.

Consequently, pursuant to the powers exercised by the erstwhile Resolution professional Mr. Dushyant Dave (IP Registration No. IIBBI/IPA-003/IP-P00061/2017-18/10502) under Section 28 of IBC Code and subsequent approval of the Committee of Creditors, appointed Mr. Mayank Bhargava, as the Company Secretary of the Company w.e.f. 5th June, 2019.

**DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each Independent Director of the Company under Section 149 of the Companies Act, 2013 and the provisions of SEBI (LODR) stating that they meet the criteria of independence as provided therein.

**NUMBER OF MEETINGS OF THE BOARD HELD DURING THE PERIOD**

During the financial period under review, the Directors met 3 times. The details regarding the attendance and the date of Meetings of Directors are provided in the Corporate Governance Report.

**COMMITTEES OF THE BOARD**

Pursuant to the provisions of the Companies Act, 2013 and provisions of the Listing Regulations, the Company has constituted the following committees to deal with specific areas / activities as a part of good governance practice:

1. Audit Committee
2. Nomination and Remuneration Committee

3. Stakeholders' Relationship Committee (Administrative and Shareholders / Investors Grievance Committee)
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Finance and General Affairs Committee

The composition, scope and powers of the aforementioned committees together with details of meetings held during the period under review, forms part of Corporate Governance Report.

The Company is under CIRP under the Code and therefore, the powers of board of directors stand suspended and are being exercised by the Resolution Professional in accordance with Sections 17 and 23 of the Code from the aforesaid date. Thus, no meetings of the committees were held after the commencement of CIRP w.e.f. September 5, 2018.

**PERFORMANCE ANNUAL EVALUATION**

In pursuance to Section 134 of the Companies Act, 2013, Rule 8 of the Companies (Accounts) Rules, 2014, and SEBI (LODR), the Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Directors as well as that of its committees and individual Directors, including Chairman, Key Managerial Personnel/ Senior Management etc.

In the past, the exercise was carried out based on various parameters such as the composition of the Board, experience, competencies, contribution towards accurate financial reporting, strategic guidance, risk mitigation, internal controls, governance, leadership and talent development, managing external stakeholders, governance issues, etc.

Consequent to admission of the Company into CIRP, the performance annual evaluation was not carried out during the year.

**WHISTLE BLOWER POLICY / VIGIL MECHANISM**

In line with requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has established a Whistle Blower Policy, where in the Employees / Directors / Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. This mechanism provides safeguards against victimisation of Employees, who report under the said mechanism.

During the year under review, the Company has not received any complaints under the said mechanism. The Whistle Blower Policy of the Company has been displayed on the Company's website at the link:<http://www.valueind.in/image/value/value%vigil%20mechanism%.pdf>

**LISTING**

The equity shares of your Company are listed on the BSE Limited (Formerly: The Bombay Stock Exchange Limited) and The National Stock Exchange of India Limited (NSE).

Due to Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities, the Shares of the Company are suspended from Trading on National Stock Exchange of India Limited & BSE Limited w.e.f 28th March, 2018 and 8th October, 2018 respectively.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the SEBI (LODR) is marked as 'Annexure- 6' and forms part of this Directors Report which provides full details of the operational performance and business analysis of the Company.

**CASH FLOW STATEMENT**

The Cash Flow Statement for the year ended March 31, 2019, in conformity with the provisions of the Companies Act, 2013 and SEBI (LODR) is annexed hereto.

**AUDITORS AND THEIR REPORTS**

**1. STATUTORY AUDITORS AND AUDIT REPORT:**

M/s S. Z. Deshmukh & Co., Chartered Accountants, Mumbai (Firm Registration No. 102380W) were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 29th Annual General Meeting (AGM) held

on September 29, 2017 until the conclusion of the 34th Annual General Meeting of the Company.

S. Z. Deshmukh & Co., Chartered Accountants, have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014.

**AUDIT REPORT:**

The audit report is prepared on basis of disclaimer. Auditors stated that they are unable to comment on necessary adjustments/disclosures in these financial statements in relation to items listed in their reports in view of the non-availability of necessary information /documentation/ satisfactory explanation relevant to audit of the current year.

The management hereby confirm that they have provided all the documents/information/explanation which in the opinion of management is sufficient for auditors to comment on True and Fair view. However, auditors were not satisfied with the explanation of management and, accordingly, continued with their stand insufficient information/documents/ explanations despite all documents having been furnished to them.

**The explanation of the management is as under:**

- a) (i) The Company has made investments, given advances and has trade receivables aggregating to ₹ 181.44 Crore in group/affiliate companies, namely Videocon Industries Limited, Applicomp (India) Limited, Millennium Appliances India Limited, KAIL Limited, Sky Appliances Limited and Techno Electronics Limited, which have been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 by their lenders and subsequently admitted to Corporate Insolvency Resolution Process (CIRP). The actual amount of loss on these investments, advances and trade receivables are not ascertainable till the completion of resolution process of these group entities.
- (ii) The Company has not assessed or reviewed the fixed assets for impairment, non-ascertainment of net realisable value of inventory, and non-ascertainment of the realisable value of investments. Prior to commencement of CIRP, the Company has appointed valuers for valuation of assets including inventory and investments and the Company is in process of ascertaining the impairment loss, if any, on its fixed assets, inventories and investments. The requisite accounting effect, if any, will be given upon such ascertainment / determination.
- (iii) The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.
- (iv) Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors.
- b) The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, and there is considerable decline in level of operations of the Company and net worth of the Company as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other obligors/ borrowers. It has also received invocation notices of personal guarantees extended by promoters. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. However, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of the preparation of financial statements on going concern basis is critically dependent upon CIRP as specified in the Code.

Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable at this stage.

- c) The Company has not submitted its financial results for the quarter/ period ended March 31, 2018, and subsequent periods till date as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non compliance of the said provisions were primarily on account of technical difficulties, voluminous activities under CIRP, lack of resources inter-alia including qualified staff having resigned pre-post CIRP.
- d) The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.

**2. COST AUDITOR AND COST AUDIT REPORT:**

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and amendments made thereto; from time to time, the Resolution Professional has accorded approval for appointment of M/s. B R Chandak & Co. Cost Accountants (Membership No. 21959), as the Cost Auditors of the Company, to conduct audit of Cost Accounting Records maintained by the Company for the financial year from April 1, 2019 to March 31, 2020 in respect of the products covered under 'Machinery and Mechanical Appliances'.

In compliance with the provisions, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company at general body meeting. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus applicable tax and out of pocket expenses payable to the Cost Auditor for the financial year from April 1, 2019 to March 31, 2020.

The Cost Audit Report for the financial year ended on March 31, 2019 is under preparation and expected to be completed soon.

In compliance with provisions of the Companies (Cost Records and Audit) Rules, 2014 and amendments made thereto; from time to time and General Circulars thereof, we hereby submit that the Company is in process of filing the Cost Audit Report for the financial year ended on March 31, 2018. The delay in filing is on account of technical difficulties.

The Board of Directors of the Company on 31st August, 2018, on the recommendation of the Audit Committee approved appointment of M/s. B R Chandak & Co.; Cost Accountants (Membership No. 21959), as the Cost Auditors of the Company to conduct the audit of the cost accounting records of the Company for the financial year from April 1, 2018 to March 31, 2019 at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding tax, reimbursement of travelling and other out of pocket expenses at actual incurred by them in connection with the aforesaid audit of the Company. The said appointment was subject to finalisation of fees with M/s. B R Chandak & Co. However, the fees couldn't be finalised till the date of previous Annual General Meeting. Therefore, the remuneration paid to M/s. B R Chandak & Co. as Cost Auditor for the financial year 2018-19, could not be confirmed by shareholders at the previous Annual General Meeting held on 28th December, 2018.

In compliance with the provisions, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company at general body meeting. Accordingly, consent of the Members is sought by way of an Ordinary Resolution for ratification of the remuneration amounting to ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus applicable tax and out of pocket expenses payable to the Cost Auditor for the financial year from April 1, 2018 to March 31, 2019.

**3. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex to its Board's Report, a secretarial audit report given by a Company Secretary in practice, in the prescribed form.

The Resolution Professional based on the recommendation of the Company Secretary of the Company, in compliance with Section 204 of the Act, appointed Mrs. Gayathri R Girish, Company

Secretary in Whole-time Practice, (CP No.: 9255) to carry out the Secretarial Audit for the financial period ended on March 31, 2019. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2019 is marked as 'Annexure- 7' and forms part of this Directors Report and consists of the observations stated by the Secretarial Auditor.

In respect of observations raised by the Secretarial Auditor, the explanation of the management is as under:

- The non-filing of e-forms MGT 14, CRA 2, CRA 4, AOC-4 XBRL and others were on account of technical issues.
- The appointment of Cost Auditor was subject to finalisation of fees with M/s. B R Chandak & Co. However, the said fees was not finalised till the date of previous Annual General Meeting. Therefore, the remuneration paid to M/s. B R Chandak & Co. as Cost Auditor for the financial year 2018-19, could not be confirmed by shareholders at the previous Annual General Meeting.
- The Company couldn't transfer (i) the unpaid/unclaimed dividend to IEPF, declared at the 23<sup>rd</sup> Annual General Meeting held on 29th June, 2011; (ii) the shares in respect of which dividend is unclaimed or unpaid for more than 7 years and which were due for transfer to IEPF due to lack of clarity consequent to commencement of CIRP.
- The non-filing of statement of unpaid and unclaimed amount to IEPF Authority was on account of non-receipt of information from the Registrar & Transfer Agent ("RTA") due to non-payment.
- The delay in filing of E Form MGT-15 and MGT 7 was on account of technical difficulty and procedural issues.
- The Company is in process of identifying the suitable candidate for the post of KMPs viz. Chief Executive Officer and Chief Financial Officer. There was delay in appointment and intimation of appointment and Resignation of Company Secretary and Compliance officer due to technical issues.
- The delay in compliance and/or non-compliance of the provisions of Regulations 13(3), 33(3), 47(3), 31, 29, 14, 34(1), 27(2), 7(3), 40(9) and giving prior intimation and outcome in respect of certain meetings of Committee of Creditors, submission of Reconciliation of Share Capital Audit, intimation of commencement of CIRP under the SEBI (LODR) were on account of technical difficulties, voluminous activities under CIRP, lack of resources inter-alia including qualified staff having resigned pre-post CIRP.
- The Non-Compliance of Regulation 46 of SEBI (LODR), the Company does not have functional website is due to technical issues.
- Non filings of returns under FEMA were on account of technical issues and accidental omissions.
- The other observations or adverse remarks are self-explanatory.

**DETAILS OF FRAUDS REPORTED BY AUDITORS (OTHER THAN REPORTABLE TO CENTRAL GOVERNMENT)**

There is no fraud/misconduct detected at the time of statutory audit by Auditors of the Company for the financial year ended on March 31, 2019.

**INTERNAL FINANCIAL CONTROLS, INTERNAL AUDIT AND OTHER INITIATIVES**

The Company has adequate systems of internal financial controls in place with reference to financial statements, which is commensurate with its size and the nature of its operations. The Independent Auditor have identified certain material weaknesses in the operating effectiveness of Company's financial controls.

The Company is strengthening internal controls. The Company has, in compliance with the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule 2014, has in place

in-house internal audit team led by in house internal auditor to carry out the periodic audits of internal records based on the plan approved by the audit committee and brought out any deviations to internal control procedures maintained by the Company.

**ANNUAL RETURN**

The copy of the Annual Return in e-Form MGT 7 pursuant to the provisions of Section 92(3) of the Companies Act, 2013, and the Rules made thereunder has been displayed on the Company's website at the link: <http://www.valueind.in/relationsservice.aspx?Sel=Others>

**ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS**

Except for commencement of CIRP under the Code, no material orders were passed by Regulators/ Courts / Tribunals during the period impacting the going concern status and Company's operations in future.

**DIRECTOR RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

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

**COMPLIANCE WITH THE SECRETARIAL STANDARDS**

Your Directors confirm that the Secretarial Standards issued by the Institute of Companies Secretaries of India, as applicable to the Company, have been duly complied with.

**ACKNOWLEDGMENT**

Your Directors take this opportunity to express its sincere appreciation and gratitude to the Customers, Vendors, Investors, Financial Institutions, Bankers, Business Partners and Government Authorities for their consistent support and encouragement to the Company. We also appreciate the contribution made by the employees at all levels for their hard work, dedication, co-operation, commitment and support for the growth of the Company.

The Directors would also like to thank all stakeholders for the continued confidence and trust placed by them with the Company.

**For and on Behalf of the Directors of  
VALUE INDUSTRIES LIMITED**

**DEEPAK A. PEDNEKAR**  
**DIRECTOR**  
**DIN: 07639771**

**BHUVANG S. KAKADE**  
**DIRECTOR**  
**DIN: 06383819**

Place: Mumbai  
Date: 3<sup>rd</sup> January, 2020

## Annexure - 1

# CORPORATE GOVERNANCE REPORT

The Hon'ble National Company Law Tribunal, Mumbai Bench, ("NCLT"), had vide its order dated September 05, 2018 admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of Value Industries Limited ("Company") ("Admission Order") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("Code"). Subsequently, the Hon'ble NCLT vide its order dated August 08, 2019 ("Consolidation Order") has ordered the consolidation of the CIRP of the 13 Videocon group entities, including the Company, ("Videocon Group Entities"). Further, the NCLT vide an order dated September 25, 2019 has appointed Mr. Abhijit Guhathakurta as the resolution professional for the consolidated CIRP of the Videocon Group Entities including the Company ("Resolution Professional") ("Appointment Order"). The Appointment Order was published on September 27, 2019, on which date the Resolution Professional has taken over the management and affairs of the Videocon Group Entities. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the board of directors of the Company ("Board of Directors") stand suspended and the same have been vested with and are being exercised by the Resolution Professional.

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2019.

In compliance with, Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations"), the Directors take pleasure in presenting the Corporate Governance Report for the year 2018-19.

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCES

The Management of the Company believes that a well-defined and enforced Corporate Governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws.

Your Company believes that sound Corporate Governance is necessary to enhance and retain stakeholders' trust.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons.

In terms of Regulation 34(3) read with Section C of Schedule V to Listing Regulations, a Report on Corporate Governance for the year ended 31st March, 2019 is presented below. Your Company is in partial compliance with the requirements and disclosures as stated therein. A certificate from the Company Secretary in Whole Time Practice confirming status on compliance of the Corporate Governance is appended to the Report on Corporate Governance.

### BOARD OF DIRECTORS

#### ➤ Composition of the Board of Directors as on 31st March, 2019:

The Company has of 3 (three) Non-Executive Independent Directors, viz., Mr. Bhujang S. Kakade, Mr. Naveen B. Mandhana and Mr. Deepak Pednekar. The Directors are the persons having vast experience in the fields of Finance, Taxation, Management, Administration, Manufacturing and Marketing. None of the Directors hold equity shares in your Company. There is no relationship between the Directors inter-se.

The Company is under CIRP under the Code and, therefore, the powers of board of directors stand suspended and are being exercised by the Resolution Professional in accordance with Sections 17 and 23 of the Code from the aforesaid date. Thus, no meetings of the Directors were held after the Commencement of CIRP w.e.f. September 5, 2018.

#### ➤ Proceeding of the Directors Meeting:

The Directors were entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and were vested with the requisite powers, authorities and duties. The Directors reviewed and approved management's

strategic business plan & business objectives and monitors the Company's strategic direction. The Directors' responsibilities further included overseeing the functioning of the Company's top management, monitoring legal compliance and management of the risks related to the Company's operations. The Directors also observed strict adherence to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. The Directors' actions and decisions were aligned with the Company's best interests.

In keeping with the commitment of the management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy was to maintain the independence of the Board and to separate the Board functions of governance and management.

Prior to commencement of CIRP, the Board and Committee met at timely intervals to discuss the business transactions and for strategic decision making. The Board had constituted six committees i.e. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Finance and General Affairs Committee.

The proceedings of conducting the Directors' and Committee meetings which were followed include the following:-

1. The Company Secretary discusses the agenda to be transacted at the Board and Committee meetings with the Board of Directors of the Company. The Company Secretary circulates the agenda with back up papers well in advance to all the Directors and members of the Committees, who are eligible to attend the meeting.
2. In case of urgency, the meetings are conducted by giving shorter notice. The Board is also authorized to pass resolutions by circulation in case of urgent need.
3. The Chairman of the meeting ensures that proper quorum is present throughout the meeting.
4. The Board has complete and un-restricted access to all the information available with the Company including-
  - Annual operating plans and budgets and any updates;
  - Capital budgets and any updates;
  - Quarterly/Annual results of the Company and its operating divisions or business segments;
  - Minutes of Board Meeting and other Committee Meetings of the Board;
  - Notice of Disclosure of Interest;
  - The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
  - Material important litigations, show cause, demand, prosecution notices and penalty notices, if any and status updates;
  - Sale of material nature of investments, subsidiaries and assets, which are not in the normal course of business;
  - Compliance Reports;
  - Related Party Transactions, if any;
  - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
  - Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;

- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
  - Significant labour problems and their proposed solutions. Also any significant development in Human Resource and Industrial Relations;
  - Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
  - Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc;
  - Any issue, which involves possible public or product liability claims of substantial nature including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company; and
  - Any other materially relevant information.
5. Draft minutes are circulated to all the members of the Board and Committee for their comments. The Chairman of the meeting signs the minutes so circulated and approved by all the members.
6. The proceedings of the Board Meetings, General Meetings and Committee Meetings are duly recorded in Minutes book in timely manner.

The Board periodically reviews the compliance reports to ensure adherence to all applicable provisions of law, rules and guidelines as may be applicable to the Company and takes steps to rectify non-compliances, if any.

➤ **Meeting of the Board of Directors:**

In terms of the provisions of Section 173 of the Companies Act, 2013, every company shall hold a minimum number of four meetings of its board of directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

The Company is under CIRP under the Code and therefore, the powers of board of directors stand suspended and are being exercised by the Resolution Professional in accordance with Sections 17 and 23 of the Code from September 5, 2018. Thus, no meetings of the Directors were held after the commencement of CIRP w.e.f. September 5, 2018.

During the year under review, the Board of Directors met 3 times on 25.05.2018, 03.07.2018 and 17.08.2018.

**Attendance of the Board members at the Board Meetings and Annual General Meeting:**

Name of the Director	Attendance at the Annual General Meeting held on 28th December, 2018*	Attendance at the Board Meetings
Mr. Naveen Mandhana	No	2
Mr. Bhujang Kakade	No	2
Mr. Deepak Pednekar	No	2

\*Since no Director of the Company was present at the annual general meeting, the members present at the meeting elected one amongst themselves to be the Chairman on show of hands.

In terms of the applicable provisions, the Chairman of Audit Committee, the Chairman of Stakeholders' Committee and the Chairman of the Nomination & Remuneration Committee are required to attend the annual general meeting of the company. However, as per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time,

the provisions specified in Regulations 17, 18, 19, 20 and 21, shall not be applicable during the corporate insolvency resolution process. The provisions as specified in said regulations of the SEBI (LODR) shall not be applicable during the corporate insolvency resolution process period and the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional of the Company as required under the Code.

The Directors have core skills/expertise/competencies in the context of the business(es) and sector(s) for it to function effectively. However, considering that the powers of the Board of Directors are suspended, the chart/matrix has no relevance.

**Confirmation that in the opinion on the Board, the Independent Director fulfill the condition specified in SEBI (LODR) Regulations, 2015 and are independent of the management:**

Based on the declaration received from the Independent Directors, the Board confirms that in the opinion of the Board, the Independent Directors fulfill the conditions specified under Section 149(6) of the Companies Act, 2013 and Clause 16(1)(b) of SEBI (LODR) Regulations, 2015 and are independent of the management.

**Number of other Boards or Board Committees in which a Director is a member or chairperson as on 31.03.2019:**

Name of the Director	Other Directorships		
	Directorship @	Committee Chairmanship#	Committee Membership#
Mr. Bhujang Kakade	1	0	0
Mr. Deepak Pednekar	4	0	4
Mr. Naveen Mandhana	1	0	0

**Note:**

@ Directorships held by the directors do not include alternate directorships, directorships in Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Private Limited Companies.

# Chairmanship/ Membership of only the Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies have been considered.

➤ **Independent Directors Meeting:**

No separate meeting of the Independent Directors was held during the financial year under review.

**COMMITTEES OF THE BOARD OF DIRECTORS**

The Board of Directors of the Company have set up Committees to carry out various functions, as entrusted, and give the suitable recommendations to the Board on the significant matters, from time to time. Each of the Committee is guided by well-defined scope, powers and composition of the Committee. All decisions and recommendations of the Committees, till commencement of CIRP, were placed before the Board either for information or approval.

Following are the details of the Committees as on 31st March, 2019:

**Mandatory Committees:**

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee (Mandatory as per Companies Act, 2013)

**Non-Mandatory Committees**

1. Finance and General Affairs Committee

The members of the Committees are elected by the Board and co-opted by the respective Committees.

### • **Audit Committee:**

During the year under review the Audit Committee is duly constituted. Members of Audit Committee comprise of Independent Directors and the members have financial background and accounting knowledge. The Committee is also responsible for reviewing the adequacy of internal control system and to ensure compliance thereof and adequate follow up actions are taken.

### **Composition as on 31st March, 2019, Meetings and Attendances:**

The composition of the Audit Committee satisfies the requirements of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR).

However, as per the provisions of the Code and provisions of Regulation 15 (2A) and (2B) of the SEBI (LODR) as amended from time to time, the provisions specified in regulation related to Audit Committee, shall not be applicable during the corporate insolvency resolution process. The provisions as specified in said regulations of the SEBI (LODR) shall not be applicable during the corporate insolvency resolution process period and the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional of the Company.

During the year under review, the Committee met 2 (Two) times on the following dates: 25.05.2018 and 03.07.2018.

The composition, meetings and attendances of members of the Audit Committee are as under:

Name of the Director	Designation	Category	No. of Meetings Attended
Mr. Bhujang Kakade	Chairman	Independent	2
Mr. Naveen Mandhana	Member	Independent	2
Mr. Deepak Pednekar	Member	Independent	2

The Statutory Auditors and other key officials attended and participated in the Audit Committee Meeting, on invitation. The Company Secretary is the de-facto Secretary of the Committee.

### **Terms of reference and scope of the Committee:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees and also approval for payment for any other services rendered by the Auditors.
3. Reviewing and monitoring the Auditor's Independence and performance, and effectiveness of audit process.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - i. Matters required for inclusion the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3) of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Modified opinion(s) in the draft audit report;
  - v. Significant adjustments made in the financial statements arising out of audit findings;
  - vi. The going concern assumption;
  - vii. Compliance with listing and other legal requirements relating to financial statements;

- viii. Disclosure of any related party transactions;
  - ix. Observations and Qualifications in the draft audit report; and
  - x. Review of related party transactions.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
  8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  9. Discussion with internal auditors about any significant findings and follow-up there on.
  10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  12. To look into the reasons for substantial defaults in the payment if any, to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **Powers of the Audit Committee includes-**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Review of information by Audit Committee:**

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters /letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.



**Whistle Blower Policy & Vigil Mechanism**

The Section 177 of the Companies Act, 2013, read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (LODR) Regulations require all the listed companies to institutionalize the vigil mechanism and Whistle Blower Policy. Accordingly, the Board has adopted Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website <http://www.valueind.in>.

• **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

As per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 20 (Stakeholders' Relationship Committee), shall not be applicable during the corporate insolvency resolution process. Nonetheless, the Company is furnishing the requisite details pertaining to Stakeholders' Relationship Committee in terms of Schedule V of the SEBI (LODR).

In accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Amendment Regulations to consider and resolve the grievances of the equity shareholders of the Company. The said Committee approves the transfer/transmission of shares as and when required from time to time.

During the year under review, the Committee met 1 (One) time on 03.07.2018.

**Composition as on 31st March, 2019, Meetings and Attendance:**

Name of the Director	Designation	Category	No. of Meetings Attended
Mr. Bhujang Kakade	Chairman	Independent	1
Mr. Naveen Mandhana	Member	Independent	1
Mr. Deepak Pednekar	Member	Independent	1

**Compliance Officer:**

Ms. Samridhi Kumari, was the Company Secretary and Compliance Officer From 5th December, 2018 to 31st March, 2019.

Mr. Mayank Bhargava, Company Secretary of the Company, is the Compliance Officer with effect from 05th June, 2019. As authorized by the Resolution Professional pursuant to the CIRP and in accordance with the Letter of Appointment dated 05th June, 2019, the Company Secretary is required to assist the Resolution Professional in compliance of Companies Act, 2013 or SEBI (LODR) unless the compliance of any regulations under the aforesaid regulations and laws are otherwise exempted under the Code.

The Company Secretary is required to intimate the Resolution Professional regarding any letter or notices received by him from any regulatory authority regarding any non-compliance and co-ordinate and assist the Resolution Professional's team in formulating appropriate response to such notice or letters received from regulatory authorities.

**Terms of reference and Scope of the Committee:**

The Stakeholders' Relationship Committee plays an important role in acting as a link between the management and ultimate owners of the Company i.e., the shareholders. The Committee has delegated the power of Share Transfer to Registrar and Share Transfer Agent, who processes the transfers. The Committee also looks after the redressal of investors' grievances and performance of the Registrar and Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

**Scope of the Committee:**

- Transfer of shares;
- Transmission of shares;
- Issue of Duplicate Share Certificates;
- Change of Status;
- Change of name;
- Transposition of shares;
- Sub-division of shares;
- Issue and Allotment of securities;
- Consolidation of Folios;
- Requests for Dematerialization/Rematerialization of shares; and
- Redressal of investor grievances.

The Committee also closely monitors compliance of the code of conduct for prevention of insider trading.

The power of share transfer has been delegated to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, who processes the transfers.

**Details of Share Transfer/Demat/Remat:**

The request for transfer, dematerialization and rematerialization from the shareholders were received and approved, particulars of which are as under:

Sr. No.	Particulars	Equity
a)	Number of Transfers	58
b)	Number of Shares Transferred	7,889
c)	Average No. of Transfers per Month	4.83
d)	Number of Demat Requests approved	425
e)	Number of Shares Dematerialized	50,861
f)	Percentage of Shares Dematerialized	0.13
g)	Number of Rematerialization Requests approved	0
h)	Number of Shares Rematerialized	0
i)	Number of Sub-committee Meetings held	40

During the year under review, The Company had received 47 complaints. All of the 47 complaints were redressed to the satisfaction of the shareholders. There were nil complaints pending at the beginning and at the end of the year.

• **NOMINATION AND REMUNERATION COMMITTEE:**

The purpose of the Nomination and Remuneration Committee includes determining the qualifications of the Independent Directors and recommending to the Board of Directors, a policy relating to the remuneration of the Directors and Key Managerial Personnel, etc.

Your Company has constituted the Nomination and Remuneration Committee in line with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

As per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of the SEBI (LODR), as amended from time to time, the provisions specified in Regulations 17, 18, 19, 20 and 21, shall not be applicable during the corporate insolvency resolution process. The provisions as specified in the said regulations of the SEBI (LODR) shall not be applicable during the corporate insolvency resolution process period and the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional.

During the financial year under review, no meetings were held.

**Composition as on 31st March, 2019:**

The composition of the members of the Committee are as follows:

Name of the Director	Designation	Category
Mr. Naveen Mandhana	Chairman	Independent
Mr. Bhujang Kakade	Member	Independent
Mr. Deepak Pednekar	Member	Independent

Company Secretary acts as the de-facto Secretary to the Committee.

**Terms of reference and Scope of the Committee:**

The terms of reference and scope of the Committee inter-alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of the director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising the policy on diversity of the board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of independent directors.
- Fixing & Reviewing the remuneration of the Chief Executives and other senior officers of the Company.
- Recommending the remuneration including the perquisite package of key management personnel.
- Determining the remuneration policy of the Company.
- Recommending to the Board retirement benefits.
- Reviewing the performance of employees and their compensation; and
- Attending to any other responsibility as may be entrusted by the Board.

**Remuneration Policy:**

The Independent Directors are paid remuneration by way of commission and sitting fees. The Company has formulated the remuneration policy. The details of this policy are available on the Company's website viz. [www.valueind.in](http://www.valueind.in).

**Performance Evaluation Criteria for Independent Directors:**

The evaluation of the performance of the Board of Directors as well as that of its committees and individual directors including chairman of the board, key managerial personnel/senior management etc., was not carried out during the year as the Company was admitted to CIRP on 5th September, 2018.

**Familiarisation Program for Independent Directors:**

Your Company has initiated a familiarisation program wherein the Independent Directors are updated on a continual basis of any important changes taking place in the Company.

The details of the familiarisation program are available on the Company's weblink viz. <http://www.valueind.in/image/value/Value%20Familiarisation%20Program%20for%20Independent%20Directors.pdf>

**Director's Remuneration:**

The Independent Directors are paid only sitting fees for attending Board/

Committee Meetings. However, Directors were not paid sitting fees, even though they were entitled, upto the commencement of CIRP. Further, as the Directors have not lodged their claim in terms of the provisions of the Code, the sitting fees paid/payable to Directors has been shown as NIL.

**Stock Options:**

The Company has not issued any Stock Options.

• **RISK MANAGEMENT COMMITTEE:**

As per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 21 (Risk Management Committee), shall not be applicable during the corporate insolvency resolution process. Nonetheless, the Company is furnishing the requisite details pertaining to Risk Management Committee in terms of Schedule V of the SEBI (LODR).

Pursuant to Regulation 21 of Listing (Amendment) Regulations, 2018, the Company has constituted the Risk Management Committee to monitor and review the risk management plan. Framework of the Risk Management includes: Risk Identification, Risk Assessment, Risk Measurement, Risk Mitigation and Monitoring, Risk Treatment and Risk Reporting.

The Company has in place a comprehensive policy on risk management for assessment of risk and minimizes their adverse impact on the activities of the Company. The same is displayed on the Company's website viz. [www.valueind.in](http://www.valueind.in)

During the year under review, the Committee met once on 25th May, 2018.

**The composition, meetings and attendances of Directors are as follows:**

Name of Director	Designation	Category	No. of Meetings Attended
Mr. BhujangKakade	Chairman	Independent	1
Mr. Naveen Mandhana	Member	Independent	1
Mr. Deepak Pednekar	Member	Independent	1

• **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):**

**Composition of the Committee:**

The constitution of the CSR Committee is in conformity with the requirements of Section 135 of the Act, which comprises of three Directors with atleast one Independent Director.

During the financial year under review, no meetings were held.

The Composition of the Corporate Social Responsibility Committee as on 31st March, 2019 was as under:

Name of Director	Designation	Category
Mr. Bhujang Kakade	Chairman	Independent
Mr. Naveen Mandhana	Member	Independent
Mr. Deepak Pednekar	Member	Independent

**Terms of Reference of the Committee:**

The CSR Committee has adopted a policy that outlines the Company's Objective of catalyzing economic development and improving the quality of life for the Society and protection of the environment, communities and stakeholders. The Terms of Reference of the Committee are to:-

1. Formulate and recommend to the Board the CSR Policy and its review from time-to-time.
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.

4. Ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

**FINANCE AND GENERAL AFFAIRS COMMITTEE:**

**Composition as on 31st March, 2019, Meeting and Attendance:**

During the year under review, no meeting of the Finance and General Affairs Committee was held.

The composition, meeting and attendance of the members of the Committee is as follows-

Name	Designation	Category
Mr. BhujangKakade	Chairman	Independent
Mr. Naveen Mandhana	Member	Independent
Mr. Deepak Pednekar	Member	Independent

**Terms of reference and Scope of the Finance and General Affairs Committee:**

The Committee is entrusted with various powers from time to time, which shall aid in speedy implementation of various projects, activities and transaction whether routine or non-routine in nature.

**DETAIL OF GENERAL BODY MEETINGS**

**Location and time, where last three Annual General Meetings were held:**

AGM	Date	Location	Time	Special Resolution Passed
28th	26th September, 2016	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	10.30 a.m.	NIL
29th	29th September, 2017	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	02.00 p.m.	NIL
30th	28th December, 2018	14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105	03.00 p.m.	NIL

**Postal Ballot**

No special resolution was passed through postal ballot during the financial year under review.

None of the businesses are proposed to be transacted at the ensuing Annual General Meeting which requires passing of a Special resolution through postal ballot.

**Extra-Ordinary General Meeting**

No Extra Ordinary General Meeting was held during the year under reference.

**DISCLOSURES**

a)	Materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors / management, subsidiaries / relatives etc. that may have potential conflict with the interests of the Company at large.	There are no transactions which may have potential conflicts with the interest of the Company at large. Transactions with related parties are disclosed in note no. 45 of the "Notes forming part of Financial Statements" in the Annual Report.
b)	Non-Compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years	Nil
c)	Details of Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.	The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to Audit Committee.
d)	Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause	The status of compliance with discretionary recommendations of the Regulation 27 of the SEBI Regulations with Stock Exchanges inter-alia is provided below: a. <b>Shareholders' Rights:</b> In the past the quarterly and half yearly financial performance along with significant events were published in the newspapers and were also posted on the Company's website. Hence the same were not sent to the shareholders. During the year under review the Company has failed to publish quarterly, half yearly and Annual Results b. <b>Modified Opinion in Auditors Report:</b> The Company's Financial Statements for the year ended 31st March, 2019 does not contain any modified audit opinion. c. <b>Reporting of Internal Auditor:</b> Prior to commencement of CIRP, the Internal Auditor reports to the Audit Committee.
e)	Weblink where the policy for determining related party transactions is disclosed.	The policy on related party transactions is disclosed on the Company's weblink <a href="http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf">http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf</a>
f)	Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account	N.A.

## GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting	The Thirty First Annual General Meeting of the Members of the Company will be held on Tuesday, 4th day of February, 2020, at the Registered Office of the Company at 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist.: Aurangabad -431 105 (MH) at 11.30 a.m.																																											
2.	Financial Calendar	Financial Year	1st April, 2019 to 31st March, 2020																																										
		First Quarterly Results	In terms of provisions of SEBI (LODR) the First Quarterly results were required to be disseminated to Stock Exchange on or before 14th August, 2019. However, due to diverse reasons the Company couldn't publish the same.																																										
		Second Quarterly Results	In terms of provisions of SEBI (LODR) the Second Quarterly results were required to be disseminated to Stock Exchange on or before 14th November, 2019. However, due to diverse reasons the Company couldn't publish the same.																																										
		Third Quarterly Results	On or before 14th February, 2020																																										
		Fourth Quarterly Results	On or before 30th May, 2020																																										
		Annual General Meeting for Financial year ending on 31st March, 2020	On or before 30th September, 2020																																										
3.	Date of Book Closure	The date of Book Closure for the purpose of the AGM shall be from Tuesday, 28th January, 2020 to Tuesday, 4th February, 2020 (both days inclusive).																																											
4.	Dividend Payment Date	In view of the loss incurred; the Board of Directors of the Company do not recommend any dividend on equity shares for the year under review.																																											
5.	Listing on Stock Exchanges	The equity shares of your Company are listed on BSE Limited and the National Stock Exchange of India Limited.																																											
6.	Stock Code	The names and addresses of the Stock Exchanges where the equity shares of your Company continue to be listed are given below:																																											
		BSE Limited (BSE) 1st Floor, New Trading Ring, Phiroze Jeejee bhoy Towers, Dalal Street, Mumbai – 400 001		500945 (Stock Code)																																									
		The National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 059		VALUEIND (Stock Code)																																									
7.	Market Price Data	Average monthly High and Low Prices of the Company at BSE and NSE are given below:																																											
		<b>Month</b>	<b>BSE (Suspended w.e.f. October 08, 2018)</b>		<b>NSE (Suspended w.e.f. March 28, 2018)</b>																																								
			<b>High Price</b>	<b>Low Price</b>	<b>High Price</b>	<b>Low Price</b>																																							
		April, 2018	4.91	4.35	NA	NA																																							
		May, 2018	4.56	4.10	NA	NA																																							
		June, 2018	4.09	3.71	NA	NA																																							
		July, 2018	3.53	3.36	NA	NA																																							
		August, 2018	3.20	2.89	NA	NA																																							
		September, 2018	2.80	2.50	NA	NA																																							
		October, 2018	2.38	2.27	NA	NA																																							
		November, 2018	NA	NA	NA	NA																																							
		December, 2018	NA	NA	NA	NA																																							
		January, 2019	NA	NA	NA	NA																																							
		February, 2019	NA	NA	NA	NA																																							
		March, 2019	NA	NA	NA	NA																																							
8.	Comparative Chart	<table border="1"> <caption>Approximate Data from Comparative Chart</caption> <thead> <tr> <th>Month</th> <th>SENSEX (Left Axis)</th> <th>BSE (Right Axis)</th> </tr> </thead> <tbody> <tr><td>APR - 2018</td><td>35000</td><td>4.8</td></tr> <tr><td>MAY - 2018</td><td>37500</td><td>4.5</td></tr> <tr><td>JUN - 2018</td><td>38000</td><td>4.2</td></tr> <tr><td>JULY - 2018</td><td>36500</td><td>3.8</td></tr> <tr><td>AUG - 2018</td><td>35500</td><td>3.5</td></tr> <tr><td>SEPT - 2018</td><td>35000</td><td>3.2</td></tr> <tr><td>OCT - 2018</td><td>34000</td><td>2.8</td></tr> <tr><td>NOV - 2018</td><td></td><td></td></tr> <tr><td>DEC - 2018</td><td></td><td></td></tr> <tr><td>JAN - 2019</td><td></td><td></td></tr> <tr><td>FEB - 2019</td><td></td><td></td></tr> <tr><td>MAR - 2019</td><td></td><td></td></tr> </tbody> </table>					Month	SENSEX (Left Axis)	BSE (Right Axis)	APR - 2018	35000	4.8	MAY - 2018	37500	4.5	JUN - 2018	38000	4.2	JULY - 2018	36500	3.8	AUG - 2018	35500	3.5	SEPT - 2018	35000	3.2	OCT - 2018	34000	2.8	NOV - 2018			DEC - 2018			JAN - 2019			FEB - 2019			MAR - 2019		
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DEC - 2018																																													
JAN - 2019																																													
FEB - 2019																																													
MAR - 2019																																													

9.	Registrar and Share Transfer Agents	MCS Share Transfer Agent Limited A-209, C Wing, 2nd floor Gokul Industries Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai- 400059. Tel. 022-40206022-25 Fax 022-40206021 E-mail: mcssta.mumbai@gmail.com
10.	Share Transfer System	<p>Applications for transfer of shares held in physical form are received at the office of the Registrar and Share Transfer Agents of the Company. All valid transfers are processed within 15 days from the date of receipt. The Company has pursuant to Clause 47(c) of the Listing Agreement and Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered with the Stock Exchanges, submitted within stipulated time, certificate of half yearly basis confirming due compliance of Share Transfer formalities by the Company from Practising Company Secretary.</p> <p>The Company submits a half-yearly certificate of compliance with the share transfer formalities from a Practising Company Secretary and simultaneously files a copy of the said certificate with the Stock Exchanges as required under Regulation 40 (10) of the Listing Regulations.</p> <p><b>Note:</b> As per SEBI notification date 30.11.2018 and further clarification on 27.03.2019, SEBI has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "except in case of transmission or transposition of securities requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 1, 2019". The amendment does not prohibits the Investor from holding the shares in physical form, Investor has the option of holding shares in physical form even after April 1, 2019.</p>

**11. DISTRIBUTION OF SHAREHOLDING:**

**A) Shareholding Pattern as on 31st March, 2019:**

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
(1)	Indian	20	1,83,22,416	46.76
(2)	Foreign	-	-	-
	<b>Sub-Total (A)</b>	<b>20</b>	<b>1,83,22,416</b>	<b>46.76</b>
<b>(B)</b>	<b>Public Shareholding</b>			
(1)	Institutions	51	9,65,880	2.46
(2)	Non-Institutions			
	-Bodies Corporate	407	8,02,749	2.05
	-Individuals	62,843	1,80,01,718	45.94
	-Others	768	10,92,912	2.79
	<b>Sub-Total (B)</b>	<b>64,069</b>	<b>2,08,63,259</b>	<b>53.23</b>
	<b>TOTAL (A) + (B)</b>	<b>64,089</b>	<b>3,91,85,675</b>	<b>100.00</b>
<b>(C)</b>	<b>Shares held by Custodians and against which depository Receipt have been issued</b>			
(1)	Promoter and Promoter Group			
(2)	Public	-	-	-
	<b>Sub-total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>64,089</b>	<b>3,34,458,875</b>	<b>100.00</b>

**B) Distribution of Shareholding as on 31st March, 2019:**

Shareholding of Nominal Value	Number of Shareholders	% to the total number of shareholders	No. of Shares	Amount in ₹	% to Total value of Capital
Up to 5,000	60,462	94.34	70,81,686	7,08,16,860	18.07
5001 to 10000	1,813	2.83	14,95,650	1,49,56,500	3.82
10001 to 20000	839	1.31	12,98,821	1,29,88,210	3.31
20001 to 30000	275	0.43	7,05,267	70,52,670	1.80
30001 to 40000	127	0.20	4,57,577	45,75,770	1.17
40001 to 50000	140	0.22	6,66,779	66,67,790	1.70
50001 to 100000	226	0.35	16,21,007	1,62,10,070	4.14
100001 and above	208	0.32	2,58,58,888	25,85,88,880	65.99
<b>Total</b>	<b>64,090</b>	<b>100.00</b>	<b>3,91,85,675</b>	<b>39,18,56,750</b>	<b>100.00</b>

12.	Dematerialization of Shares	The Company's Equity Shares are under compulsory demat trading by all categories of investors. As on 31st March, 2019, 3,49,49,473 Equity Shares have been dematerialized which account for 89.19% of the total equity.
13.	Outstanding GDRs/ ADRs/ Warrants or Conversion Instruments, Conversion Date and like impact on equity	NIL
14.	Plant Location	15 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist. Aurangabad – 431 105, Maharashtra
15.	Address for Correspondence	14 K. M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan, Aurangabad – 431 105 (Maharashtra) Tel.: (02431) 251 555; Fax: (02431) 251 571 Email: secretarial_value@videoconmail.com The correspondence address for shareholders in respect of their queries is:  <b>MCS Share Transfer Agent Limited</b> A-209, C Wing, 2nd floor Gokul Industries Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai- 400059. Tel. 022-40206022-25 Fax 022-40206021 E-mail: mcssta.mumbai@gmail.com
16.	List of Credit rating obtained by the Company	NIL

**OTHER DISCLOSURES**
**➤ DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

The Risk Management Committee used to identify the risk elements and manages the risk pertaining to hedging activities and periodically discusses & mitigates the identified risks from time to time.

**➤ DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).**

Not Applicable.

**➤ CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTORS OF THE COMPANIES BY THE BOARD/ MINISTRY OF CORPORATE AFFAIRS OR ANY SUCH STATUTORY AUTHORITIES:**

A certificate from a Company Secretary in practice confirming the status on non-disqualification of directors is attached to this report.

**➤ COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:**

A certificate from the Company Secretary in whole time practice confirming compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations is attached to this report.

**➤ DETAILS OF TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART.**

The total fees for all services paid/payable by the Company to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended 31st March, 2019 is as under:

Name of the Audit Firm	Amount (₹ in Million)
S. Z. Deshmukh & Co.,	1.31

**➤ DISCLOSURES IN RESPECT OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

A	Number of complaints filed during the financial year	NIL
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B	Number of complaints disposed of during the financial year	NIL
C	Number of complaints pending as on end of the financial year	NIL

**➤ ADDITIONAL INFORMATION IN TERMS OF SCHEDULE V OF SEBI (LODR)**

- The Company has not raised any funds during the year under review.
- There are no instances of board not accepting any recommendation of any committee of the board which is mandatorily required.
- Except for what is disclosed in the Corporate Governance Report, there are no instances of non-compliance of any requirement of corporate governance report in terms of requirements of Schedule V, C, (2) to (10).
- The Company has partially complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR). As per the provisions of Code and provisions of Regulation 15(2A) and (2B) of SEBI (LODR), the provisions specified in Regulations 17, 18, 19, 20 and 31 shall not be applicable during the CIRP.

**MISCELLANEOUS**
**➤ BANK DETAILS:**

Shareholders holding shares in physical form are requested to notify / send the following information to the Registrar and Share Transfer Agent of the Company:

- Any change in their address/mandate/bank details etc; and
- Particulars of the bank account in which they wish their dividend to be credited (in case the same has not been furnished earlier); and should include the following particulars namely, Bank Name, Branch Name, Account Type, Account Number and MICR Code (9 digits).

**➤ PERMANENT ACCOUNT NUMBER:**

The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can

submit their PAN details to the Company/ Registrar and Share Transfer Agent.

**> NOMINATION FACILITY:**

Shareholders holding shares in physical form and desirous of submitting/changing nomination in respect of their shareholding in the Company may submit Form 2B (in duplicate) as per the provisions of the Companies Act, 2013, to the Company's Registrar and Share Transfer Agent.

**• WARRANTIES:**

There were no warrants issued during the year under review.

Express and Loksatta, English and Marathi language newspapers, respectively. These results are not distributed/sent individually to the shareholders. However, no quarterly results and/or annual results were published during the year 2018-2019.

In terms of the requirements of the Listing Regulations, the reports, statements, documents, filings and any other information is electronically submitted to the recognized stock exchanges, through [www.listing.bseindia.com](http://www.listing.bseindia.com) and [www.connect2nse.com](http://www.connect2nse.com); unless there are any technical difficulties while filing the same.

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts' Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at [www.valueind.in](http://www.valueind.in).

Management Discussion and Analysis Report forms part of the Annual Report.

**MEANS OF COMMUNICATION**

The Company in the past has intimated its financial results, audited/ limited reviewed, to the Stock Exchanges, as soon as the same are taken on record /approved. These financial results are published in the Financial

**CERTIFICATES AND CONFIRMATION**

To,  
The Board of Directors,  
**VALUE INDUSTRIES LIMITED**

We, B. S. Kakade and D. A. Pednekar, Directors of the Company, certify to the Board that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended on 31st March, 2019 and 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; and
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company, disclosing to the Auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, and take steps or propose to take steps to rectify these deficiencies.
- d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - i. Significant changes in Internal Control over financial reporting during the year;
  - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For VALUE INDUSTRIES LIMITED**

<b>B. S. Kakade</b> Director (DIN: 06383819)	<b>D. A. Pednekar</b> Director (DIN: 07639771)
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Place: Mumbai  
Date: 3rd January, 2020

**DECLARATION**

The Board has laid down a code of conduct for all the Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management have affirmed compliance with the code of conduct.

**For VALUE INDUSTRIES LIMITED**

<b>B. S. Kakade</b> Director (DIN: 06383819)	<b>D. A. Pednekar</b> Director (DIN: 07639771)
--	--

Place: Mumbai  
Date: 3rd January, 2020

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**VALUE INDUSTRIES LIMITED**

The Corporate Governance Report prepared by Value Industries Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2019.

The State Bank of India in capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), for the debts due to them and initiation of Corporate Insolvency Resolution Process ("CIRP") in respect of the Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code"). In terms of the Order pronounced on 5th September, 2018, by the NCLT, Mr. Dushyant C. Dave, having Registration No.: IBBI/IPA-003/IP-P00061/2017-18/10502 was appointed as Interim Resolution Professional of the Company. Pursuant to an application filed before the "NCLT", Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("Consolidation Order") dated 8th August, 2019 had admitted application allowing consolidation of CIRP petitions of 13 Videocon Group Companies to avoid conflicting of orders, if any. The NCLT vide its order 8th August, 2019, had appointed Mr. Mahender Khandelwal, having registration No. IBBI/IPA-001/IP-P00033/2016-17/10086, as the Resolution Professional of the Corporate Debtors ("**Erstwhile Resolution Professional**") replacing the then erstwhile resolution professional. The NCLT vide its order dated September 25, 2019 (published on September 27, 2019) has approved the replacement of the Erstwhile Resolution Professional with Mr. Abhijit Guhathakurta, Reg. No. IBBI/IPA-003/IP/N000103/2017-18/11158 as the resolution professional for the consolidated CIRP of the Corporate Debtors.

### MANAGEMENT'S RESPONSIBILITY

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### PCS RESPONSIBILITY

My responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.

The procedures selected depend on the PCS judgement, including the assessment of the compliance of the Corporate Governance Report with the applicable criteria. The procedures include but is not limited to verification of secretarial records and financial information of the Company and obtaining necessary representations and declarations from management of the Company.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, My scope of work under this report did not involve performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion:

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has partially complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") pursuant to the Listing Agreement of the said Company with stock exchanges except for the following circumstances:

#### During the financial year under review,

- The Company has not submitted un-audited/audited financial results together with limited review Report/Auditor Report along with Statement of impact, as the case may be, in terms of the provision of Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. Therefore the Company could not able to comply Regulation 29 of SEBI (LODR), 2015
- The Company has not published the financial results in the newspaper in terms of requirements of Regulation 47(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations.
- The Company has not paid Listing Fees in terms of Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations.
- The Company has delayed in:
  - submission of statement giving status of investor complaints in respect of few quarters in terms of Regulation 13(3) of SEBI LODR, 2015.
  - submission of Shareholding Patterns in respect for certain quarters in terms of Regulation 31 of SEBI (LODR), 2015.
  - submission of Compliance Certificate in respect of half year ended 30th September, 2018 under Regulation 7(3) and Regulations 40(9) of SEBI (LODR), 2015.
  - submission of intimation for appointment & Resignation of Company Secretary and Compliance Officer under Regulation 30 of SEBI (LODR), 2015.
  - giving information related to commencement of Corporate Insolvency Resolution Plan (CIRP) to National Stock Exchange Limited (NSE).
- The Company has failed in
  - giving information related to commencement of Corporate Insolvency Resolution Plan (CIRP) to BSE Limited.
  - submission of Reconciliation of Share Capital Audit Report in respect of few quarters in terms of requirements of Regulations 55A of SEBI (Depositories and Participants Regulations), 1996.
  - submission of Compliance Certificate in respect of half year ended 31st March, 2018 under Regulation 7(3) and Regulations 40(9) of SEBI (LODR), 2015.
- In terms of Regulation 46 of SEBI (LODR), 2015, the Company has functional website, however, certain information are not up to date.

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

**Gayathri R Girish**  
**Practicing Company Secretary**  
Membership No: 18630  
CP: 9255  
UDIN: A018630B00007608

Place: Mumbai  
Date: 3rd January, 2020



**CERTIFICATES AND CONFIRMATION****CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

**[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members of  
**VALUE INDUSTRIES LIMITED**  
14. K.M Stone, Aurangabad Paithan Road,  
Village Chittegaon, Taluka Paithan,  
Aurangabad - 431105

Subject: Certificate under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Value Industries Limited having CIN L99999MH1988PLC046445 and having registered office at 14. K.M Stone, Aurangabad Paithan Road, Village Chittegaon, Taluka Paithan, Aurangabad - 431105 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in); list of entities debarred by Securities and Exchange Board of India, as uploaded on the website of BSE Limited (BSE) and based on the explanation furnished to me by the Company and its officers; & based on the explanation, declaration, representations from its Directors, I hereby certify that none of the Directors of the Company as stated below for the financial year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Bhujang Shesharao Kakade	06383819	30/05/2016
2.	Naveen Bhanwarlal Mandhana	01222013	08/03/1988
3.	Deepak Anant Pednekar	07639771	25/01/2018

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Gayathri R Girish**  
**Practicing Company Secretary**  
Membership No: 18630  
CP: 9255  
UDIN: A018630B00007608

Place: Mumbai  
Date: 3rd January, 2020

## Annexure - 2

Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013  
(Pursuant to Section 134 (3)(g) of the Companies Act, 2013)

### A. DETAILS OF INVESTMENT:

Sr. No.	Nature of transaction	Name of the person or body corporate whose securities have been acquired/Sold	No. and Kind of Securities	Cost of Acquisition/ Sale (₹ in Million)	Nominal Value	Date of Selling Investment	Selling Price (how the price was arrived at)
NIL							

### B. DETAILS OF LOANS:

Sr. No.	Nature of transaction	Name of the person or body corporate whose securities have been acquired/ Sold	Amount of Loan/ Security/ Acquisition/ Guarantee	Time period for which it is made/ given	Purpose of Loan/ Acquisition/ Guarantee/ Security	% of loan/ acquisition / exposure on guarantee/security provided to the paid up Capital, Free Reserves and securities Premium account and % of free reserves and securities premium	Date of passing Special resolution, if required	Rate of Interest	Date of maturity
NIL									

### C. DETAILS OF GUARANTEE:

Sr. No.	Nature of transaction (whether Loan/Guarantee/Security/ Acquisition)	Date of making Loan/ Acquisition/Giving Guarantee/ Providing Security	Name and Address of the Person or Body Corporate to whom it is made or given or whose securities have been acquired (Listed /Unlisted entities)	Amount of Loan/ Security/ Acquisition/ Guarantee
NIL				

FOR VALUE INDUSTRIES LIMITED

(A Company under Corporate Insolvency Resolution Process by  
NCLT order dated September 5, 2018 read  
with order dated August 8, 2019)

Place: Mumbai  
Date: 3rd January, 2020

BHUJANG S. KAKADE  
DIRECTOR  
DIN: 06383819

DEEPAK A. PEDNEKAR  
DIRECTOR  
DIN: 07639771

## Annexure 3

### 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 arms length transaction under third proviso thereto.

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

S L . No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the related party	Nature of relationship	Nature of contract /arrangement/ transaction	Duration of contract/ arrangement / transaction	Salient terms	Amount (INR in millions)
NIL					

FOR VALUE INDUSTRIES LIMITED  
(A Company under Corporate Insolvency Resolution Process by  
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with order dated August 8, 2019)

**BHUJANG S. KAKADE**  
DIRECTOR  
DIN: 06383819

**DEEPAK A. PEDNEKAR**  
DIRECTOR  
DIN: 07639771

Place: Mumbai  
Date: 3rd January, 2020

## Annexure- 4A

## Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies

Amount (INR in millions)

Name	% Increase of remuneration in 2019 as compared to 2018	Ratio of remuneration to Median Remuneration of Employees (MRE)	Ratio of remuneration to Median Remuneration of Employees and Whole Time Director
<b>Non-executive directors</b>			
Mr. Bhujang S. Kakade	Nil	N.A.	N.A.
Mr. Naveen B. Mandhana	Nil	N.A.	N.A.
Mr. Deepak A. Pednekar	Nil	N.A.	N.A.
<b>Executive directors</b>			
-	Nil	N.A.	N.A.
<b>Chief Financial Officer</b>			
-	Nil	N.A.	N.A.
<b>Company Secretary</b>			
Ms. Samridhi Kumari	Nil	N.A.	N.A.

- The percentage increase in the median remuneration of employees in the financial year: Nil
- The number of permanent employees on the rolls of Company: 368
- Comparison of the remuneration of the Key Managerial Personnel against the performance of the company: N.A
- 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: N.A
- The key parameters for any variable component of remuneration availed by the directors: N.A
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A
- Affirmation that the remuneration is as per the remuneration policy of the Company: YES

## Annexure- 4B

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

## A) Top 10 Employees in terms of remuneration drawn during the year

(₹ in millions)

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
1.	Shyam Lalsare	07/02/2019	2.00	BE-PROD.	49	25 Yrs 9 Mths	-	M/s. Awal Gulf Mfg. Company Saudi.	0.00	ASSISTANT GENERAL MANAGER
2.	Santosh Bramhapurikar	17/08/2019	1.2	DIP. IN PROD. TECH.	50	26 Yrs 5 Mths	-	M.s, Savera Precision Engg. Pvt. Ltd. Pune	0.00	SENIOR MANAGER
3.	Bhatesingh Rajput	06/05/2018	0.97	BE-Mechanical	41	17 Yrs 5 Mths	-	M/s. Technocrat Services pune	0.00	MANAGER
4.	Mahadeo Badale	01/04/2019	0.75	DME-Diploma in Mecha	52	1 Yrs 8 Mths	-	M/s. Naharas Engg. India Pvt. Ltd. Waluj	0.00	MANAGER
5.	Umesh Baviskar	05/05/2018	0.90	B.A-Bachelor of Arts	46	27 Yrs 0 Mths	-	M/s. Indian tool -Chikalthana	0.00	DEPUTY MANAGER
6.	Boudhpal Adode	30/11/2005	0.65	BE-Mechanical	45	17 Yrs 3 Mths	-	M/s. Mahendra Services, parbhani	0.00	DEPUTY MANAGER
7.	Mohansing Bedwal	25/02/2018	0.62	M.COM	51	27 Yrs 4 Mths	-	M/s. Wadikar Industries Limited - Waluj	0.00	DEPUTY MANAGER
8.	Dnyaneshwar Chilwant	01/06/2018	0.69	DEE-Diploma in Elect	43	18 Yrs 0 Mths	-	M/s. FAPL - Aurangabad	0.00	ASSISTANT MANAGER
9.	Kewaldas Dhapade	01/04/2012	0.67	BE-Mechanical	40	17 Yrs 1 Mths	-	M/s. Haier - Pune	0.00	ASSISTANT MANAGER
10.	Somdutt Dayal	23/04/2016	0.645	HSC-Higher Secondary	32	11 Yrs 0 Mths	-	M/s. Reiz Elect. Pvt. Ltd. Gudgaon.	0.00	ASSISTANT MANAGER

Notes:

- Remuneration comprises salary, allowances, commission, performance based payments, perquisite and Company's contribution to Provident Fund and super-annuation as per the definition contained in Section 2(78) of the Companies Act, 2013 paid during the year. It also includes perquisites value of Restricted Stock Units (RSUs) exercised, if any, by employees.
- The nature of employment is contractual in all the above cases.

3. None of the employees employed throughout the financial year or part thereof, were in receipt of remuneration in that year, which in the aggregate, or as the case may be at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
4. In terms of proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement.

**B) Employees drawing remuneration of ₹102 lakhs or above per annum and posted in India**

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
There are no employees drawing remuneration of ₹ 102 lakhs or above per annum and posted in India.										

**C) Employed for Part of the Year with an average salary of ₹ 8.5 lakhs or above per month and posted in India**

Sl. No.	Name of Employee	Date of Joining	Gross Remuneration	Educational Qualification	Age	Experience	Whether related to director or manager, if related name of director	Last Employment	% of shares held	Designation
There was no employee who was employed for part of the year with an average remuneration of ₹ 8.5 lakhs or above per month and posted in India.										

**FOR VALUE INDUSTRIES LIMITED**  
(A Company under Corporate Insolvency Resolution Process by NCLT order dated September 5, 2018 read with order dated August 8, 2019)

**BHUJANG S. KAKADE**  
**DIRECTOR**  
**DIN: 06383819**

**DEEPAK A. PEDNEKAR**  
**DIRECTOR**  
**DIN: 07639771**

Place: Mumbai  
Date: 3rd January, 2020

## ANNEXURE - 5

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

[PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

**A. CONSERVATION OF ENERGY**

1	Steps taken to conserve energy	<p>“Energy saved is energy generated.” The Company continues to strive for sustainable consumption of natural resources. The manufacturing facilities of the Company are equipped with hi-tech energy monitoring and conservation systems to monitor usage, minimize wastage and increase overall efficiency at every stage of power consumption. Some of the measures being undertaken by the Company in its endeavor to conserve energy are listed hereunder:</p> <ul style="list-style-type: none"> <li>• Improving system power factor by various means inter-alia including installation of capacitors</li> <li>• Reduction of maximum demand and restricting the maximum demand to billing demand.</li> <li>• Monitoring of energy consumption and further requisite follow-up.</li> <li>• Use of unconventional energy sources like solar energy in the form of solar water heater plant.</li> <li>• Timely maintenance of machinery and equipments.</li> <li>• Optimum utilization of high energy consuming electrical equipments like winding machines.</li> <li>• Air-compressor pressure is maintained at reduced pressure with fixed timing and air leakages arrested.</li> <li>• Installation of capacitor panels.</li> <li>• Energy audits at the manufacturing facility.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Display of Notice Boards and Information Boards at all work stations for information and awareness of the employees.</li> <li>• Awareness programmes towards optimum utilization of natural resources; and</li> <li>• Plantation of trees at all the manufacturing units.</li> </ul> <p>Adhering to aforesaid initiatives have assisted Company to reduce its total energy consumption and thus reduce its carbon footprint. Your Company endeavors to continue on the path of Energy Conservation and contribute towards building of a Greener Environment.</p>
2	Steps taken to utilise alternate sources of energy	The Company has in the past Installed roof top solar plant to ensure green energy generation.
3	The capital investment on energy conservation equipments	The Company has not made any fresh investment on energy conservation equipments. Post admission of the Company into CIRP, the Company has undertaken the process of conservation, with zero investment, by rearranging the already existing energy conservation equipments in stock and/or from different locations.

**B. TECHNOLOGY ABSORPTION**

1	The efforts made towards technology absorption	Post admission of the Company into Corporate Insolvency Resolution Process and in order to reduce the overall cost, the Company has discontinued research and development activities despite knowing the facts that a sound R&D program is a key to success of any organization and a well-planned R&D acts as a catalyst to foster innovation and enhance the interfaces in both, conventional and emerging technological arenas.
2	The Benefits derived as a result of the above efforts	<p>Already carried out Research and Development has enabled the Company to design new product and development is a crucial factor in the survival of a company. As a result of earlier R&amp;D, the Company has derived the following benefits in the year under review as well:</p> <ul style="list-style-type: none"> <li>• Various cost innovation projects are taken up to reduce cost and improve profitability in all categories of products</li> <li>• Upgraded various electrical parts from safety and add-on features point of view for entire range of refrigerators.</li> <li>• Changes in the Product cooling system and upgraded Electrical parts from safety point of view for the Entire range of Direct cool refrigerators</li> <li>• Introduction of New range of PCM/VCM in the direct cool refrigerators with up-gradation of looks in line the current market trend.</li> </ul>
3	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) technology imported; (b) the year of import (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	The Company has not imported any technology in the last three years.
4	Expenditure incurred on R&D	The Company has not undertaken any R&D activities during the year. Accordingly, no expenditure has been incurred by the Company on account of capital and/or recurring. Thus, the total expenditure as a percentage to total turnover is Nil.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

INR (In Millions)

Foreign Exchange Earnings And Outgo		FY 2019	FY 2018
a.	Foreign exchange earnings	-	-
b.	CIF Value of imports	-	-
c.	Expenditure in foreign currency	0.14	318.89

**FOR VALUE INDUSTRIES LIMITED**  
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**BHUJANG S. KAKADE**  
DIRECTOR  
DIN: 06383819

**DEEPAK A. PEDNEKAR**  
DIRECTOR  
DIN: 07639771

Place: Mumbai  
Date: 3rd January, 2020

## ANNEXURE- 6

### Management Discussion and Analysis Report

The Directors of your Company have pleasure in presenting the Management Discussion and Analysis Report in compliance with the code of Corporate Governance approved by the Securities and Exchange Board of India (SEBI) and in compliance with the provisions of Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### INDUSTRY STRUCTURE AND DEVELOPMENT

The consumer durables industry is one of the fastest growing industries in India. It is one of the largest industries as well. The market continues to evolve at a rapid pace and demands more comfort and eco-friendly products and, accordingly, the manufactures are also working towards more and more comfortable, luxurious and environmental friendly products. The Indian consumers are fast catching up on par with their global counter parts and thus are demanding more easy to operate, energy efficient and star-rated products. All these have led to huge competition in the market and additional expenditure and cost on account of research and development, increasing cost of production etc.,. Further, the manufacturers are forced to offer discounts to stay in the market. These days offers, deals and discounts are the most important criteria for buying consumer electronics and home appliances.

The Company has adopted mantra of "Digitization". The generation today understands the language of e-communication; they are more dynamic. In today's world, information delayed is information decayed and thus, reaching the information to consumer-end at the earliest has become the most important aspect.

#### PRODUCT WISE PERFORMANCE

Consumer durables' is one of the fastest growing industry segments in India. The Indian consumer durables segment can broadly be segregated into white goods, brown goods and consumer electronics. White goods comprises of Air conditioners, Washing Machines and Refrigerator; Brown goods comprises of Cooking range, Vacuum Cleaners, Fans, Water Purifiers etc., and; Consumer Electronics comprises of Television, Computers, Mobile Phones, Laptops, Gaming Consoles etc.

The Company is primarily engaged in White Goods, as detailed hereunder:

##### Washing Machines:

With more and more digitization, leading to change in consumer lifestyles and buying behaviour, the washing machine Indian market is set to witness multi fold growth in next 5 years. In every home, the washing machine has become an essential item that makes the process of washing hygienic and saving time. Machines, in today's era are primarily focussed with energy saving and water saving.

The Indian market has a huge variety of brand mix as per the current trends across all models in semi-automatic and fully automatic segment. Consumers have a wide variety to choose from depending on the pricing integrated with features and designs.

The penetration of washing machines with sales from rural India is expected to increase in the coming years. During monsoons, demand for washing machines rises with the urban and metro consumers increasingly in need of upgrading their machines.

The Company is focusing on introduction of New Top loading & Front loading Fully Automatic washing machines that are user friendly, with tangible usability features utilizing lesser resources and provide excellent wash performance. Brands has been consistent in maintaining its market image, share and retaining shelf space presence across counters.

The products which were lastly introduced by the Company have following features:

- Upgraded washing machines with fuzzy logic, child lock, stainless steel drum, unique Pulsator design, vibrant colours and aesthetically superior looks coupled with lesser water consumption and higher energy efficiency.

- Technologically advanced Washing Machine with no knobs and has a Touch screen Panel.
- Wide range of Fully Automatic & Front Load Machines with higher capacities to meet needs of various segments of market and fulfilling requirements of wide spectrum of the consumers.

##### Refrigerators:

The refrigerator market has witnessed a huge change in addition to direct cool and frost free refrigerator with introduction of high end models in side by side refrigerators integrated with smart features like touch screen, sensors and energy efficient compressors. The Refrigerator market in India is one of the fastest growing segments of the consumer durable industry. The refrigerator's need is felt 365 days in a year, making it an essential commodity for every household. Moreover, due to the hot and humid weather conditions throughout the country, the necessity of the product has increased manifolds in the recent years.

Rising household income, improving living standards, rapid urbanization, increasing number of nuclear families, large untapped market and environmental changes are major growth drivers for the refrigerator industry. Besides the magical synthesis of design and performance, our refrigerators are compact outside and spacious inside.

#### STRATEGY AND OUTLOOK

Your company has re-aligned its product strategy and empowered the portfolio with advanced technologies. The demand for the products under the Consumer Appliances and Electronics segment will get a big push due to reduction in price difference between the organized players and those of their competitors in the unorganized space.

The core values of Innovation, Accessible Technology and Enhancing Consumer Experience weave a strong connect with the target consumers. The Company plans to achieve this with a flexible strategy, powerful technology, productive management and a cutting edge online presence.

#### OPPORTUNITIES AND THREATS

The Company offers durables that are not subject to frequent change by the consumers. The consumers have to be satisfied about the quality and technology of the product to be able to make a second purchase of the same brand.

##### Opportunities:

- The rural market is still unexploited. There are huge opportunities available in rural areas.
- The rapid urbanization is improving the demand for the white goods.
- Increase in Purchasing Power of Consumers.
- Increase in per capita income of the citizens.
- The discretionary spending has become important on account of rise in income level of the consumers and availability of easy finances.
- The growth of e-commerce has huge positive impact on sales.

##### Threats:

- Cheap imports from countries.
- Higher import duties on raw materials imposed.
- Inability to respond to dynamic consumer behaviour.
- Identifying, attracting and retaining human capital.
- Continuous changing technology.
- High inflation resulting in increase in procurement costs.
- Competition by foreign entities.
- Matching the sustainability of a product with its cost.

## RISKS AND CONCERNS

The Company has been able to identify probable risks and concerns that require focus. However, most of them being uncontrollable, suitable defences to minimise the effects are proposed to be taken by the Company.

Risks associated with the nature of business of the Company:

- Rising cost and input prices
- Intense competition.
- Continuous changing technology.
- Increasing formalities with respect to claiming warranty.
- Increasing number of participants.
- Inability to respond to dynamic consumer behaviour.
- Unstable Compliance and Regulatory policies.

## INTERNAL CONTROL SYSTEMS AND ACCURACY

Internal control is all of the policies and procedures management uses to achieve the following goals.

- Promote efficient and effective operations - Internal controls provide an environment in which managers and staff can maximize the efficiency and effectiveness of their operations.
- Safeguard assets - well designed internal controls protect assets from accidental loss or loss from fraud.
- Ensure the reliability and integrity of financial information - Internal controls ensure that management has accurate, timely and complete information, including accounting records, in order to plan, monitor and report business operations.
- Ensure compliance - Internal controls help to ensure that company is in compliance with the many federal, state and local laws and regulations affecting the operations of our business.
- Accomplishment of goals and objectives - Internal controls system provide a mechanism for management to monitor the achievement of operational goals and objectives.

## INTERNAL CONTROL ACTIVITIES AND BEST PRACTICES

Internal control activities are the policies and procedures as well as the daily activities that occur within an internal control system. A good internal control system should include the control activities listed below. These activities generally fit into two types of activities.

1. Preventive: Preventive control activities aim to deter the instance of errors or fraud. Preventive activities include thorough documentation and authorization practices. Preventive control activities prevent undesirable "activities" from happening, thus require well thought out processes and risk identification.
2. Detective: Detective control activities identify undesirable "occurrences" after the fact. The most obvious detective control activity is reconciliation.

With a good internal control system in place, other considerations to keep in mind include:

Regularly communicate updates and reminders of policies and procedures to staff through emails, staff meetings and other communication methods.

Periodically assess risks and the level of internal control required to protect organization assets and records related to those risks. Document the process for review, including when it will take place.

Management is responsible for making sure that all staff are familiar with company policies and changes in those policies.

## FINANCIAL PERFORMANCE

### Income:

#### Revenue from Operations

During the year under review, the Company achieved Revenue from Operations of ₹ 186.51 Million as against ₹ 2,525.17 Million for the year ended on March 31, 2018.

#### Other Income

Other Income amounted to ₹ 27.64 Million for the year ended March 31, 2019 as against ₹ 50.57 Million for the year ended on March 31,

2018. Other income comprises of interest income, profit on sale of fixed assets, insurance claim received, exchange rate fluctuations and other non operating income.

### Expenditure:

#### Cost of Goods Consumed

During the year under review, Cost of Goods Consumed stood at ₹ 827.90 Million as against ₹ 4237.15 Million for the year ended on March 31, 2018.

#### Employee Benefits Expenses

During the year under review, employee benefit expenses were ₹ 113.02 Million as against ₹ 176.29 Million for the year ended on March 31, 2018.

#### Other Expenses

During the year under review, the Other Expenses were ₹ 49.66 Million as against ₹ 518.60 Million for the year ended on March 31, 2018.

#### Finance Cost

For the year under review, Finance Cost amounted to ₹ 1234.79 Million as against ₹ 1,018.18 Million for the year ended on March 31, 2018.

#### Depreciation & Amortization

Depreciation & Amortization amounted to ₹ 790.02 Million as against ₹ 842.74 Million for the year on March 31, 2018.

#### Loss before Tax

The Loss before Tax for the current year amounted to ₹ 2807.44 Million as against a loss of ₹ 6,881.06 Million for the year on March 31, 2018.

#### Net Profit /Loss

Net Loss of the Company for the current year amounted to ₹ 2758.37 Million as against a loss of ₹ 6,314.79 Million for the year ended on March 31, 2018.

#### Earnings per Share

Earnings per Share for the current year amounted to ₹ (70.39) as against ₹ (161.15) for the year on March 31, 2018.

## HUMAN RESOURCE MANAGEMENT

The success of an organization largely depends upon the quantity and quality of the Human Resource that is able to attract and retain. Human Resource are one of the most vital assets of an organization. It is the people who make the resources moving.

The Company strives to promote and maintain a healthy and harmonious relations at all the echelons of management. The Company also believes that improving work acumen of employees in office will put them in a better position to meet the Company's endeavour.

The Company continues to act amicably with its work force and believes a good and happy workforce to be its paramount strength.

Besides there are lot of HR Good Practices which are being organized from time to time at the Company.

Some HR Best practices for employee bonding

- Hot T Seminar – monthly event – An expert shares his experience in a forum.
- First week-end Celebrations – monthly event
- Smiley Concept – instant recognition
- Rewards & Recognitions – monthly, Quarterly & Yearly mode

The total staff strength of the Company for the financial year ended 31st March, 2019 is around 368.

## CAUTIONARY STATEMENT

Statements in this report describe the Company's objectives, projections, estimates, expectations and predictions, may be 'forward looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.



## ANNEXURE- 7

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

**for the financial year ended 31st March, 2019**

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

To  
The Members,  
**Value Industries Limited**  
CIN :L99999MH1988PLC046445  
14 Km, Stone Aurangabad  
Paithan Road, Village Chittegaon  
Tal-Paithan  
Aurangabad 431005

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year from 1st April, 2018 to 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- The Companies Act, 2013 (the "Act") and the rules made there under;
  - The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
  - The Provisions of the Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
  - The Foreign Exchange Management Act (FEMA), 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company for the financial year ended 31st March, 2019.
  - 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 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014 (Not applicable to the Company during the Audit Period);
    - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
    - f. The Securities and Exchange Board of India (Registrar 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);
    - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
    - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on its industry/sectors are:
    - Factories Act, 1948
    - Industrial Disputes Act, 1947
    - The Payment of Wages Act, 1936
    - The Minimum wages Act, 1948
    - Employees State Insurance Act, 1948
    - The Employees Provident Funds and Miscellaneous Provisions Act, 1952
    - The Payment of Bonus Act, 1965
    - The Payment of Gratuity Act, 1972
    - The Contract Labour (Regulation & Abolition) Act, 1970
    - The Maternity Benefit Act, 1961
    - The Child Labour (Prohibition & Regulation) Act, 1986
    - The Industrial Employment (Standing Orders) Act, 1946
    - The Employees Compensation Act, 1923
    - The Apprentices Act, 1961
    - Equal Remuneration Act, 1976
    - The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
    - Water (Prevention and Control of Pollution) Act, 1974
    - Air (Prevention and Control of Pollution) Act, 1981
    - Environment Protection Act, 1986
    - Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
    - E-Waste Management & Handling Rules, 2016.
- I have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
  - The Listing Agreements entered by the Company with BSE Limited and National Stock Exchange Limited.
- I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

#### **I have not examined the Compliance by the Company:**

- With Other laws including applicable labour, industrial, environmental and other industry specific laws (as informed and certified by the management of the Company which are specifically

applicable to the Company based on its industry/sector) since the compliance and monitoring of the said laws are to be ensured by the management of the Company;

- With the applicable financial laws like direct and indirect laws, since the same have been subject to review by the statutory financial audit by other designated professionals.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., subject to the following observations:

**I. Under Companies Act, 2013:**

- *During the period under review, the Company has not filed various E Form with Registrar of Companies during the financial year 2018 – 19 inter-alia including:*
  - *E-form MGT-14 for (i) approval of financial statements and Board's Report by the Board for the Financial year ended 31st March, 2018; (ii) for Appointment of Secretarial Auditor for the financial year ended on 31st March, 2018; (iii) for appointment of Internal Auditor as required in terms of provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014 as the Company has confirmed it has in place an in-house internal audit team led by in house internal auditor to carry out the audit of internal records maintained by the Company and the said constitution/ appointment was prior to commencement of the Act.*
  - *E-form AOC-4 for Financial Statement in XBRL format for the financial year ended 31st March, 2018;*
- *During the period under review, the Company has delayed in filing of various E Form with Registrar of Companies which inter-alia includes:*
  - *Report on Annual General Meeting in E-form MGT 15;*
  - *E- form MGT-7 for Annual Return for the financial year ended 31st March, 2018;*

However, the Company has filed these forms with the Registrar of Companies with additional fees, hence not specifically identified as non compliance.

- *The Company has not filed E-Form CRA-2 for appointment M/s. B R Chandak & Co; Cost Accountants (Membership No. 21959), as the Cost Auditors of the Company for the financial year 2018-19.*
- *The Company has not filed E-Form CRA-4 (Cost Audit Report) for the financial year ended 31st March, 2018.*
- *The remuneration paid/payable to M/s. B R Chandak & Co; Cost Accountants (Membership No. 21959), Cost Auditors of the Company for the financial year 2018-19, is not ratified by the members of the Company at Annual General Meeting;*
- *The Company has not transferred the unpaid/unclaimed dividend to IEPF, declared on Annual General Meeting held on 29th June, 2011 which was due for transfer to Investor Education and Protection Fund ("IEPF") on or before 4th September, 2018, thereby violating the provisions of Section 124(5) of the Companies Act, 2013. Similarly, the Company has not transferred the shares in respect of which dividend is unclaimed or unpaid for more than 7 years and which were due for transfer to IEPF. Thus, the Company has violated the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Therefore, the same has not been intimated to Registrar of Companies in E-Form IEPF-1 & IEPF-4.*
- *The Company has not failed statement of amounts remaining unpaid and unclaimed to IEPF Authority in E-Form IEPF 2 within 90 days of the Annual General Meeting held on 28th December, 2018 in accordance with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Thus, the Company has violated the provisions of Sub-Rule 8 of Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.*

- *The Company has not given adequate disclosure in the Report of the Board of Directors in respect to the ratio of the remuneration of each director to the median employee's remuneration and others points as required in Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.*

- *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regards to the appointment of Managing Director, Whole Time Director or Manager and Chief Financial Officer of the Company till the end of financial year. The Company has delayed the appointment of Company Secretary and Compliance officer as per Section 203(4) of the Companies Act, 2013 & as per Regulation 6 of SEBI (LODR) Regulations, 2015.*

**II. Under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and other SEBI Regulations:**

- *During the financial year under review,*
  - *The Company has not submitted un-audited/audited financial results together with limited review Report/ Auditor Report along with Statement of impact, as the case may be, in terms of the provision of Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. Therefore the Company could not able to comply Regulation 29 of SEBI (LODR), 2015*
  - *The Company has not published the financial results in the newspaper in terms of requirements of Regulation 47(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations.*
  - *The Company has not paid Listing Fees in terms of Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations.*
- *The Company has delayed in:*
  - *submission of statement giving status of investor complaints in respect of few quarters in terms of Regulation 13(3) of SEBI LODR, 2015.*
  - *submission of Shareholding Patterns in respect for certain quarters in terms of Regulation 31 of SEBI (LODR), 2015.*
  - *submission of Compliance Certificate in respect of half year ended 30th September, 2018 under Regulation 7(3) and Regulations 40(9) of SEBI (LODR), 2015.*
  - *submission of intimation for appointment & Resignation of Company Secretary and Compliance Officer under Regulation 30 of SEBI (LODR), 2015.*
  - *giving information related to commencement of Corporate Insolvency Resolution Plan (CIRP) to National Stock Exchange Limited (NSE).*
- *The Company has failed in*
  - *giving information related to commencement of Corporate Insolvency Resolution Plan (CIRP) to BSE Limited.*
  - *submission of Reconciliation of Share Capital Audit Report in respect of few quarters in terms of requirements of Regulations 55A of SEBI (Depositories and Participants Regulations), 1996.*
  - *submission of Compliance Certificate in respect of half year ended 31st March, 2018 under Regulation 7(3) and Regulations 40(9) of SEBI (LODR), 2015.*

- *In terms of Regulation 46 of SEBI (LODR), 2015, the Company has functional website, however, certain information are not up to date.*

### III. Under Foreign Exchange Management Act (FEMA), 1999

*The return of Foreign Assets and Liabilities for the Current Audit Periods has not been filed for the Company with the Reserve Bank of India.*

#### I report that:

1. The State Bank of India in capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), for the debts due to them and initiation of Corporate Insolvency Resolution Process ("CIRP") in respect of the Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code"). In terms of the Order pronounced on 5th September, 2018, by the NCLT, Mr. Dushyant C. Dave, having Registration No.: IBBI/PA-003/IP-P00061/2017-18/10502 was appointed as Interim Resolution Professional of the Company.
2. Subsequently, Mr. Venugopal N. Dhoot, promoter of the Company, had filed an application before the Principal Bench, National Company Law Tribunal, New Delhi praying that all the matters relating to the Videocon Group Companies inter-alia including the Company must be heard before Common NCLT, Bench.
3. Similarly, another application was filed by the State Bank of India before the Hon'ble NCLT Principal Bench, seeking the consolidation of CIRPs of all the Videocon group companies. The Hon'ble Principal Bench disposed of both the applications vide a common order dated 24th October, 2018. Vide the said Order dated 24th October, 2018, the Hon'ble Principal Bench has transferred all the matters where CIRP commenced in respect of the Videocon Group Companies before Hon'ble NCLT, Mumbai Bench to avoid the conflicting of orders, if any.
4. Pursuant to the aforesaid application filed before the "NCLT", Mumbai by State Bank of India and Mr. Venugopal N Dhoot in the Videocon Consolidation Matter under Section 60 (5) of the Code read with the rules and regulations framed there under, as amended from time to time, the NCLT vide its order ("**Consolidation Order**") dated 8th August, 2019 had admitted the application allowing consolidation of CIRP petitions of 13 Videocon Group Companies viz., M/s. Videocon Industries Limited, M/s. Value Industries Limited; M/s. Videocon Telecommunications Limited; M/s. Evans Fraser And Company (India) Ltd; M/s. Millennium Appliances India Ltd; M/s. Applicomp (India) Ltd; M/s. Electroworld Digital Solutions Ltd; M/s. Techno Kart India Ltd; M/s. Century Appliances Ltd; M/s. Techno Electronics Ltd; M/s. PE Electronics Ltd; and CE India Ltd ("Corporate Debtors") and has continued CIRP of all the Corporate Debtors as one from 8th August, 2019 i.e. from the date of the Order till the end of 180 days.
5. The NCLT vide its order 8th August, 2019, has appointed Mr. Mahender Khandelwal, having registration No. IBBI/PA-001/IP-P00033/2016-17/10086, as the Resolution Professional of the Corporate Debtors ("**Erstwhile Resolution Professional**") replacing then erstwhile resolution professional.
6. Consequent to appointment of Mr. Mahender Khandelwal as the resolution professional of the Corporate Debtors, he constituted the COC and held the First Meeting of the COC on 16th September, 2019.
7. In the First Meeting of the COC held on 16th September, 2019, the CoC voted, with the requisite majority required under the Code, for the replacement of the Erstwhile Resolution Professional with Mr. Abhijit Guhathakurta as the resolution professional for the 13 Videocon group entities (including Value Industries Limited) on consolidated basis ("**Resolution Professional**"). Accordingly, State Bank of India on behalf of CoC filed an Application with the Hon'ble National Company Law Tribunal, Mumbai Bench at Mumbai, for the replacement of Mr. Mahendra Khandelwal with Mr. Abhijit Guhathakurta as Resolution Professional.

8. The NCLT vide its order dated September 25, 2019 (published on September 27, 2019) has approved the replacement of the Erstwhile Resolution Professional with Mr. Abhijit Guhathakurta, Reg. No. IBBI/PA-003/IP/N000103/2017-18/11158 as the resolution professional for the consolidated CIRP of the Corporate Debtors ("**Order of Replacement**").
9. In terms of Section 14 of the Code read with the Order, moratorium continues inter alia prohibiting the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority.
10. In terms of Section 17 of the Code, the management of affairs of the Corporate Debtor vests with the Resolution Professional and the powers of the Board of Directors of the Corporate Debtor which were already suspended shall be exercised by him.
11. By virtue of Section 17 & 23 of the Code:
  - a. the management of the affairs of the Corporate Debtors vests in the Resolution Professional;
  - b. the powers of the board of directors are suspended and are to be exercised by the Resolution Professional;
  - c. the officers and managers of the Corporate Debtors are required to report to the Resolution Professional and provide access to such documents and records of the Corporate Debtors as may be required by the Resolution Professional; and
  - d. the financial institutions maintaining accounts of the Corporate Debtors are required to act on the instructions of the Resolution Professional in relation to such accounts and furnish all information relating to the Corporate Debtors available with them to the Resolution Professional.

#### I further report that:

- For the purpose of determining non-compliances, I have considered compliances in respect of which the filings were due as at 31st March, 2019 and the report doesn't include any non-compliances on account of:
  - o The Company has not filed E Form INC 22A ACTIVE for Active Company Tagging Identities and Verification in terms of Rule 25A of the Companies (Incorporation) Rules, 2014 till the date of this report. However, as the due date for filing was 30th June, 2019, this is not a non-compliance for the financial year under review i.e. 31st March, 2019.
  - o The Company has not, till the date of this report, filed E-Form DPT 3 (i.e., onetime return of outstanding receipt of money or loan by a company but not considered as deposits, in terms of clause (c) of sub-rule 1 of rule 2 from the 1st April, 2014 to the date of publication of the said notification in the Official Gazette (i.e. 22nd January, 2019), within 90 days from the date of said publication subject to such relaxation of time for filing) within the prescribed time limit as provided in sub rule (2) of Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014. The due date, post issue of notification, was 29th June, 2019. However, as the due date for filing was 29th June, 2019 this shall not be considered as a non-compliance for the financial year ended 31st March 2019.
  - o The Company has not till the date of report filed E-Form DPT 3 (Return of Deposit to be filed by the Companies with the Registrar duly audited by the Auditors of the Company as on 31st March of every year). However, as the due date for filing was 30th June, 2019 this shall not be considered as a non-compliance for the financial year ended 31st March 2019.
  - o Non-Compliance in respect to submission of Annual Secretarial Compliance Report to Stock Exchange within 60 days from the end of Financial year in terms of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019.

• **I further report that:**

- o The Independent Directors of the Company have not convened a separate meeting of the Independent Directors as the Company was referred to CIRP and the powers of the Board of Directors stands suspended.
- o I have not been provided minutes of the Committee of Creditors/ Board Meetings/ Committee Meetings of the Company hence unable to comment compliances, if any, arising out of decisions taken by the Committee of Creditors.
- o The Board of Directors of the Company is not constituted with proper balance of Executive, Non-Executive Directors and Independent Directors.
- o The Independent Directors of the Company have furnished certificate of Independence to the Company.
- o In terms of the provisions of Section 173 of the Companies Act, 2013, every company shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. However, the said provisions are not applicable to the companies which are under Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") as the powers of the Board of Directors stand suspended. Similarly, the provisions are not applicable to the committee meetings.
- o As per the provisions of IBC and provisions of Regulation 15 (2A) and (2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015(SEBI (LODR)) as amended from time to time, the provisions specified in regulation 17, 18,19,21, shall not be applicable during the insolvency resolution process. The provisions as specified in said regulations of the SEBI (LODR) shall not be applicable during the insolvency resolution process period and the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional.
- o In respect of the meetings held during the year under review, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- o All decisions at the Board Meetings and Committee Meetings are carried out unanimously, as per the minutes of the proceedings of the meetings of the Board or the Committee(s), as the case may be.

I further report that during the audit period the Company has not undertaken any event/actions having a major bearing

on the Company's affairs in pursuance to the applicable referred laws, regulations, rules, guidelines etc., except for the following actions which would have arisen (without any action on part of the Company) which requires attention of the members:

- i. As stated hereinbefore, the State Bank of India in capacity of the Financial Creditor of the Company, had filed a Petition with Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai ("NCLT"), for the debts due to them and initiation of Corporate Insolvency Resolution Process ("CIRP") in respect of the Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code").
- ii. The Company has made application to the Registrar of Companies seeking approval for extension of time for holding annual general meeting under section 96(1) of the Companies Act, 2013 for the financial year 31st March, 2019. Keeping in view, the circumstance as mentioned for extension of time for the purpose of holding Annual General Meeting, Registrar of Companies has granted the extension of 2 months. The Company made a further application to Registrar of Companies seeking approval for extension of time for holding Annual General Meeting under Section 96(1) of Companies Act, 2013 by a further period of 1 month. The Registrar of Companies granted further extension of time for holding annual general meeting by another 1 month.
- iii. Due to Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities, the Shares of the Company are suspended from Trading on National Stock Exchange Limited and BSE Limited w.e.f. 28th March, 2018 and 8th October, 2018 respectively.
- iv. The National Stock Exchange Limited have issued a show cause notice on 26th October, 2018, for compulsory delisting of Shares due to Non-compliance for of Regulation 33 of SEBI (LODR) Regulations, 2015 for two quarters . However, the Resolution Professional vide his reply has sought time to resolve the issue and do the requisite compliance with SEBI (LODR) Regulations, 2015 and other applicable provisions of SEBI.

**Gayathri R Girish**

CP No: 9255

ACS: 18630

**UDIN: A018630B000007597**

Place: Mumbai

Date: 03.01.2020

## Annexure – A

To,  
The Members,  
**Value Industries Limited**  
(CIN: L99999MH1988PLC046445)  
14. K.M Stone, Aurangabad Paithan Road,  
Village Chittegaon, Taluka Paithan,  
Aurangabad - 431105

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for my opinion.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of certain events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai  
Date: 03.01.2020

**Gayathri R Girish**  
CP No: 9255  
ACS: 18630  
**UDIN: A018630B000007597**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Value Industries Limited

### Report on the Audit of the Financial Statements

#### Disclaimer of Opinion

We were engaged to audit the financial statements of Value Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

We do not express an opinion on the accompanying financial statements of the entity. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### Basis for Disclaimer of Opinion

a) We are unable to comment on necessary adjustments / disclosures in these financial statements in relation to following items in view of non-availability of necessary information / documentations / satisfactory explanations relevant to the audit for the current year :-

- (i) As mentioned in Note No. 48 to the financial statements, the Company has carrying value of investments of ₹ 60.57 million, has given advances of ₹ 33.87 million and has trade receivables of ₹ 1,719.93 million aggregating to ₹ 1,814.37 Million in group/affiliate companies, which have been also admitted to Corporate Insolvency Resolution Process (CIRP).

In view of the referral of these group/affiliate companies to National Company Law Tribunal and consequent admission thereof under the Insolvency and Bankruptcy Code, 2016, we are unable to express an opinion on the extent of realisability of aforesaid investments, advances and trade receivables from these group / affiliate companies till the completion of resolution process of these entities. The consequential effect of the above, on the financial statements for the year ended March 31, 2019 is not ascertainable.

- (ii) As mentioned in Note No 49 to the financial statements, non assessment of impairment of fixed assets, non-ascertainment of net realisable value of inventory, and non-ascertainment of the realisable value of investments; though as explained to us, valuers have been appointed for valuation of assets including inventory and investments.
- (iii) As mentioned in Note No. 50 to the financial statements, the balance confirmations have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. The Company continues the process of obtaining confirmations and reconciliation of the balances of trade receivables, trade and other payables and loans and advances. The impact of the same is not ascertainable at present.
- (iv) As mentioned in Note No. 51 to the financial statements, pursuant to commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, and employees to the RP. Such claims can be submitted to the RP till the approval of the resolution plan by CoC. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of account has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors.

b) Material uncertainty relating to Going Concern:

As mentioned in Note No. 47 to the financial statements, the Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, and there is considerable decline in level of operations of the Company and net worth of the Company as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other obligors/borrowers. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. However, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of the preparation of financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable at this stage.

- c) The Company has not recognised the impact and hasn't complied with the disclosure requirements of Indian Accounting Standards (Ind-AS) including Ind AS 109- "Financial Instruments", Ind AS 36 – Impairment of Assets, Ind AS – 2 Inventories, Ind AS – 16 Property, Plant and Equipment.
- d) As mentioned in Note No 55 to the financial statements, the Company has not submitted its financial results for the quarter/ period ended March 31, 2018, and subsequent periods till date as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Consequently, we are unable to comment on the monetary impact if any of these non-compliances on the financial statements in addition to the fact that the equity shares of the Company are suspended from trading on the BSE Limited and National Stock Exchange of India Limited.

In view of our observations at para (a) to (d) above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on Balance sheet date, income and expenses for the year, the elements making up the statement of changes in equity, cash flow statement and related presentation and disclosures in financial statements.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company has been under the Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') vide order dated September 5, 2018 passed by the National Company Law Tribunal ('NCLT'). The powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were being managed by Interim Resolution Professional / Resolution Professional Mr. Dushyant C. Dave.

Subsequently, NCLT Principal Bench on October 24, 2018 directed to transfer all insolvency petitions related to certain Videocon group/ affiliate entities to one bench at NCLT, Mumbai and left open the matter of substantive consolidation to be decided by NCLT, Mumbai bench. Further, State Bank of India had filed a petition at NCLT, Mumbai bench for substantive consolidation of CIRP of group/affiliate entities.

The NCLT, Mumbai Bench has, vide order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Company with that of 12 other Videocon group companies; and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors (CoC) of the Company was held on September 16, 2019

and approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Company in place of Mr. Mahender Khandelwal.

The NCLT vide Order dated September 25, 2019 has appointed Mr. Abhijit Guhathakurta as Resolution Professional (RP) for the consolidated CIRP cases of the 13 Videocon group entities including the Company, which was published on September 27, 2019 and has been directed to take over the process of insolvency. Further, as per the order dated August 8, 2019, the CIRP is to be completed within 180 days from the date of the said order i.e. August 8, 2019. Therefore, the management and operations of the Company and other 12 consolidated entities, namely, Videocon Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited are being managed by Resolution Professional Mr. Abhijit Guhathakurta.

The Company's management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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.

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

The management is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the entity's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

#### Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. As required by Section 143(3) of the Act, we report that:
- As described in the Basis for Disclaimer of Opinion paragraph, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - Due to the possible effects of the matter described in the

Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - The matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - 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
  - 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:
    - Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has disclosed the complete impact of pending litigations on its financial position in note no. 36, 37, 38 and 39 to the financial statements;
    - As per the information and explanation given to us, the Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses. (refer note no.52)
    - The company has defaulted in transferring amounts of ₹ 2.07 Million, required to be transferred to the Investor Education and Protection Fund during the year ended March 31, 2019. (refer note no.53)
- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For S Z DESHMUKH & CO.  
Chartered Accountants  
(Firm Registration No. 102380W)

D. U. KADAM  
Partner

Membership No. 125886  
UDIN : 20125886AAAAAB9610

Place: Mumbai  
Date: January 03, 2020

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure 'A' referred to in Independent Auditor's Report to the Members of the Value Industries Limited ('the Company') on the financial statements for the year ended March 31, 2019, we report the following:

(i) In respect of fixed assets:

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

(b) We have not been given information regarding physical verification of fixed assets carried out if any, during the year by the Company. Hence, we are unable to comment as to whether there is any material discrepancies on physical verification. In our opinion, the frequency of verification is not satisfactory, having regard to the size of the Company and nature of its business.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) (a) We have not been given the details of physical verification of the inventories carried out during the period by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is not reasonable.

(b) As per information and explanation given to us, the Company has appointed Valuers for verification of inventory and its valuation. However, no report of valuer has been made available to us. Hence, we are unable to comment as to whether there is any material discrepancy noticed on physical verification and the same has been adjusted in the books of accounts.

(iii) As per the information and explanation given to us, the Company during the year has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the period. Therefore, the provisions of clause (v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion, the Company has, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authorities except that, undisputed arrears of following statutory dues were outstanding as on March 31, 2019 for a period of more than six months from the date they became payable and not paid till date (including dues in respect of pre-CIRP period):

Nature of the Dues	in Million
1. Central Sales Tax	0.01
2. Value Added Tax	82.52
3. Entry Tax	3.73
4. Profession Tax	0.38
5. Provident Fund	6.41
6. ESIC Fund	2.69
7. Income Tax (TDS)	0.32

(b) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of income tax, goods and service tax, sales tax, service tax, custom duty, excise duty, value added tax, cess which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of Statute	Nature of the Dues	₹ in Million	Forum where dispute is pending
1. Customs Act, 1962	Custom Duty and Penalties	4.37	Commissioner
		5.46	Asst. Commissioner
2. Central Excise Act, 1944	Excise Duty and Penalties	19.73	CESTAT
		187.72	Commissioner (Appeals)
		2.81	Addl. Commissioner
		8.82	Deputy Commissioner
		0.49	Assistant Commissioner
3. Sales Tax Acts of various States	Sales Tax	3.57	Assistant Commissioner
		1.24	Deputy Commissioner
		0.46	Additional Commissioner
4. Income Tax Act, 1961	Income Tax	48.17	Joint Commissioner
		927.44	Commissioner
		17.60	CIT (Appeals)

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has defaulted in repayment of interest and principal amount of all loans to financial institutions and banks. The default runs into more than 365 days.

The Company has not borrowed from government and has not issued any debentures.

(ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the period.

(xi) The Company has not paid or provided the managerial remuneration to any of its Director.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.

(xv) Except for the effects of the matters described in the basis for disclaimer of opinion paragraph in main report and according to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

**For S Z DESHMUKH & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 102380W)**

**D. U. KADAM**  
**Partner**

Place: Mumbai  
Date: January 03, 2020

Membership No. 125886  
UDIN : 20125886AAAAAB9610



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We were engaged to audit the internal financial controls over financial reporting of Value Industries Limited ('the Company') as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

#### Basis for Adverse opinion

As described in basis for disclaimer opinion paragraph of our main report, the Company has not established adequate internal financial controls with respect to matters stated therein and that whatever financial controls have been established were not operating effectively. While reference may be made to the aforesaid Paragraph, the following significant aspects of material weaknesses in internal control system are particularly noteworthy:

- (a) The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are not being taken and reconciliations are pending. (Refer Note No. 50).
- (b) The Company had not made any assessment of impairment of fixed assets, loans and advances and other assets as at the balance sheet date.
- (c) Non-compliance of the requirements of Companies Act, 2013 and Security and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 with regard to preparation of periodical Financial results from quarter ended March 31, 2018 till date.
- (d) Statutory dues (Goods and Service Tax / Value Added Tax / Tax Deducted at Source) accounts are in the process of reconciliation and there are delays in filing of certain statutory returns with the respective authorities.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected on a timely basis.

#### Adverse opinion

Because of the matters described in the basis of adverse opinion paragraph and the matters described in the basis for disclaimer of opinion paragraph of main report and in view of possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, in our opinion the Company has not maintained adequate internal financial controls over financial reporting were not operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company, and these material weaknesses have inter-alia affected our opinion on the financial statements of the Company and we have issued a disclaimer of opinion on the financial statements.

**For S Z DESHMUKH & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 102380W)**

**D. U. KADAM**  
**Partner**

Place: Mumbai  
Date: January 03, 2020

Membership No. 125886  
UDIN : 20125886AAAAAB9610

## Balance Sheet as at March 31, 2019

(₹ in Million)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>1) Non-current assets</b>			
Property, Plant and Equipment	2	7,005.08	7,795.47
Capital work-in-progress	2	-	-
Other Intangible assets	3	-	-
Financial Assets			
i) Investments	4	62.31	66.09
ii) Loans	5	3.91	2.56
iii) Others	6	0.14	8.97
Other non-current assets	7	36.98	36.91
Other Tax Assets (Net)		45.10	44.48
<b>Total non current assets</b>		<b>7,153.52</b>	<b>7,954.48</b>
<b>2) Current Assets</b>			
Inventories	8	305.82	1,025.58
Financial Assets			
i) Trade receivables	9	1,788.31	2,132.48
ii) Cash and cash equivalents	10a	28.86	23.28
iii) Bank balances other than cash and cash equivalents	10b	18.74	17.72
iv) Loans	11	2,686.27	2,675.96
Other current assets	12	155.94	178.65
<b>Total current assets</b>		<b>4,983.94</b>	<b>6,053.67</b>
<b>TOTAL ASSETS</b>		<b>12,137.46</b>	<b>14,008.15</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
Equity share capital	13	391.86	391.86
Other equity	14	(5,713.70)	(2,947.30)
<b>Total equity</b>		<b>(5,321.84)</b>	<b>(2,555.44)</b>
<b>2) Non current liabilities</b>			
Provisions	15	10.20	7.32
Deferred tax liabilities (net)	16	431.32	482.14
Other non current liabilities	17	20.31	24.23
<b>Total non current liabilities</b>		<b>461.83</b>	<b>513.69</b>
<b>3) Current liabilities</b>			
Financial liabilities			
i) Borrowings	18	13,852.61	12,919.56
ii) Trade payables	19		
- Due to micro and small enterprises		4.94	5.71
- Due to other than micro and small enterprises		292.49	334.08
iii) Others	20	2,668.10	2,607.83
Other current liabilities	21	137.03	137.49
Provisions	22	42.30	45.23
<b>Total current liabilities</b>		<b>16,997.47</b>	<b>16,049.90</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,137.46</b>	<b>14,008.15</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes are integral part of these financial statements

As per our report of even date

For and on behalf of the Board

For S Z DESHMUKH & CO.  
Chartered AccountantsD. U. KADAM  
Partner  
ICAI Membership No: 125886MAYANK BHARGAVA  
Company Secretary  
Membership No: ACS 46180B. S. KAKADE  
Director  
DIN 06383819D. A. PEDNEKAR  
Director  
DIN 07639771Place : Mumbai  
Date : January 03, 2020

## Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Million)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I. Income</b>			
Revenue from Operations	23	186.51	2,525.17
Other income	24	27.64	50.57
<b>Total Income</b>		<b>214.15</b>	<b>2,575.74</b>
<b>II. Expenses</b>			
Cost of materials consumed	25	827.90	4,237.15
Purchase of stock-in-trade (Traded goods)	26	-	807.11
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	6.20	1,715.92
Excise Duty		-	140.81
Employee Benefits Expenses	28	113.02	176.29
Finance Costs	29	1,234.79	1,018.18
Depreciation and Amortization Expenses	2&3	790.02	842.74
Other Expenses	30	49.66	518.60
<b>Total Expenses</b>		<b>3,021.59</b>	<b>9,456.80</b>
<b>Profit/(Loss) before Tax</b>		<b>(2,807.44)</b>	<b>(6,881.06)</b>
<b>Tax expense:</b>	31		
i) Current Tax		-	-
ii) Deferred Tax		(49.07)	(566.27)
<b>Total Tax Expenses</b>		<b>(49.07)</b>	<b>(566.27)</b>
<b>Profit/(Loss) for the year</b>		<b>(2,758.37)</b>	<b>(6,314.79)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to statement of profit or loss in subsequent period			
i) Remeasurements of the defined benefit plans		(6.00)	3.35
ii) Equity instruments through other comprehensive income - net change in fair value		(3.78)	(36.05)
iii) Income tax on above		1.75	(1.16)
		<b>(8.03)</b>	<b>(33.86)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(2,766.40)</b>	<b>(6,348.65)</b>
<b>Earnings per equity share</b>			
Basic and diluted earnings per share	32	(70.39)	(161.15)
<b>Significant Accounting Policies</b>	1		

The accompanying notes are integral part of these financial statements

As per our report of even date

For and on behalf of the Board

**For S Z DESHMUKH & CO.**  
Chartered Accountants

**D. U. KADAM**  
Partner  
ICAI Membership No: 125886

**MAYANK BHARGAVA**  
Company Secretary  
Membership No: ACS 46180

**B. S. KAKADE**  
Director  
DIN 06383819

**D. A. PEDNEKAR**  
Director  
DIN 07639771

Place : Mumbai  
Date : January 03, 2020

## Statement of Cash Flows for the year ended March 31, 2019

(₹ in Million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before Tax	(2,807.44)	(6,881.06)
Adjustments for:		
Depreciation and Amortisation	790.02	842.74
Finance Costs	1,234.79	1,018.18
Provision for Warranty and Maintenance Expenses	(7.69)	(5.96)
Provision for Gratuity	8.10	(7.00)
Provision for Leave Encashment	(0.46)	(1.98)
Interest Income	(1.08)	(8.41)
(Profit)/Loss from Investments and Securities Division	-	(22.17)
(Profit)/Loss on Sale/Discard of Fixed Assets	-	295.75
Adjustment of Grant	(3.92)	(4.94)
Guarantee commission	-	(1.45)
<b>Operating Profit before Working Capital Changes</b>	<b>(787.68)</b>	<b>(4,776.30)</b>
Adjustments for:		
Inventories	719.76	4,836.46
Trade Receivables	344.17	320.66
Other financial and non financial assets	10.98	(2,414.95)
Trade Payables	(42.36)	(1,364.09)
Other financial and non financial liabilities	53.81	2,521.42
<b>Cash generated from Operations</b>	<b>298.68</b>	<b>(876.80)</b>
Less: Taxes Paid (Net)	0.62	1.45
<b>Net Cash from / (used in) Operating Activities</b>	<b>(A) 298.06</b>	<b>(878.25)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	1.08	8.41
Sale of Fixed Assets	1.70	-
Purchase of Fixed Assets (Including Capital Work-in-Progress)	(1.33)	(166.81)
(Increase)/Decrease in Fixed Deposits and Other Bank Balances	7.81	115.13
Profit/(Loss) from Investments and Securities Division	-	22.17
(Purchase)/Sale of Investments (Net)	-	0.31
<b>Net Cash from / (used in) Investing Activities</b>	<b>(B) 9.26</b>	<b>(20.79)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Non-Current Borrowings	-	87.27
Increase/(Decrease) in Current Borrowings	933.05	1,838.04
Finance Costs	(1,234.79)	(1,018.18)
Payment of Dividend	-	(1.99)
<b>Net Cash (used in) / from Financing Activities</b>	<b>(C) (301.74)</b>	<b>905.14</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(A+B+C) 5.58</b>	<b>6.10</b>
Cash and Cash Equivalents at beginning of the year	23.28	17.18
<b>Cash and Cash Equivalents at end of the year</b>	<b>28.86</b>	<b>23.28</b>

The accompanying notes are integral part of these financial statements

As per our report of even date

For and on behalf of the Board

For S Z DESHMUKH & CO.  
Chartered AccountantsD. U. KADAM  
Partner  
ICAI Membership No: 125886MAYANK BHARGAVA  
Company Secretary  
Membership No: ACS 46180B. S. KAKADE  
Director  
DIN 06383819D. A. PEDNEKAR  
Director  
DIN 07639771Place : Mumbai  
Date : January 03, 2020

## Statement of Changes in Equity (SOCIE) for the year ended March 31, 2019

### a) Equity share capital

Particulars	Note	₹ in Million
Balance as at April 1, 2017		391.86
Changes in equity share capital during the year	14	-
Balance as at March 31, 2018		391.86
Changes in equity share capital during the year	14	-
Balance as at March 31, 2019		391.86

### b) Other equity

(₹ in Million)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income (OCI)	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings*	Equity investments through OCI	
Balance as at April 1, 2017	0.64	780.77	899.03	1,625.62	360.66	(265.37)	3,401.35
Profit for the year	-	-	-	-	(6,314.79)	-	(6,314.79)
Other comprehensive income for the year	-	-	-	-	2.19	(36.05)	(33.86)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>(6,312.60)</b>	<b>(36.05)</b>	<b>(6,348.65)</b>
Balance as at March 31, 2018	0.64	780.77	899.03	1,625.62	(5,951.94)	(301.42)	(2,947.30)
Profit for the year	-	-	-	-	(2,758.37)	-	(2,758.37)
Other comprehensive income for the year	-	-	-	-	(4.25)	(3.78)	(8.03)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>(2,762.62)</b>	<b>(3.78)</b>	<b>(2,766.40)</b>
Balance as at March 31, 2019	0.64	780.77	899.03	1,625.62	(8,714.56)	(305.20)	(5,713.70)

\* Includes fair valuation impact of Land and Building ₹ 2,958.52 Million for March 31, 2019 and ₹ 2,987.32 Million in March 31, 2018. Such amounts are not available for distribution as dividend.

The accompanying notes are integral part of these financial statements

As per our report of even date

For and on behalf of the Board

For S Z DESHMUKH & CO.  
Chartered Accountants

D. U. KADAM  
Partner  
ICAI Membership No: 125886

MAYANK BHARGAVA  
Company Secretary  
Membership No: ACS 46180

B. S. KAKADE  
Director  
DIN 06383819

D. A. PEDNEKAR  
Director  
DIN 07639771

Place : Mumbai  
Date : January 03, 2020

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

### Note 1

#### Significant accounting policies

##### 1.1 Company Information

Value Industries Limited is a company domiciled in India, with its registered office situated at 15 KM Stone, Village Chittegaon, Taluka Paithan, District Aurangabad, Maharashtra, Pincode 431105. The Company has been incorporated under the provisions of Indian Companies Act. The entity is primarily involved in manufacturing and trading of consumer durables and electronic components.

##### 1.2 Basis of preparation

###### A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The financial statements of the Company for the year ended March 31, 2019 were approved for issue in accordance with the resolution of the Board of Directors on January 3, 2020. Details of accounting policies are included in Note 1.

###### B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the entity's functional currency. All amounts have been rounded off to the nearest millions with two decimals unless otherwise indicated.

###### C. Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

###### D. Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

###### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Note 1.3.A – Estimation of rate of interest for discounting of long-term financial assets;

Note 1.3.B – Estimation of rate of interest for discounting of long-term financial liabilities;

Note 1.3.C – Useful life of property, plant and equipment and intangible assets.

###### Assumptions and estimation uncertainties:

Note 1.3.M – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 1.3.J – measurement of defined benefit obligations: key actuarial assumptions;

Note 1.3.K – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

###### E. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial instruments.

The Company has an established control framework with respect to the measurement of fair values. 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, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The entity has recognised certain assets at fair value and further information is included in the relevant notes.

#### F. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the Balance Sheet date; or
- d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the Balance Sheet date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

### 1.3 Significant accounting policies

#### A. Financial assets

##### i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

##### ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

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

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

- a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
  - b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.
  - c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss. In addition, the Company may, at initial recognition, irrevocably designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
- iv) **Equity Instruments**
- All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.
- v) **Trade Receivables**
- Trade receivables are initially recognised at fair value. Subsequently, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits and expectations about future cash flows. The impairment losses and reversals are recognised in the Statement of Profit and Loss.
- vi) **Derecognition**
- The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.
- vii) **Impairment of Financial Asset**
- Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.
- The Fixed Assets or a group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognised by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

#### B. Financial liabilities

- i) **Initial recognition, measurement and classification**
- Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.
- All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
- The Company's financial liabilities at amortised cost includes loan and borrowings, interest accrued but not due on borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.
  - ii) **Financial guarantee contracts**

The Company has elected to account all its financial guarantee contracts as financial instruments as specified in Ind AS 109 on Financial Instruments. The company recognises the commission income on such financial guarantees and accounts for the same in Profit and Loss account over the tenure of the financial guarantee.



## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

##### iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

##### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### C. Property, Plant and Equipment

##### i) Recognition and measurement

Items of property, plant and equipment (PPE) are measured at original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital work in progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets.

PPE are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the Statement of Profit and Loss in the year of occurrence.

##### ii) Transition to Ind AS

On transition to Ind AS certain items of property, plant and equipment have been fair valued and such fair value is considered as deemed cost on the transition date.

The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

##### iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

##### iv) Depreciation

The Company provides depreciation on fixed assets, to the extent of depreciable amount on straight line method, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except depreciation on plant and machinery used in Refrigerator and Washing Machine Divisions which has been provided on written down value method based on useful life of 13 years as against the useful life of 15 years as prescribed in Schedule II to the Companies Act, 2013. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

The estimated useful life of items of property, plant and equipment for the current and comparative period are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Buildings	30	30
Plant and Machinery (Refrigerator and Washing Machine divisions)	13	15
Plant and Machinery (Others)	15	15
Furniture and Fixtures	10	10
Computers	3	3
Electrical Installation	10	10
Office Equipments	5	5
Vehicles	10	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### D. Intangible assets

##### i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

- ii) Subsequent expenditure  
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.
- iii) Transition to Ind AS  
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.
- iv) Amortisation  
Intangible assets are amortised using the straight-line method over a period of five years.  
Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
- v) Expenditure on research and development  
Revenue expenditure pertaining to research and development is charged to revenue under the respective heads of account in the period in which it is incurred. Capital expenditure, if any, on research and development is shown as an addition to fixed assets under the respective heads.

#### E. Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is determined using the weighted average method. The cost comprises its purchase price and any directly attributable cost of bringing to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### F. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### G. Revenue

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. April 1, 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

- a) Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as goods and service tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.
- b) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.
- c) Service income are recognised on the basis of completion of service as per contractual terms.

#### H. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument as increased significantly since initial recognition.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

##### I. Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss.

##### J. Employee benefits

###### i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

###### ii) Provident Fund - Defined Contribution Plan

The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

###### iii) Gratuity - Defined Benefit Plan

The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service.

Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Other Comprehensive Income. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

###### iv) Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Statement of Profit and Loss.

##### K. Provisions (other than for employee benefits)

i) Provisions are recognized when the Company has a present obligation 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 when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

###### ii) Warranties

Provision for the estimated liability in respect of warranty on sale of consumer durable products is made in the year in which the revenues are recognised, based on technical evaluation and past experience. Warranty provision is accounted as current and non current provision. Non current provision is discounted to its present value and the subsequent unwinding effect is passed through Statement of Profit and Loss account under Finance Costs.

##### L. Contingent liabilities and contingent assets

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Disputed demands in respect of customs duty, income tax, sales tax and others are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Contingent assets are not recognised in the financial statements.

##### M. Income Tax

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

##### i) Current Tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

##### ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### N. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### O. Government Grant

Grants are recognised when there is reasonable assurance that the grant will be received and conditions attached to them are complied with. Grants related to depreciable assets are treated as deferred income, which is recognised in the Statement of Profit and Loss over the period of useful life of the assets and in the proportions in which depreciation on related assets is charged.

#### P. Earnings per share

The basic earnings per share (EPS) is computed by dividing the net profit for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive. The Company has no potentially dilutive equity shares.

#### Q. Excise and Customs Duty

Excise Duty in respect of finished goods lying in the factory premises and customs duty on goods lying in custom bonded warehouse are provided for and included in the valuation of inventory.

#### R. Goods and Service Tax

Goods and Service Tax benefit is accounted for by reducing the purchase cost of the materials/fixed assets/services.

#### S. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances 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.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 1 (Contd.)

#### Significant accounting policies (Contd.)

##### T. Prior Period Items

Prior period items are included in the respective heads of accounts and material items are disclosed by way of Notes to Financial Statements.

##### U. Recent Accounting Pronouncements - Standards issued but not yet effective:

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019 and Companies (Indian Accounting Standards) (Second Amendment) Rules, 2019 notifying Ind AS 116 – 'Leases' and making amendments to various other Ind AS standards viz. Ind AS 12 – 'Income Taxes', Ind AS 19 – 'Employee benefits', Ind AS 23 – 'Borrowing Cost', Ind AS 28 – 'Investments in Associates and Joint Ventures', Ind AS 111 – 'Joint Arrangements', Ind AS 103 – 'Business Combinations' and Ind AS 109 – 'Financial Instruments'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB). The amendments are effective from accounting periods beginning from April 1, 2019.

##### Ind AS 116 – 'Leases':

This standard will supersede Ind AS 17 – 'Leases'. It abolishes for lessees the previous classification of leasing agreements as either operating or finance leases. Instead, Ind AS 116 introduces a single lessee accounting model, requiring lessees to recognise assets for right to use assets and lease liability representing its obligation to make lease payments. This means that leases which were previously not reported in the Balance Sheet will have to be reported in subsequent reporting periods. The depreciation expense will include amortisation of right to use asset and finance costs will include interest expense on lease liability. Ind AS 116 also provides exception from recognition of right to use asset and lease liability where lease term is less than 12 months or leases for which underlying asset is of low value. In such cases, lease payments are recognised as an expense over lease term either on straight-line basis unless another systematic basis is representative of time pattern of the user's benefit. The Company does not expect any significant impact of the amendment on its financial statements.

##### Amendments to Ind AS 12 – 'Income Taxes':

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Further, the amendment to Appendix C specifies that when an entity is uncertain how tax laws applies to a particular transaction or circumstance until the relevant tax authorities or a court takes a decision in future and it is not probable that taxation authorities may accept entities tax position then entity is required to estimate effect of such uncertain position on income tax and deferred tax. The Company does not expect any significant impact of the amendment on its financial statements.

##### Amendment to Ind AS 19 – 'Employee Benefits':

The amendment clarifies that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendment has been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. There is no impact of the amendment on the Company's financial statements.

##### Amendment to Ind AS 23 – 'Borrowing Cost':

The amendment clarifies borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or sale should subsequently be considered as part of general borrowing costs of an entity. The amendment does not have significant impact on the Company's financial statements.

##### Amendment to Ind AS 28 – 'Investments in Associates and Joint Ventures':

The amendment specifies that entity shall apply Ind AS 109 before applying Ind AS 28 to long term interests in associates and joint ventures that form part of net investment in associate and joint venture but to which equity method is not applied. The amendment does not have significant impact on Company's financial statements.

##### Amendment to Ind AS 103 – 'Business Combination and Ind AS 111 – Joint Arrangements':

The amendment to Ind AS 103 relating to re-measurement clarifies that when an entity obtains control of a business that is a joint operation, then the entity considers such an acquisition as a business combination achieved in stages and accounts for it accordingly i.e., it re-measures previously held interests in that business.

The amendment to Ind AS 111 clarifies that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

The Company will apply the pronouncement if and when it obtains control/joint control of a business that is a joint operation.

##### Amendment to Ind AS 109 – 'Financial instruments':

The amendment relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The amendment does not have any significant impact on the Company's financial statements.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

## Note 2

## Property, Plant and Equipment

Particulars	(₹ in Million)									
	Freehold Land	Building	Plant and Machinery	Electrical Installation	Computers	Furniture and Fixtures	Office Equipments	Vehicles	Total	Capital work-in-progress
Cost as at April 1, 2017	1,874.26	2,987.37	16,735.15	109.24	39.95	123.93	35.53	12.96	21,918.39	96.65
Additions	-	-	255.62	1.29	2.27	4.21	0.07	-	263.46	-
Disposals	-	-	6,340.03	93.59	36.88	29.35	16.94	7.70	6,524.49	96.65
<b>Cost as at March 31, 2018 (A)</b>	<b>1,874.26</b>	<b>2,987.37</b>	<b>10,650.74</b>	<b>16.94</b>	<b>5.34</b>	<b>98.79</b>	<b>18.66</b>	<b>5.26</b>	<b>15,657.36</b>	-
Accumulated depreciation as at April 1, 2017	-	636.71	12,366.57	98.13	39.21	65.39	30.70	11.19	13,247.90	-
Depreciation for the year	-	61.65	765.55	1.71	0.79	10.30	2.14	0.59	842.73	-
Disposals	-	-	6,047.34	91.79	36.56	28.64	16.78	7.63	6,228.74	-
<b>Accumulated depreciation as at March 31, 2018 (B)</b>	-	<b>698.36</b>	<b>7,084.78</b>	<b>8.05</b>	<b>3.44</b>	<b>47.05</b>	<b>16.06</b>	<b>4.15</b>	<b>7,861.89</b>	-
<b>Net carrying amount as at March 31, 2018 (A) - (B)</b>	<b>1,874.26</b>	<b>2,289.01</b>	<b>3,565.96</b>	<b>8.89</b>	<b>1.90</b>	<b>51.74</b>	<b>2.60</b>	<b>1.11</b>	<b>7,795.47</b>	-
Cost as at April 1, 2018	1,874.26	2,987.37	10,650.74	16.94	5.34	98.79	18.66	5.26	15,657.36	-
Additions	-	1.22	0.11	-	-	-	-	-	1.33	-
Disposals	-	2.15	-	-	-	-	-	-	2.15	-
<b>Cost as at March 31, 2019 (A)</b>	<b>1,874.26</b>	<b>2,986.44</b>	<b>10,650.85</b>	<b>16.94</b>	<b>5.34</b>	<b>98.79</b>	<b>18.66</b>	<b>5.26</b>	<b>15,656.54</b>	-
Accumulated depreciation as at April 1, 2018	-	698.36	7,084.78	8.05	3.44	47.05	16.06	4.15	7,861.89	-
Depreciation for the year	-	61.66	713.67	1.72	0.80	10.37	1.21	0.59	790.02	-
Disposals	-	0.45	-	-	-	-	-	-	0.45	-
<b>Accumulated depreciation as at March 31, 2019 (B)</b>	-	<b>759.57</b>	<b>7,798.45</b>	<b>9.77</b>	<b>4.24</b>	<b>57.42</b>	<b>17.27</b>	<b>4.74</b>	<b>8,651.46</b>	-
<b>Net carrying amount as at March 31, 2019 (A) - (B)</b>	<b>1,874.26</b>	<b>2,226.87</b>	<b>2,852.40</b>	<b>7.17</b>	<b>1.10</b>	<b>41.37</b>	<b>1.39</b>	<b>0.52</b>	<b>7,005.08</b>	-

The Company has decided to reflect fair value for Freehold Land and Building as the deemed cost as per Ind AS 101. The fair valuation impact for April 1, 2016 is ₹ 1,866.12 Million for Freehold Land and ₹ 1,178.80 Million for Building. The numbers are gross and do not include tax effect.

## Note 3

## Other Intangible Assets

Particulars	(₹ in Million)	
	Computer Software	Total
Cost as at April 1, 2017	3.26	3.26
Additions	-	-
Disposals/ adjustments	-	-
<b>Cost as at March 31, 2018 (A)</b>	<b>3.26</b>	<b>3.26</b>
Accumulated depreciation as at April 1, 2017	3.25	3.25
Depreciation for the year	0.01	0.01
Disposals	-	-
<b>Accumulated depreciation as at March 31, 2018 (B)</b>	<b>3.26</b>	<b>3.26</b>
<b>Net carrying amount as at March 31, 2018 (A) - (B)</b>	-	-
Cost as at April 1, 2018	3.26	3.26
Additions	-	-
Disposals/ adjustments	-	-
<b>Cost as at March 31, 2019 (A)</b>	<b>3.26</b>	<b>3.26</b>
Accumulated depreciation as at April 1, 2018	3.26	3.26
Depreciation for the year	-	-
Disposals	-	-
<b>Accumulated depreciation as at March 31, 2019 (B)</b>	<b>3.26</b>	<b>3.26</b>
<b>Net carrying amount as at March 31, 2019 (A) - (B)</b>	-	-

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount as per previous GAAP has been considered as the gross block carrying amount as on April 1, 20116 (transition date).

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 4</b>		
<b>Financial Assets - Non Current</b>		
<b>A. Investments at Fair Value through Profit or Loss</b>		
<b>Unquoted</b>		
Investments in Mutual Funds	0.50	0.50
<b>B. Investments at Fair Value through Other comprehensive income</b>		
<b>i) Quoted</b>		
Investments in Equity Instruments	1.30	5.08
<b>ii) Unquoted</b>		
Investments in Equity Instruments	60.51	60.51
<b>Total Non-Current Investments</b>	<b>62.31</b>	<b>66.09</b>
Aggregate amount of Quoted Investments	1.30	5.08
Aggregate Market value of Quoted Investments	1.30	5.08
Aggregate amount of Unquoted Investments	61.01	61.01
<b>Note 5</b>		
<b>Financial Assets - Non Current</b>		
<b>Loans</b>		
Sundry Deposits	3.91	2.56
	<b>3.91</b>	<b>2.56</b>
<b>Note 6</b>		
<b>Financial Assets - Non Current</b>		
<b>Others</b>		
<b>Bank balances other than (Note 10a and 10b) below</b>		
Fixed deposits with maturity more than 12 months (Held as margin money for credit facilities and other commitments)	0.14	8.97
	<b>0.14</b>	<b>8.97</b>
<b>Note 7</b>		
<b>Other non-current assets</b>		
Capital advances	1.21	1.14
Amount paid under protest to government authorities	35.77	35.77
	<b>36.98</b>	<b>36.91</b>
<b>Note 8</b>		
<b>Inventories</b>		
<b>(valued at lower of cost or net realisable value)</b>		
Raw Materials including Consumables, Stores and Spares	183.09	879.38
Materials in transit and in Bonded Warehouse	111.67	128.94
Work-in-Process	6.42	17.10
Finished Goods and Stock in Trade	4.64	0.16
	<b>305.82</b>	<b>1,025.58</b>

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 9</b>		
<b>Financial Assets - Current</b>		
<b>Trade receivables</b>		
Unsecured considered good	1,788.31	2,132.48
Considered doubtful	-	-
	<u>1,788.31</u>	<u>2,132.48</u>
Less: Provision for doubtful debts	-	-
	<u>1,788.31</u>	<u>2,132.48</u>
No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person.		
<b>Note 10a</b>		
<b>Financial Assets - Current</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	0.08	0.38
Balance with banks in current accounts	28.78	22.90
	<u>28.86</u>	<u>23.28</u>
<b>Note 10b</b>		
<b>Financial Assets - Current</b>		
<b>Bank balances other than cash and cash equivalents</b>		
In Dividend Warrant Accounts	2.07	2.07
In Fixed Deposits - Maturity 12 months or less (Held as margin money for credit facilities and other commitments)	16.67	15.65
	<u>18.74</u>	<u>17.72</u>
<b>Note 11</b>		
<b>Financial Assets - Current</b>		
<b>Loans</b>		
(Unsecured, considered good, unless otherwise specified)		
Other Short Term Loans and Advances	2,686.27	2,675.96
	<u>2,686.27</u>	<u>2,675.96</u>
<b>Note 12</b>		
<b>Other current assets</b>		
Others	155.94	178.65
	<u>155.94</u>	<u>178.65</u>
<b>Note 13</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
55,000,000 Equity Shares of ₹ 10/- each	550.00	550.00
7,500,000 Redeemable Preference Shares of ₹ 100/- each	750.00	750.00
	<u>1,300.00</u>	<u>1,300.00</u>
<b>Issued, Subscribed and Paid-up</b>		
39,185,675 Equity Shares of ₹ 10/- each fully paid-up	391.86	391.86
	<u>391.86</u>	<u>391.86</u>



## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### i) Reconciliation of the number of Shares: Equity Shares of ₹ 10/- each

	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
At the beginning of the year	39,185,675	391.86	39,185,675	391.86
Issued during the year	-	-	-	-
At the end of the year	39,185,675	391.86	39,185,675	391.86

### ii) Rights, preference and restrictions:

- The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### iii) Details of Shareholders holding more than 5% Shares:

Name of Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Dome-Bell Electronics India Private Limited	4,498,495	11.48	4,498,495	11.48
b) Waluj Components Private Limited	3,634,150	9.27	2,606,478	6.65
c) Videocon Industries Limited	1,971,973	5.03	1,971,973	5.03

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 14</b>		
<b>Other equity</b>		
Capital Reserve	0.64	0.64
Capital Redemption Reserve	780.77	780.77
Securities Premium Account	899.03	899.03
General Reserve	1,625.62	1,625.62
Equity instruments through OCI	(305.20)	(301.42)
Retained Earnings	(8,714.56)	(5,951.94)
	<b>(5,713.70)</b>	<b>(2,947.30)</b>

#### Capital Reserve

Capital reserve represents subsidy received, reserves transferred on account of amalgamation.

#### Capital Redemption Reserve

Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

#### Securities Premium Account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act.

#### General Reserve

The Company has transferred a portion of the net profit of the Company to general reserve pursuant to the earlier provisions of Companies Act 1956.

#### Equity instruments through OCI

This account represents the fair value changes in the investments calculated at every reporting date as per Ind AS 109.

#### Retained Earnings

This account includes the amount of profit and loss account transferred to the equity.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 15</b>		
<b>Provisions</b>		
Provision for Gratuity (Refer Note 35)	6.22	1.31
Provision for Leave Encashment (Refer Note 35)	3.98	4.33
Provision for Warranty and Maintenance expenses	-	1.68
	<u>10.20</u>	<u>7.32</u>
<b>Note 16</b>		
<b>Deferred Tax Liabilities (net)</b>		
Deferred Tax Liabilities (net) (Refer Note 31c)	431.32	482.14
	<u>431.32</u>	<u>482.14</u>
<b>Note 17</b>		
<b>Other Non-current liabilities</b>		
Grant for Ozone Project	20.31	24.23
	<u>20.31</u>	<u>24.23</u>

The Company has received Grant from Ozone cell Ministry of Environment and Forests Government of India for financing the machinery under the Ozone Project. As per the accounting policy followed by the Company, the grant received for Ozone Projects has been treated as "deferred income" to be recognised in statement of Profit and Loss over the useful life of the assets under the Ozone Project.

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 18</b>		
<b>Financial Liabilities</b>		
<b>Current Borrowings</b>		
<b>a) Secured</b>		
Rupee Term Loan from Banks	2,399.64	2,286.43
Working Capital Loans from Banks	7,052.97	6,233.13
<b>b) Unsecured</b>	4,400.00	4,400.00
Loans repayable on demand: From Others	<u>13,852.61</u>	<u>12,919.56</u>

**Secured Loans:**

## i) Rupee Term Loans from Banks:

The Company alongwith 12 other affiliates/entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') executed facility agreement with consortium of existing domestic rupee term lenders (RTL Lenders), in the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities covered are Value Industries Limited, Videocon Industries Limited (VIL), Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Electroworld Digital Solutions Limited.

Further, Videocon Telecommunications Limited (VTL), subsidiary of Videocon Industries Limited had availed financial assistance from consortium of Banks/Financial Institutions (VTL Lenders). It has been agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL facility agreement (including the receivables from VTL) on a reciprocal first pari-passu charge basis. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.

Rupee Term Loans from Banks are secured by first pari-passu charge on all present and future tangible/intangible assets (excluding the Identified Properties) of each of the Borrower, first pari-passu charge on the Trust and Retention Accounts of the Borrowers, second pari-passu charge on Identified Assets of Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries through pledge of entire shareholding of VHHL in these overseas subsidiaries, second charge on pledge of 100% shares of Videocon Oil Ventures Limited and VHHL, second pari-passu charge on VHHL's share of cash flows from Identified Assets and second pari-passu charge over current assets of each of the Borrowers. The Rupee Term Loans are also secured by first ranking pledge over specified numbers of equity shares of Videocon Industries Limited, Trend Electronics Limited and Value Industries Limited held by the promoters, the personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first pari-passu charge on 'Videocon' brand. The said loans have been classified as Short Term Borrowings, as the banks have raised the demands for entire loan amount. [Also refer Note No. 38]

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

- ii) Working Capital Loans from Banks are secured against hypothecation of the Company's stock of raw materials, packing materials, stock-in-process, finished goods, stores and spares, book debts and other current assets of the Company. The loans are further secured by personal guarantees of Mr. Venugopal N. Dhoot, Mr. Rajkumar N. Dhoot and Mr. Pradipkumar N. Dhoot.

(₹ in Million)

	As at March 31, 2019	As at March 31, 2018
<b>Note 19</b>		
<b>Financial Liabilities</b>		
<b>Current</b>		
<b>Trade payables</b>		
- Due to micro and small enterprises (Refer Note 41)	4.94	5.71
- Due to other than micro and small enterprises	292.49	334.08
	<u>297.43</u>	<u>339.79</u>
<b>Note 20</b>		
<b>Financial Liabilities- Current</b>		
<b>Others</b>		
Bank Overdraft as per books	0.01	-
Unclaimed Dividend	2.07	2.07
Other Payables	2,666.02	2,605.76
	<u>2,668.10</u>	<u>2,607.83</u>
<b>Note 21</b>		
<b>Other current liabilities</b>		
Others	137.03	137.49
	<u>137.03</u>	<u>137.49</u>
<b>Note 22</b>		
<b>Provisions</b>		
Provision for Gratuity (Refer Note 35)	3.19	-
Provision for Leave Encashment (Refer Note 35)	0.58	0.69
Provision for Warranty and Maintenance expenses	38.53	44.54
	<u>42.30</u>	<u>45.23</u>
<b>Movement of Provision for warranty and maintenance expenses</b>		
At the commencement of the year	46.22	52.18
Provision made during the year	-	48.13
Utilisation of Provisions	7.69	51.48
Discounting of non current provision	-	(0.19)
Unused amount reversed during the year	-	2.80
At the end of the year	<u>38.53</u>	<u>46.22</u>

### Provision for warranty and maintenance expenses

A provision is estimated for expected warranty claims in respect of products sold on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification and replacement. The costs include expenses to be incurred for repairs, replacement, material cost and servicing. It is expected that this expenditure will be incurred over the contractual warranty period that is usually one year and for certain of cases extended warranty for two to five years.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

(₹ in Million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Note 23</b>		
<b>Revenue from Operations</b>		
Sale of Electrical and Electronic items	177.73	2,508.95
Income from Services	1.82	3.92
Other Operating Revenue	6.96	12.30
	<b>186.51</b>	<b>2,525.17</b>
<b>Note 24</b>		
<b>Other income</b>		
Interest Income	1.08	8.41
Income from Investments and Securities Division	-	22.17
Profit on Sale of Fixed Assets	15.70	-
Exchange Rate Fluctuation	0.69	7.36
Insurance Claim Received	0.01	-
Other Non Operating Income	10.16	11.18
Guarantee Commission	-	1.45
	<b>27.64</b>	<b>50.57</b>
<b>Note 25</b>		
<b>Cost of materials consumed</b>		
Imported	44.21	142.89
Indigenous	783.69	4,094.26
	<b>827.90</b>	<b>4,237.15</b>
<b>Note 26</b>		
<b>Purchase of stock-in-trade (Traded goods)</b>		
Electrical and Electronic items	-	807.11
	-	<b>807.11</b>
<b>Note 27</b>		
<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Opening Inventory</b>		
Finished Goods and Stock-in-Trade	0.16	349.83
Work-in-Process	17.10	1,383.35
	<b>17.26</b>	<b>1,733.18</b>
<b>Closing Inventory</b>		
Finished Goods and Stock-in-Trade	4.64	0.16
Work-in-Process	6.42	17.10
	<b>11.06</b>	<b>17.26</b>
<b>Changes in inventory</b>	<b>6.20</b>	<b>1,715.92</b>
<b>Note 28</b>		
<b>Employee Benefits Expenses</b>		
Salary, Wages and Other Benefits	101.97	155.73
Contribution to Provident Fund and Other Funds	10.04	13.35
Staff Welfare Expenses	1.01	7.21
	<b>113.02</b>	<b>176.29</b>

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

(₹ in Million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Note 29</b>		
<b>Finance Costs</b>		
Interest Expenses	1,234.79	1,011.59
Other Borrowing Costs	-	6.59
	<u>1,234.79</u>	<u>1,018.18</u>
<b>Note 30</b>		
<b>Other Expenses</b>		
Power, Fuel and Water	11.12	25.18
Rent	0.25	1.03
Repairs to Building	-	0.75
Repairs to Plant and Machinery	2.33	7.11
Other Repairs and Maintenance	0.40	0.82
Insurance	2.17	3.04
Rates and Taxes	2.07	3.48
Carriage and Cartage	7.34	53.26
Advertisement, Publicity and Sales Promotion	0.06	0.23
Bank Charges	0.29	17.18
Payment to Auditor's	1.31	1.31
Directors' Sitting Fees	-	0.08
Loss on Sale of Fixed Assets	-	295.75
Legal and Professional Charges	15.96	4.13
Warranty and Maintenance	-	83.77
Office and General Expenses	6.36	21.48
	<u>49.66</u>	<u>518.60</u>
<b>Payment to Auditor's:</b>		
a) Statutory Audit Fees	1.14	1.14
b) Tax Audit Fees	0.15	0.15
c) Out of Pocket Expenses	0.02	0.02
	<u>1.31</u>	<u>1.31</u>
<b>Note 31</b>		
<b>Income Taxes</b>		
a) <b>Amounts recognised in profit and loss</b>		
<b>Current income tax</b>	-	-
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	(49.07)	(566.27)
<b>Deferred tax expense</b>	<u>(49.07)</u>	<u>(566.27)</u>
<b>Tax expense for the year</b>	<u>(49.07)</u>	<u>(566.27)</u>
b) <b>Amounts recognised in other comprehensive income</b>		
Deferred tax on remeasurements of the defined benefit plans	(1.75)	1.16
	<u>(1.75)</u>	<u>1.16</u>

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

## Note 31 (Contd.)

## Income Taxes (Contd.)

## c) Deferred Tax assets and liabilities are attributable to the following:

(₹ in Million)

Particulars	Net deferred Tax (Assets)/Liabilities	
	March 31, 2019	March 31, 2018
Property, Plant and Equipment	431.32	1,481.31
MAT Credit Entitlement	-	(1.72)
Fair valuation of investments through OCI	-	5.75
Deferred Guarantee Commission	-	0.50
Warranty Provision	-	0.66
Expenses allowable for deduction in future years	-	(255.95)
Related to Unabsorbed Depreciation and Losses	-	(740.40)
Due to effect of Income Computation and Disclosure Standards	-	(8.01)
<b>Net deferred tax (Assets)/ Liabilities</b>	<b>431.32</b>	<b>482.14</b>

## d) Movement in Temporary differences:

(₹ in Million)

Particulars	Balance as at April 1, 2017	Recognised in Profit and Loss during 2017-18	Recognised in OCI during 2017-18	Balance as at March 31, 2018	Recognised in Profit and Loss during 2018-19	Recognised in OCI during 2018-19	Balance as at March 31, 2019
Property, Plant and Equipment	1,662.72	(181.41)	-	1,481.31	(1,049.99)	-	431.32
MAT Credit Entitlement	(1.72)	-	-	(1.72)	1.72	-	-
Fair valuation of investments through OCI	5.78	(0.03)	-	5.75	(5.75)	-	-
Deferred Guarantee Commission	0.50	-	-	0.50	(0.50)	-	-
Warranty Provision	0.73	(0.07)	-	0.66	(0.66)	-	-
Expenses allowable for deduction in future years	(54.85)	(201.10)	-	(255.95)	255.95	-	-
Related to Unabsorbed Depreciation and Losses	(556.27)	(184.13)	-	(740.40)	740.40	-	-
Due to effect of Income Computation and Disclosure Standards	(9.64)	1.63	-	(8.01)	8.01	-	-
Remeasurements of the defined benefit plans	-	(1.16)	1.16	-	1.75	(1.75)	-
<b>Total</b>	<b>1,047.25</b>	<b>(566.27)</b>	<b>1.16</b>	<b>482.14</b>	<b>(49.07)</b>	<b>(1.75)</b>	<b>431.32</b>

## e) In view of the losses and unabsorbed depreciation, in the opinion of the management considering the ground of prudence, deferred tax assets have not been recognised in the books of accounts.

## Note 32

## Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Basic and diluted earnings per share for ordinary shareholders</b>		
a) Net Profit/(Loss) for the year attributable to Equity Shareholders (₹ Million)	(2,758.37)	(6,314.79)
b) Weighted average Number of Equity Shares	39,185,675	39,185,675
c) Basic and Diluted Earnings per Share of ₹ 10/- each (₹)	(70.39)	(161.15)
d) Nominal value of Equity Shares (₹)	10.00	10.00

Note: The Company did not have any potentially dilutive securities in any of the above reporting period presented.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 33

#### Financial instruments – Fair values and risk management

##### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

As at March 31, 2019	Carrying Amount				Fair Value		
	Total	Amortised Cost	FVTPL	FVTOCI	Level 1	Level 2	Level 3
(₹ in Million)							
<b>Non-current financial assets</b>							
Investments	62.31		0.50	61.81	1.30		61.01
Loans	3.91	3.91				3.91	
Others	0.14	0.14				0.14	
<b>Current financial assets</b>							
Trade receivables	1,788.31	1,788.31					
Cash and cash equivalents	28.86	28.86					
Other bank balances	18.74	18.74					
Loans	2,686.27	2,686.27					
	<b>4,588.54</b>	<b>4,526.23</b>	<b>0.50</b>	<b>61.81</b>	<b>1.30</b>	<b>4.05</b>	<b>61.01</b>
<b>Current financial liabilities</b>							
Borrowings	13,852.61	13,852.61					
Trade payables	297.43	297.43					
Others	2,668.10	2,668.10					
	<b>16,818.14</b>	<b>16,818.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at March 31, 2018	Carrying Amount				Fair Value		
	Total	Amortised Cost	FVTPL	FVTOCI	Level 1	Level 2	Level 3
(₹ in Million)							
<b>Non-current financial assets</b>							
Investments	66.09		0.50	65.59	5.08		61.01
Loans	2.56	2.56				2.56	
Others	8.97	8.97				8.97	
<b>Current financial assets</b>							
Trade receivables	2,132.48	2,132.48					
Cash and cash equivalents	23.28	23.28					
Other bank balances	17.72	17.72					
Loans	2,675.96	2,675.96					
	<b>4,927.06</b>	<b>4,860.97</b>	<b>0.50</b>	<b>65.59</b>	<b>5.08</b>	<b>11.53</b>	<b>61.01</b>
<b>Current financial liabilities</b>							
Borrowings	12,919.56	12,919.56					
Trade payables	339.79	339.79					
Others	2,607.83	2,607.83					
	<b>15,867.18</b>	<b>15,867.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

- The fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- Measurement of fair values : The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

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

Level - 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Investments in quoted equity instruments	"Listing price as fair value on the date of reporting
Investments in unquoted equity instruments	

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 33 (Contd.)

#### Financial instruments – Fair values and risk management (Contd.)

##### B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- i) Liquidity risk;
- ii) Credit risk; and
- iii) Interest rate risk

##### Risk management framework

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operations and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

Corporate Insolvency Resolution Process (CIRP) has been initiated in case of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Resolution Professional (RP) appointed by the NCLT. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the Company and the day to day cashflow and its associated risks are as under:

##### i) Liquidity risk

The Company is under CIRP. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is under CIRP, it is not required to meet any loan or interest obligation till the resolution plan is implemented.

Liquidity risk is the financial risk that is encountered due to uncertainty resulting in difficulty in meeting its obligations. An entity is exposed to liquidity risk if markets on which it depends are subject to loss of liquidity for any reason; extraneous or intrinsic to its business operations, affecting its credit rating or unexpected cash outflows. A position can be hedged against market risk but still entail liquidity risk. Prudence requires liquidity risk to be managed in addition to market, credit and other risks as it has tendency to compound other risks. It entails management of asset, liabilities focused on a medium to long-term perspective and future net cash flows on a day-by-day basis in order to assess liquidity risk.

Liquidity Periodic budget and rolling forecasts shall be determined during CIR process.

##### ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

##### a) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The following table provides information about the exposure to credit risk for trade receivables:

(₹ in Million)		
	Gross carrying amount	
	As at March 31, 2019	As at March 31, 2018
<b>Past due not impaired</b>		
Past due 1-30 days	28.10	77.53
Past due 31-60 days	20.63	226.62
Past due 61-90 days	0.98	22.19
Past due 91-120 days	0.51	34.68
Past due 121-180 days	0.71	60.50
More than 180 days	1,737.38	1,710.96
<b>Total</b>	<b>1,788.31</b>	<b>2,132.48</b>

Management has analysed the debtors outstanding as of March 31 2019 and concluded that the history of bad debts on the profile of its current debtors is insignificant. The debtors which are outstanding have been generally regular in making payments and hence it does not expect significant impairment losses on its current profile of outstanding debtors. The debtors which have delayed are mostly on account of any litigations and its experience regarding bad debts has been very low in the past.

On the basis of above, no additional provision has been made in the books of accounts under Ind AS.



## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### b) Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank balances of ₹ 47.60 Million at March 31, 2019 (March 31, 2018: ₹ 41.00 Million). The cash and cash equivalents are held with banks.

### c) Other financial assets

Other than trade and other receivables, the Company has no other financial assets that are past due not impaired.

### iii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is under CIRP, it could not meet interest obligation during the year and shall be finalised when resolution plan is implemented.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in Million)		
Borrowings	As at March 31, 2019	As at March 31, 2018
<b>Variable rate borrowings</b>		
Current borrowings	13,852.61	12,919.56
<b>Total</b>	<b>13,852.61</b>	<b>12,919.56</b>

#### Fair value sensitivity analysis for fixed-rate instruments

The entity does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalized to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(₹ in Million)		
Particulars	Profit or (Loss) before tax	
	100bp increase	100bp decrease
March 31, 2019	(138.53)	138.53
March 31, 2018	(129.20)	129.20

### Note 34

#### Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings

The entity monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(₹ in Million)		
Particulars	As at March 31, 2019	As at March 31, 2018
	Current Borrowings	13,852.61
<b>Gross Debt</b>	<b>13,852.61</b>	<b>12,919.56</b>
Less: Cash and cash equivalents	28.86	23.28
Less: Other bank balances	18.74	17.72
<b>Adjusted Net Debt</b>	<b>13,805.01</b>	<b>12,878.56</b>
Total Equity	(5,321.84)	(2,555.44)
<b>Adjusted Net Debt to Total Equity</b>	<b>(2.59)</b>	<b>(5.04)</b>

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

## Note 35

## Employee benefits

The Company contributes to the following post-employment plans in India.

## A) Defined Contribution Plans:

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Contribution to Provident and Other Funds of ₹ 10.04 Million (Previous year ₹ 13.35 Million) is recognised as an expense and shown under the head "Employee Benefits Expense" in the Statement of Profit and Loss.

## B) Defined Benefit Plan: Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post employment benefit to its employees in the form of gratuity. The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on an actuarial valuation using the projected unit credit method.

In accordance with Ind AS 19, the disclosures relating to defined benefit plan are provided below :

## i) Reconciliation of net defined benefit (asset) liability:

(₹ in Million)

Particulars	Gratuity		Leave Encashment	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<u>Reconciliation for present value of defined benefit obligations</u>				
Defined benefit obligation at the beginning of the year	49.45	48.54	5.02	7.00
Current service cost	2.32	2.36	2.29	2.74
Interest cost	3.31	3.29	0.36	0.47
Past service cost	-	0.21	-	-
Actuarial (gains) losses recognised in Other Comprehensive Income				
arising from changes in financial assumptions	0.83	(1.01)	0.06	(0.08)
arising from changes in demographic assumptions	-	-	-	1.05
arising on account of experience changes	4.88	(1.92)	(1.81)	(3.79)
Benefits paid directly by the company	(8.22)	(2.02)	(1.36)	(2.37)
Return on plan assets excluding amounts included in interest income	(0.29)	(0.42)	-	-
<b>Defined benefit obligation at the end of the year</b>	<b>52.57</b>	<b>49.45</b>	<b>4.56</b>	<b>5.02</b>

## ii) Reconciliation of fair value of plan assets:

(₹ in Million)

Particulars	Gratuity	
	March 31, 2019	March 31, 2018
At the beginning of the year	48.14	40.23
Interest income	3.49	2.82
Expected Return on Plan Assets	(0.29)	0.42
Recognised in other comprehensive income		
Actuarial gains/(losses)		
Employer contributions	0.04	4.67
Benefit paid	(8.22)	-
<b>At the end of the year</b>	<b>43.16</b>	<b>48.14</b>

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

## Note 35 (Contd.)

## Employee benefits (Contd.)

## iii) Amount recognised in Balance sheet:

Particulars	₹ in Million	
	March 31, 2019	March 31, 2018
<b>Gratuity</b>		
Defined benefit obligation	52.57	49.45
Fair value of plan assets	(43.16)	(48.14)
Net defined benefit (obligation)/assets	<b>9.41</b>	<b>1.31</b>
<b>Leave Encashment</b>		
Defined benefit obligation	4.56	5.02
Fair value of plan assets	-	-
Net defined benefit (obligation)/assets	<b>4.56</b>	<b>5.02</b>

## iv) Expense recognised in the Statement of profit and loss and Other comprehensive Income:

Particulars	₹ in Million			
	Gratuity		Leave Encashment	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Expense recognised in the Statement of profit and loss</b>				
Current service cost	2.32	2.36	2.29	2.74
Interest cost	3.31	3.29	0.36	0.47
Interest income	3.49	2.82	-	-
	<b>2.14</b>	<b>2.83</b>	<b>2.65</b>	<b>3.21</b>
<b>Expense recognised in the Other comprehensive income</b>				
Actuarial (gains) losses on defined benefit obligations arising from changes in financial assumptions	0.83	(1.01)	0.06	(0.08)
arising from changes in demographic assumptions	-	-	-	1.05
arising on account of experience changes	4.88	(1.92)	(1.81)	(3.79)
	<b>5.71</b>	<b>(2.93)</b>	<b>(1.75)</b>	<b>(2.82)</b>

## v) Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	March 31, 2019	March 31, 2018
<b>Financial assumptions</b>		
Discount rate	7.05%	7.30%
Salary escalation	5.00%	5.00%
<b>Demographic assumptions</b>		
Mortality rate	Indian assured life mortality (2006-2008) table	
Turnover Rate	5% at younger ages reducing to 1% at older ages	
Future Salary Increase	5% per annum	

## vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	₹ in Million			
	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	48.41	51.77	52.73	56.30
Salary escalation (0.5% movement)	51.79	48.37	56.33	52.68
Attrition Rate (1% movement)	50.16	49.94	54.55	54.39

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

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

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 35 (Contd.)

#### Employee benefits (Contd.)

vii) The expected future cash flows as at March 31, were as follows:

Particulars	(₹ in Million)				Total
	Upto 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	
<b>Defined benefit obligations (Gratuity - funded)</b>					
March 31, 2019	2.78	1.98	14.38	44.01	<b>63.15</b>
March 31, 2018	4.61	2.00	15.58	46.34	<b>68.53</b>

(₹ in Million)

### Note 36

#### Contingent Liabilities and Commitments:

##### A. Contingent Liabilities not provided for:

	As at March 31, 2019	As at March 31, 2018
i) Letters of Guarantees	9.97	9.97
ii) Claims against the Company not acknowledged as debt:		
a) Custom Duty demands and penalties under dispute [Amount paid under protest ₹ 1.50 Million (Previous year ₹ 1.50 Million)]	11.33	11.33
b) Excise Duty and Service Tax demands and penalties under dispute [Amount paid under protest ₹ 7.68 Million (Previous year ₹ 7.68 Million)]	227.25	212.43
c) Sales Tax demands and penalties under dispute [Amount paid under protest ₹ 26.46 Million (Previous year ₹ 26.46 Million)]	1,007.34	1,007.34
d) Income Tax matters in respect of which appeals are pending [Amount paid under protest/adjusted by Department ₹ 35.33 Million (Previous year ₹ 35.33 Million)]	52.93	56.94

##### B. Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	1.75	1.80
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### Note 37

The Supreme court of India in the case of Regional Provident Fund Commissioner Vs. Vicekananda Vidya Mandir and Others [LSI-62-SC-2019(NDEL)] has rendered a decision dated February 28, 2019 with reference to the Employees Provident Fund and Miscellaneous Provisions Act, 1952 on a common question of law as to whether special allowance paid by an establishment to its employees would fall within the expression of 'basic wages' under section 2(b)(ii) read with section 6 of the Act for the purpose of computation of deduction towards provident fund. The Supreme Court has held that in order to exclude the allowance from the ambit basic wages, there must be evidence to show that the workman concerned has become eligible to get the extra amount beyond the normal work which he was otherwise required to put in. The test laid down by the Supreme Court will now have to be applied to each and every allowance to examine whether the allowance is excluded from the purview of wages or not. If the test for exclusion is met, then the said allowance would not form part of wages for the purpose of contribution under the Act. The Company is evaluating the impact of the decision of the Supreme Court on provident fund liability on account of various allowances to its employees. Pending necessary clarifications on the subject, no provision is considered necessary.

### Note 38

The Company alongwith 13 other affiliates/entities (collectively referred to as 'Obligors' or individually as 'Borrower' or 'Co-Obligors') executed Facility Agreement with the consortium of existing domestic rupee term lenders, under the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors are pooled together. The Borrower entities are Videocon Industries Limited, Value Industries Limited, Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited, Electroworld Digital Solutions Limited and Videocon Telecommunications Limited.

As the Company is a Co-Obligor, it is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2019 of ₹ 210,123.87 Million (As at March 31, 2018 ₹ 210,123.87 Million).

### Note 39

The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI') has on December 30, 2014, issued a Show Cause Notice ('SCN') in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. Vide SCN, the Company was called upon, amongst others, as to why the declared value of CPTs imported should not be rejected and the same should not be re-determined and why the amount of anti-dumping duty and penalty ₹ 3.54 Million should not be recovered under the extended period under the provisions of the Customs Act, 1962.

In order to buy peace, the Company filed application with the Adjudication Authority who determined the declared value is liable to be rejected and re-determined under Custom Valuation Rules read with Section 14 of the Custom Act, 1962 and value is liable for payment of Anti Dumping Duty amounting to ₹ 1.77 Million, which is payable on the import of Colour Picture Tubes from the Company and the penalty of equivalent amount along with the interest thereon under section 114A of the Customs Act, 1962. Subsequently, the Company has filed an appeal against the Order passed by Adjudication Authority before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and the same is pending before the said CESTAT. The Company has been advised by its counsels that the Order passed by Adjudication Authority is untenable in the court of laws. Hence, no provision has been considered necessary in the financial statements.

### Note 40

The Company has kept the investment activities separate and distinct from the normal business. Consequently, all the income and expenditure pertaining to investment activities has been allocated to the investments and Securities Division and the income after netting off the related expenditure has been shown as "Income/Loss from Investments and Securities Division". The Income from Investment and Security Division include: Dividend on Long Term Investments of ₹ Nil (Previous year ₹ 0.46 Million).

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 41

Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

	(₹ in Million)	
	As at March 31, 2019	As at March 31, 2018
a) Principle amount remaining unpaid as at the end of the year	4.94	5.71
b) Interest due thereon as at the end of the year	1.13	0.55
c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	0.77	6.17
d) Interest due and payable for the period of delay in making payment	1.13	0.55
e) Interest accrued and remaining unpaid at the end of the year	1.13	0.55
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such vendors/parties have been identified on the basis of information available with the Company.

	(₹ in Million)	
	Year ended on March 31, 2019	Year ended on March 31, 2018
<b>Note 42</b>		
<b>C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currency</b>		
a) C.I.F. Value of Imports:		
Raw Materials and Stock in Trade	0.14	318.22
b) Expenditure incurred in Foreign Currency:		
Interest	-	0.67
c) Other Earnings/Receipts in Foreign Currency:		
F.O.B. Value of Exports	-	-

### Note 43

#### Corporate Social Responsibility

The Company in light of losses incurred in the past years is not required to spend any amount towards Corporate Social Responsibility for the year ended March 31, 2019.

### Note 44

The Company is primarily engaged in manufacturing and trading of Electrical and Electronic Appliances and there is no other reportable segment as defined in Indian Accounting Standard 108 on "Operating Segments".

### Note 45

#### Related party transactions:

#### A) List of Related Parties where control exists and related parties with whom transactions have taken place and relationship:

##### Key Management Personnel:

Mr. B. S. Kakade - Director

Ms. Samridhi Kumari - Company Secretary (w.e.f. December 5, 2018 and resigned on March 31, 2019)

#### B) Material Transactions with Related Parties during the year:

Remuneration to Key Management Personnel - ₹ 0.15 Million (Previous year ₹ Nil)

### Note 46

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai (Adjudicating Authority) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) against Value Industries Limited ("Corporate Debtor"), the Adjudicating Authority had admitted the application for the initiation of the Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor vide an order dated September 5, 2018 and appointed Mr. Dushyant C. Dave as the insolvency Resolution Professional. Subsequently, the Committee of Creditors (CoC) approved appointment of Mr. Dushyant C. Dave as Resolution Professional (Erstwhile Resolution Professional).

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies (collectively referred to as the "Videocon Group Entities"). The Adjudicating Authority, vide its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies namely, Videocon Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited; and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors of the Corporate Debtors (CoC) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the Resolution Professional of the Videocon Group Entities (Resolution Professional) was approved by the Adjudicating Authority vide its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stand vested in the Resolution Professional.

## Notes to financial statements for the year ended March 31, 2019 (Contd.)

### Note 47

The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 as amended, and there are persistent severe strains on the working capital and there is considerable decline in level of operations of the Company and net worth of the Company as on the reporting date is negative and it continue to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other obligors/borrowers. It has also received invocation notices of personal guarantees extended by promoters. Since Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. The Company continues the process for ascertaining the realisable value for its assets (including inventories and trade receivables) and necessary adjustments to the carrying value will be effected in due course, the impact of which is not ascertainable at this stage.

### Note 48

The Company has made investments, given advances and has trade receivables aggregating to ₹ 1,814.37 Million in group/affiliate companies, namely Videocon Industries Limited, Applicomp (India) Limited, Millennium Appliances India Limited, KAIL Limited, Sky Appliances Limited and Techno Electronics Limited, which have been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 by their lenders and subsequently admitted to Corporate Insolvency Resolution Process (CIRP). The actual amount of loss on these investments, advances and trade receivables are not ascertainable till the completion of resolution process of these group/entities.

### Note 49

The Company has not assessed or reviewed the fixed assets for impairment, non-ascertainment of net realisable value of inventory, and non-ascertainment of the realisable value of investments. The Company has appointed valuers before CIRP commencement for valuation of assets including inventory and investments and the Company is in process of ascertaining the impairment loss, if any, on its fixed assets, inventories and investments. The requisite accounting effect, if any, will be given upon such ascertainment / determination.

### Note 50

The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.

### Note 51

Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors.

### Note 52

The Company did not have any outstanding long term contracts including derivative contracts as at March 31, 2019.

### Note 53

The Company has defaulted in transferring amount of ₹ 2.07 Million, required to be transferred to the Investor Education and Protection Fund during the year ended March 31, 2019.

### Note 54

During the year, inventory verification and valuation was carried out by the Company. Based on the shortages, damages and non-moving items of inventory due to rapid changes in technology for the products observed and estimated, the inventory was re-valued. Accordingly, the difference amount of ₹ 693.37 million has been charged to consumption of materials and increase/decrease in inventory.

### Note 55

The Company has not submitted its financial results for the quarter/period ended March 31, 2018, and subsequent periods till date as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non compliance of the said provisions were primarily on account of technical difficulties, voluminous activities under CIRP, lack of resources inter-alia including qualified staff having resigned pre-post CIRP.

### Note 56

Previous year figures have been reclassified, restated, recasted to conform to the classification of the current year.

### Note 57

#### Approval of financial statement

- i) The RP has assumed control of Corporate Debtor with effect from September 30, 2019 and therefore was not in control of the operations or the management of the Corporate Debtor for the period to which the underlying financial statements pertain to;
- ii) These financial statements are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- iii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- iv) These financial statements have been prepared on the basis of certifications, representations and statements made by the directors and management of the Corporate Debtor, in relation to these financial statements. The RP has assumed that all information and data in the financial statements are conformity with applicable laws with respect to the preparation of the financial statements. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements.

As per our report of even date

For and on behalf of the Board

**For S Z DESHMUKH & CO.**  
Chartered Accountants

**D. U. KADAM**  
Partner  
ICAI Membership No: 125886

**MAYANK BHARGAVA**  
Company Secretary  
Membership No: ACS 46180

**B. S. KAKADE**  
Director  
DIN 06383819

**D. A. PEDNEKAR**  
Director  
DIN 07639771

Place : Mumbai  
Date : January 03, 2020

**ATTENDANCE SLIP**  
**VALUE INDUSTRIES LIMITED**

CIN :L99999MH1988PLC046445

**Regd. Office :** 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka Paithan  
District: Aurangabad - 431 105 (Maharashtra)

**E-mail id:** secretarial\_value@videoconmail.com, **Website:** www.valueind.in

**31st Annual General Meeting – Tuesday, 4th February, 2020**

Regd. Folio No. / Client ID No.

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DPID No.

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No. of shares held

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I certify that I am a registered Shareholder/Proxy for the registered Shareholder of the Company.

I hereby record my presence at the **31st ANNUAL GENERAL MEETING** of **VALUE INDUSTRIES LIMITED** held on Tuesday, 4th February, 2020 at 11.30 a.m. at the Registered Office of the Company at 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka-paithan, Aurangabad - 431 105 (Maharashtra).

.....  
Member's / Proxy's Name in Block Letters

.....  
Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

*Please read errata for typesetting matter.*





# PROXY FORM

## FORM MGT-11

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

### VALUE INDUSTRIES LIMITED

CIN :L99999MH1988PLC046445

Regd. Office : 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka Paithan  
District: Aurangabad - 431 105 (Maharashtra)

E-mail id: secretarial\_value@videoconmail.com, Website: www.valueind.in

**31st Annual General Meeting – Tuesday, 4th February, 2020**

Name of the Member(s)

Registered address

Email ID

Folio No. / Client ID

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DPID

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I / we, being the Member (s) of shares of the above named Company, hereby appoint

Name : \_\_\_\_\_

Email ID : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her

Name : \_\_\_\_\_

Email ID : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her

Name : \_\_\_\_\_

Email ID : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on the Tuesday, 4th February, 2020, at 11.30 a.m. at the Registered office at 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka-Paithan, Aurangabad – 431105 (Maharashtra) and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolution	For	Against
<b>Ordinary Business:</b>			
1.	To Adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2019 and the Audited Balance Sheet as at that date together with Cash Flow Statement, and the Reports of the Board of Directors and Auditors thereon.		
2.	To fix the remuneration of M/s. S. Z. Deshmukh & Co., Chartered Accountants, Auditors of the Company for the financial year 2019-20.		
<b>Special Business:</b>			
3.	To reappoint Mr. Naveen B. Mandhana (DIN:01222013) as an Independent Director for a term of 5 years.		
4.	To ratify and confirm payment of remuneration to be paid to M/s. B R Chandak & Co., Cost Auditor of the Company for the financial year 2019-20.		
5.	To ratify and confirm payment of remuneration to be paid to M/s. B R Chandak & Co., Cost Auditor of the Company for the financial year 2018-19.		

Affix  
Revenue  
Stamp Re. 1

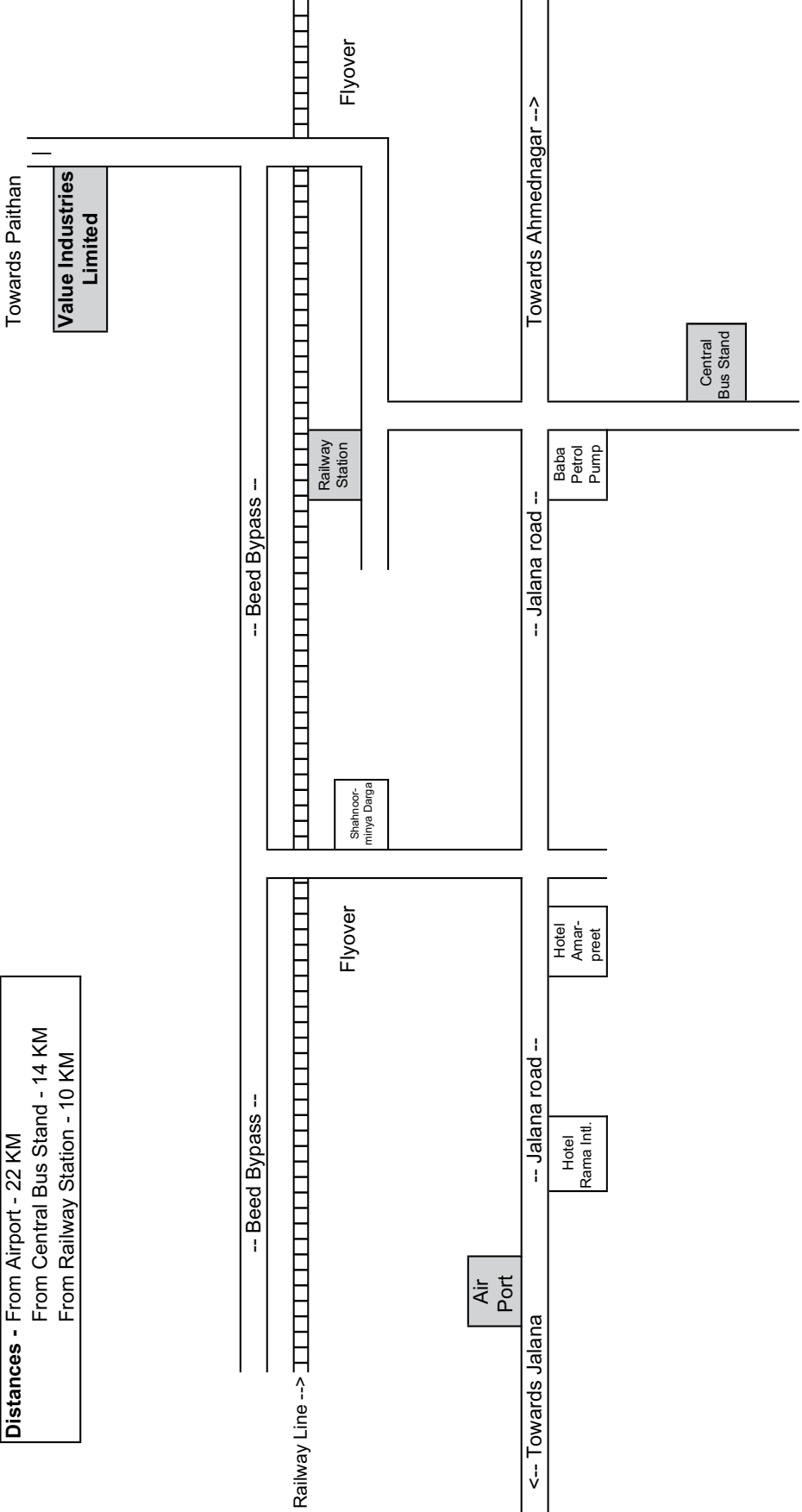
\_\_\_\_\_  
Signature of the Shareholder

\_\_\_\_\_  
Signature of the Proxy holder(s)

**Notes:**

- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.*
- This is only optional .Please put a '✓' in the appropriate column against the resolutions indicated in the box above. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.*
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.*
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*

**Distances -** From Airport - 22 KM  
 From Central Bus Stand - 14 KM  
 From Railway Station - 10 KM



**Value Industries Limited**

Flyover

Railway Station

Shahnood-minya Darga

Flyover

Central Bus Stand

Baba Petrol Pump

Hotel Amarpreet

Hotel Rama Intl.

Air Port

Towards Paithan

Towards Ahmednagar -->

<-- Towards Jalana

-- Beed Bypass --

-- Jalana road --

-- Beed Bypass --

-- Jalana road --

Railway Line -->

Courier / Registered Post

*If undelivered, please return to:*

**MCS Share Transfer Agent Limited**

**Unit:Value Industries Limited**

A-209, C Wing, 2nd floor Gokul Industries Estate Building,  
Sagbaug, Marol Co-op Industrial Area,  
B/H Times Square, Andheri East, Mumbai- 400059