

STURDY INDUSTRIES LIMITED

29th ANNUAL REPORT

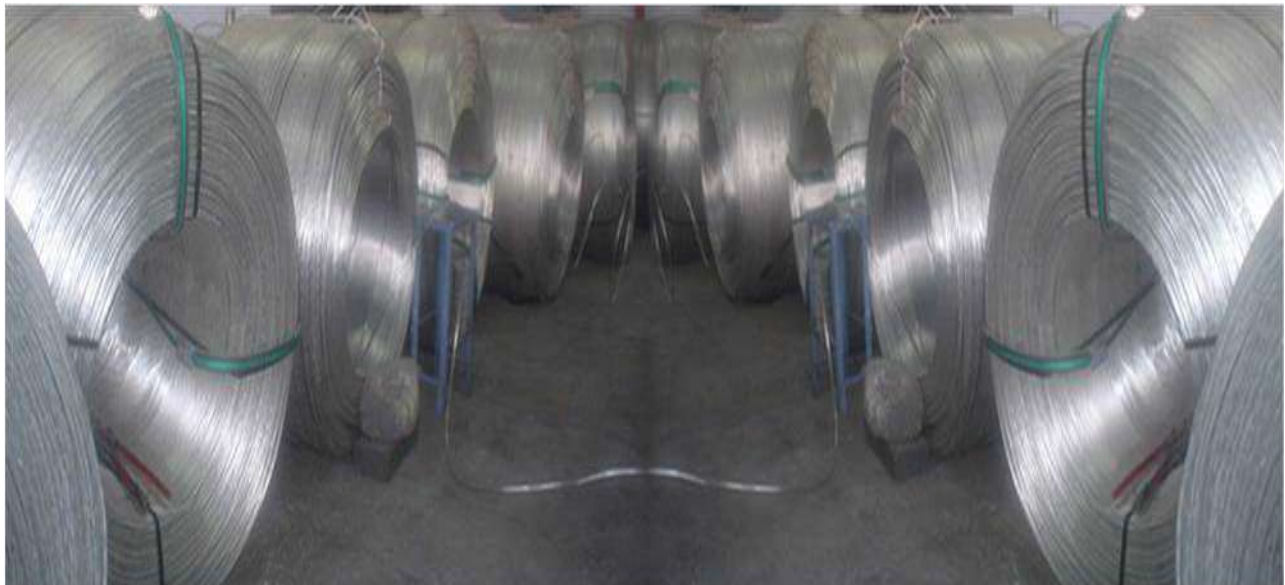
2017-18



DRIP IRRIGATION



ALUMINIUM CONDUCTOR



STURDY INDUSTRIES LIMITED- BOARD AND ITS COMMITTEES

<p><u>THE BOARD OF DIRECTORS</u></p> <p>Mr. Mohan Lal Gupta, Managing Director</p> <p>Mr. Ramesh Gupta, Whole Time Director</p> <p>Mr. Amit Gupta, Whole Time Director</p> <p>Mr. Deveinder Nath Sharma, Independent Director</p> <p>Mr. Ashok Omprakash Bhatia, Independent Director</p> <p>Ms. Puja Independent Director</p>	<p><u>STATUTORY AUDITOR</u></p> <p>M/s R K Deepak and Co, Chartered Accountants Firm Registration No.: 003145N Chandigarh</p>
<p><u>COMPANY SECRETARY</u></p> <p>Ms. Charu Aggarwal</p>	<p><u>SECRETARIAL AUDITORS</u></p> <p>M/s Himashu Sharma & Associates; Company Secretaries CP No. 11553 New Delhi</p>
<p><u>REGISTRAR AND TRANSFER AGENT</u></p> <p>Skyline Financial Service Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi-110020 Email: viren@skylinerta.com Ph No. 011-26812682</p>	<p><u>BANKERS</u></p> <p>Punjab National Bank Allahabad Bank</p>
<p><u>REGISTERED OFFICE</u></p> <p>21, Industrial Area, Baddi, Distt-Solan, H.P. -173205 Website: www.sturdyindustries.com</p>	<p><u>STOCK EXCHANGE</u></p> <p>Bombay Stock Exchange Limited</p>
<p>Email Id: legalsturdy@gmail.com</p>	<p>Scrip Code: 530611 ISIN : INE134F01026</p>



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NOTICE

Notice is hereby given that 29th Annual General Meeting of the shareholders of the **Sturdy Industries Limited** will be held on **SATURDAY, 29TH DAY OF SEPTEMBER 2018 AT 09.30 A.M.** at the registered office of the company at **21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH-173205** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Mr. Amit Gupta (DIN 00161417), Whole Time Director of the Company who retires by rotation and being eligible, offers himself for the re-appointment.
3. To appoint statutory auditors and fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. K. Singh & Associates, Chartered Accountants (Firm Registration No. 012458N), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. R.K. Deepak & Co., Chartered Accountants (Firm Registration No. 003145N), to hold office from the conclusion of this 29th AGM until the conclusion of the 34th AGM, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. **To regularize the appointment of Ms. Puja, as the Independent Director of the company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 161(1), 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Ms. Puja (DIN 08054543) who was appointed as Additional Director on 31.01.2018, be and is hereby appointed as an Independent Director and Non-Executive Director of the Company with effect from 29th September 2018 to 28th September, 2023.”

5. To regularize the appointment of Mr. Shamsheer Kumar Sharma, as Independent director of the company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 161(1), 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Shamsheer Kumar Sharma (DIN 08063703) who was appointed as Additional Director on 27.08.2018, be and is hereby appointed as an Independent Director and Non-Executive Director of the Company for the term of five years, with effect from 29th September 2018 to 28th September, 2023.”

6. To Ratify the Remuneration of Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Board of Directors, the remuneration payable during the year 2016 to M/s. Balwinder & Associates, Cost Accountants having Firm Registration No. 000023 and the appointed by the Board of Directors of the Company for conducting the audit of cost records of the Company for the financial year 2018-19, at a remuneration amounting to Rs. 60000/- (Rupees Sixty Thousand) as also the payment of tax as applicable and re-imbursment of out of pocket expenses which may be incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

7. To approve the terms and conditions of re-appointment of Sh. Mohan Lal Gupta, Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, Mr. Mohan Lal Gupta be and is hereby re-appointed as Managing Director of the company for a period of Five years with effect from 1st October,2018 at a consolidated Remuneration of Rs. 2,00,000/- per month and on such terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the

Board of Directors to alter and vary the terms and conditions of the said re appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Mohan Lal Gupta provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force.”

RESOLVED FURTHER THAT any of the Director (s) of the company, be and are hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or as desirable to give effect to this resolution.”

8. To approve the terms and conditions of re-appointment of Sh. Ramesh Gupta, Whole Time Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, Mr. Ramesh Gupta be and is hereby re-appointed as Whole Time Director of the company for a period of Five years with effect from 1st October,2018 at a consolidated Remuneration of Rs. 2,00,000/- per month and on such terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said re appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Ramesh Gupta provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force.”

RESOLVED FURTHER THAT any of the Director (s) of the company, be and are hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or as desirable to give effect to this resolution.”

9. To approve the terms and conditions of re-appointment of Sh. Amit Gupta, Whole Time Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, Mr. Amit Gupta be and is hereby re-appointed as Whole Time

Director of the company for a period of Five years with effect from 1st October,2018 at a consolidated Remuneration of Rs. 2,00,000/- per month and on such terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said re appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Amit Gupta provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force.”

RESOLVED FURTHER THAT any of the Director (s) of the company, be and are hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or as desirable to give effect to this resolution.”

By order of the Board
For **STURDY INDUSTRIES LTD**

PLACE: PARWANOO
DATE: 29.08.2018

sd/-
(RAMESH GUPTA)
WHOLE TIME DIRECTOR
DIN: 00161363
Address: H.NO. 11-12, SECTOR 1,
PARWANOO, HIMACHAL PRADESH

NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 21st Day of September, 2018 to 28th Day of September, 2018 (both days inclusive)
2. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50).**
The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of AGM. A Proxy Form is sent herewith.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

5. The Securities and Exchange Board of India (SEBI) 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 their Depository Participants with whom they are maintaining their demat accounts. Members are requested to notify any change of email ID or address.
6. Members holding shares in physical mode are requested to register their email IDs with the Registrar & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their email ID's with their respective DP, in case the same is still not registered. Members are also requested to notify any change in their email ID or address to the Company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the Company. Notice alongwith demat form is also attached herewith.
7. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
In case, any member wants to get a physical copy of the Annual Report, they may send their request to legalsturdy@gmail.com mentioning folio/DP ID and Client ID. Annual Reports is also available in the on the website of the company at <http://www.sturdyindustries.com/financial.php>
8. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2017-18 will also be available on the website of the Company at <http://www.sturdyindustries.com/> for their download. The physical copies of the foresaid documents will also be available at the Company's Registered Office in Baddi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any further communication or clarification, the shareholders may also write to the Company's email id at legalsturdy@gmail.com
9. The details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are furnished as under:-

S. No.	Particulars	Name of the Director		
		Sh. Amit Gupta	Ms. Puja	Mr. Shamsher Kumar Sharma
1.	Date of Birth	21.11.1978	15.08.1986	06.06.1945
2.	Date of Appointment	30.09.2003	31.01.2018	27.08.2018
3.	Qualifications	Graduate(M Tech-Engineering), MBA	Graduate	Graduate & Diploma
4.	List of other Indian Companies in which Directorship held	NIL	NIL	NIL
5.	Chairman/Member of the Committee of Board of other Companies	NIL	3	3
6.	Equity Shares held in the Company	3,45,850	NIL	NIL

10. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and of the Listing Regulations, the Company is pleased to provide e-voting facility as an alternate to all its Members to enable them to exercise their right to vote by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (“CDSL”) for providing e-voting facility to enable the shareholders to cast their votes electronically.
11. As per the provisions of Secretarial Standards for General Meeting it is clearly specified that any Member cannot vote both by post and e-voting and if he/she votes both by post and e-voting, his vote by post shall be treated as invalid.

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted are as under:-

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “STURDY INDUSTRIES LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

Particulars	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 **then enter RA00000001 in the PAN Field. ** Enter your Sequence number mentioned in address Label affixed on Annual Report.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in DD/MM/YYYY

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant STURDY INDUSTRIES LIMITED on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) Mr. Mast Ram Chechi, Company Secretary of M. R. Chechi & Associates, Chandigarh, has been appointed as Scrutinizer, who in the opinion of the Board can scrutinize the e-voting process in fair and transparent manner.

In case of members receiving the physical copy:

- (a) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (b) The voting period will start on Wednesday, 26th September, 2018 at 9:00 a.m. and ends on Friday, 28th September, 2018 at 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 (record date) of Saturday, 22nd September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

EXPLANTORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors of the Company has appointed Ms. Puja as Additional Director of the Company in its Board Meeting held on 31.01.2018 and she holds office of the Director till the conclusion of this Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Ms. Puja as Director of the Company.

Brief profile of Ms. Puja is as given in note 9 of the Notes of this notice

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no.4 for the approval of the members.

ITEM NO. 5

The Board of Directors of the Company has appointed Mr. Shamsheer Kumar Sharma as Additional Director of the Company in its Board Meeting held on 27.08.2018 and she holds office of the Director till the conclusion of next Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Shamsheer Kumar Sharma as Director of the Company.

Brief profile of Mr. Shamsheer Kumar Sharma is as given in note 9 of the Notes of this notice. He is having experience of more than 50 years in the field of material management.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

ITEM NO. 6

The members are informed that the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and fixed the remunerations of M/s Balwinder & Associates, Cost Accountants having firm Registration No. 000201, for conducting the audit of cost records of the Company for the financial year ended March 31, 2019. Further, in terms of the provisions of Section 148(3) of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee/Board of Directors is proposed to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

ITEM NO. 7, 8 & 9

Mr. Mohan Lal Gupta is a post graduate and well seasoned businessman. He is one of the core promoters of the company and since decades, he has been looking after marketing related operations of the company. He has very vast experience to his credit in managing all operations of the industry since last more than 30 years.

Mr. Ramesh Gupta is commerce graduate and well versed with the commercial operations and practices. He is one of the core promoters of the company. Mr. Ramesh Gupta has been looking after the corporate administration, image & brand building, financial administration and public relations. He has an extensive background and experience in Finance, Banking, International Business Relations and infrastructure development related activities of the company. He has experience in the aforesaid fields for more than 20 years. He is widely travelled person.

Mr. Amit Gupta is M. Tech & MBA and also young entrepreneur. He belongs to the core promoters' group of the company. Mr. Amit Gupta is responsible for Purchasing and Domestic Marketing. He has

more than 10 years experience in operation and maintenance activities of plants. He has rich experience of materials and cost management spread over a period of more than 10 years. He usually remains in travel for looking after the operational management of distantly located plants.

Further, the terms and conditions of appointment of Managing Director and Whole Time Directors has also been approved by the remuneration committee. Thus, in accordance thereof, it is proposed that the resolution mentioned under serial no. 7, 8 & 9 in the notice be passed as special resolutions.

None of the Director of the Company, except Mr. Mohan Lal Gupta, Mr. Ramesh Gupta, and Mr. Amit Gupta, is in any way concerned or interested in this resolution.

The particulars required to be disclosed in the Explanatory Statement in accordance with provisions of clause (B) of Section II of part II of Schedule V of the Companies Act, 2013, are given below:-

I. GENERAL INFORMATION

1) Nature of Industry:

Engaged in manufacturing & supplying AAC, AAAC & ACSR Conductors, ABC Cables, Aluminium Composite Panels with brand SUNBOND, Sprinkler & Drip Irrigation Systems, HDPE & PVC Pipes, Permanent Lubricant HDPE Ducts and Plastic Water Storage Tanks as per BIS Standards or as customer requirements. We are having state-of-the-art plant and machineries manufacturing facilities for the above items at various locations for manufacturing standard products for multiple applications in the field of transmission & distribution, building & irrigation.

2) Date or expected date of commencement of commercial production:

Already in commercial operations since last more than 20 years

3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA

4) Financial Performance based on given indicators:

Financial Year Ended	2017-18 (Rs. In Cr.)	2016-17 (Rs. In Cr.)
Revenue from Operations	210.06	398.58
Total Income	232.18	409.93
Total Expenditure	257.28	412.65
Profit/(Loss) of the Period before tax	-25.10	-2.72

5) Foreign Investments or collaborators, if any: NA

II. INFORMATION ABOUT THE APPOINTEES:

- 1) As described in the explanatory statement herein above.
- 2) Past Remuneration

Sr. No.	Name	Salary & Allowances
1	Mr. Mohan Lal Gupta	Rs. 18 Lac
2	Mr. Ramesh Gupta	Rs. 18 Lac
3	Mr. Amit Gupta	Rs. 18 Lac

- 3) Recognition or awards:

Under the able guidance of the above appointees the company achieved various awards for star performer as an excellent exporter & BESI MSME Award as vendor from the Power Grid Corporate India Ltd.

- 4) Job Profile and his suitability:

As described in the explanatory statement herein above.

- 5) Remuneration Proposed:

Rs. 2,00,000/- p.m. each

- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The executive remuneration in the industry has increased manifold in the past few years. Further as per their rich experiences & capabilities in the same field the proposed remuneration is well within the remuneration payable to Directorial personnel holding similar stature/position in the Industry.

- 7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

They all are the promoters of the company

III. OTHER INFORMATION

- 1) Reasons for loss or inadequate profit

Increases in Raw Material price and impact of global recession cause the profitability of the company. High Debts cost also leading towards lower profitability.

- 2) Steps taken or proposed to be taken for improvement:

The Company is taking steps to control the high cost of production by enhancing the production capacity. The company is also taking appropriate steps for settling the Bank debts.

- 3) Expected increase in productivity and profits in measurable terms:

In the competitive environment, it is difficult to estimate the revenue/profits in measurable terms. As mentioned above, the Company is taking various efforts to increase its productivity and the management is confident of substantial increase in revenue and profits in coming years.

IV. DISCLOSURES

Since the promoters are directors of the company therefore they all are directly interested in the business affairs of the company.

By order of the Board
For **STURDY INDUSTRIES LTD**

PLACE: PARWANOO

DATE: 29.08.2018

Sd/-

(RAMESH GUPTA)
WHOLE TIME DIRECTOR

DIN: 00161363

Address: H.NO. 11-12, SECTOR 1,
PARWANOO, HIMACHAL PRADESH

BOARD'S REPORT

To
The Members,

The Board of your Company is immensely delighted in presenting its 29th Annual Report. The Report is being presented along with the Audited Financial Statements for the Financial Year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

PARTICULARS	Year Ended March 31st 2018 (Rs. In lacs)	Year Ended March 31st 2017 (Rs. In lacs)
Revenue from Operations	210,06.37	398,58.42
Other Income	22,12.41	11,34.56
Total Income	232,18.78	409,92.97
Less: Expenses	257,33.18	412,65.04
Profit (Loss) before tax	(2514.39)	(2,72.06)
Tax Expenses:		
Less: Current Tax	0.00	0.00
Less: Deferred Tax	(3,63.54)	(1,20.59)
Less: Net of Tax after comprehensive Income/Loss	(17.93)	0.00
Total Profit/(Loss) After Tax	(21,32.93)	(3,92.65)

REVIEW OF OPERATIONS AND BUSINESS PERFORMANCE

During the financial year under review, the company has achieved turnover including (income from other sources) of Rs. 232,18.78 Lakhs. However, the expenditure side of the Company has also been proportionally decreased to Rs. 257,33.18 lakhs. Your management is striving hard to improve the financial position of the Company by devising effective marketing plans and strategies.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of Business.

DIVIDEND

Taking into account loss incurred by the Company, Board of directors of the Company do not recommend any dividend for the year ended 31st March, 2018.

LISTING OF SHARES

Presently, The Equity Shares of the Company are listed on the BSE Limited (Bombay Stock Exchange Ltd.) and the Company has paid the Annual Listing Fees to BSE for the financial year 2018-19.

BORROWINGS

Total borrowings of the company both long term and short term as on 31st March, 2018 are amounting Rs. 25657.58 Lakhs as compared to previous year ended 31st March 2017 of amounting Rs. 23023.28 Lakhs **(For details Refer Note No. 12, 13 and Note No. 17 of the Audited Financial Statement).**

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The company has no subsidiaries, associates and joint venture companies.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92(3) and 134(3)(a) of the Act read with Rule 12(1) of the Companies (Management and administration) Rules, 2014 is furnished in **Form MGT-9** and is attached as **Annexure-1** to this Report.

BOARD AND COMMITTEE MEETINGS

The details of meetings of the Board and committee thereof held during the financial year 2017-18 is provided in the Report on Corporate Governance which forms the part of this report.

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013:

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 profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

DECLARATION OF INDEPENDENCE

The Board has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and regulation 16(b) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. In the opinion of the Board they fulfil the conditions specified in the Act and the Rules made thereunder and are Independent of the management.

MACHANISM FOR EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and regulation 17(10) of SEBI (LODR) Regulation 2015, a structured procedure was adopted after taking into consideration of the various aspects of the Board's functioning composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

The performance evaluation of the independent Directors was completed in time. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors. The Board of Directors expresses their satisfaction with the evaluation process.

The performance of each committee has been evaluated by its members and found to be highly satisfactory.

On the basis of this exercise, the Board has decided that all Independent Directors should continue to be on the Board.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Amit Gupta (DIN 00161417), Whole- Time Director of the company, will retire by rotation at the AGM and being eligible, offers himself for re-appointment. Your Board has recommended his re-appointment.

Ms. Puja (DIN 08054543), Additional Director appointed as Independent Director of the Company subject to the approval of the shareholders in the ensuing Annual General Meeting for the term of 5 years as prescribed under section 149 of The Companies Act 2013 and rules made there-under.

Brief resume/details of the Directors, who are to be re-appointed as mentioned herein, have been furnished alongwith the Explanatory Statement (**Note 9**) to the Notice of the ensuing Annual General Meeting.

Mr. Khem Chand resigned from the post of CFO (Chief Financial Officer) w.e.f. 25.07.2017 due to some unavoidable reasons.

The detailed section on 'Board of Directors' is given in the separate section titled 'Corporate Governance Report' forming part of this Annual Report.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year under review, the company has neither made any investment nor granted any loan & guarantee within the meaning of Section 186. However, the details of the Loans and investments under section 186 of the Companies Act 2013 are in Note No.2 of the audited financial statements of the company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, Company has entered into certain transactions with related parties with related parties pursuant to the provisions of section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 and which could be considered 'material' as per Regulation 23 of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. Such transactions are reported in form **AOC-2 as Annexure – 2**.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.sturdyindustries.com and direct web link to the policy is at <http://www.sturdyindustries.com/pdf/financial/Related%20Party%20policy.pdf>

TRANSFER TO RESERVES

During the year under review, company incurred Losses of 21.46 Cr. and the same has been transferred to the reserve of the Company.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

No unclaimed or unpaid amount is lying in the Books of the company which is to be transferred to Investor Education & Protection Fund.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the year under review, no material change took place which may effect the financial position of the company.

NOMINATION & REMUNERATION COMMITTEE POLICY

Your Board has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. This policy also lays down criteria for selection and appointment of Board Members. The detail of this policy is explained in the Report

on Corporate Governance. The Nomination and remuneration Policy is available on the website of the company at www.sturdyindustries.com and direct web link to the policy is at <http://www.sturdyindustries.com/pdf/financial/Nomination-Remuneration%20Policy.pdf>

RISK MANAGEMENT POLICY

The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks. The provisions of risk management committee pursuant to the Companies Act 2013 are not applicable to Sturdy Industries Limited. Hence, any standard policy has not been drafted.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) & 177(10) of the Companies Act 2013, the Company has in place a well formulated Vigil Mechanism/ Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Purpose of vigil mechanism is to provide for adequate safeguards against victimization of persons who use such mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The policy enables the employees, Directors and other stakeholders to raise their concern about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics.

There was no incident when the access to the Audit Committee was denied to any employees with respect to vigil mechanism. The policy is posted on the website of the Company at www.sturdyindustries.com and direct web link to the policy is at <http://www.sturdyindustries.com/pdf/financial/Vigil%20Mechanism.pdf>

CORPORATE SOCIAL RESPONSIBILITY

The Provisions relating to Section 135 of the Companies Act, 2013 are not applicable to the Company, since the company is incurring losses from past few years.

DEPOSITS

The following details of deposits, covered under Chapter V of the act:

- a) Deposits Accepted during the year; **NIL**
- b) Remained unpaid or unclaimed as at the end of the year; **NIL**
- c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- **NIL**
- d) The details of deposits which are not in compliance with the requirements of Chapter.

CHANGES IN SHARE CAPITAL, IF ANY

During the year, there was no change in the Authorized as well as paid up share capital of the company.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted reputed firms of Chartered Accountants. The main trust of internal audit is to test and review controls, appraisal of risks and business processes, beside benchmarking controls with best practices in the Industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The report on Internal Financial Control under Clause (i) of Sub- Section 3 of Section 143 of The Companies Act 2013, is enclosed in the **Annexure-B to the Independent Auditors' Report**.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITOR

M/s R K Deepak & Co, Chartered Accountants (FRN: 003145N) has shown their unwillingness to continue in providing services for the company as Statutory Auditors; therefore, pursuant to the provisions of Section 139 of the Companies Act 2013, the Board of Director recommended the appointment of M/s K. Singh & Associates, Chartered Accountant having Firm Registration No. 012458N for 5 (five) consecutive years from the conclusion of the 29th Annual General Meeting (AGM) until the conclusion of 34th AGM of the Company.

Also, The Board expressed sincere thanks to the retiring Auditors for being valuable part of the organization and wished them luck for growth in future.

As per MCA Notification vide no. S.O. 1833(E) dated 07.05.2018, the provision of ratification of appointment and remuneration of statutory Auditor has been omitted. Therefore, the appointment will not subject to ratification in the Annual General Meeting.

The Notes to Accounts referred to in the Auditors' Report on "**Note No. 28**" are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/S Himanshu Sharma & Associates, Company Secretary in Practice (C.P. No. 11553) as Secretarial Auditor to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in prescribed format **MR-3** given by aforesaid Secretarial Auditors is annexed to this Board Report as **Annexure 3** and forms an integral part.

Following are the reply in respect of the Auditor observations:-

Auditor Observation	Reply
Company has not filed Financial Results within stipulated time as prescribed under regulation 33 of SEBI (LODR) Regulations 2015	The delay occurred due to non availability of Financial Statement by the auditors on time.
The company has not filed Form in respect of the appointment made in Board Meeting of Cost Auditor for the Financial Year 2017-18	It was an inadvertent error. However, it was pointed out by the Secretarial Auditor during his audit. The company has made the default good by filing the form with additional fee.
The has not appointed Chief Financial Officer as required under the provisions of The Companies Act 2013 and rules made thereunder.	The company had appointed CFO but due to some unavoidable personal reasons he resigned from the position. However, the company is still in search of qualified person who can represent the company as CFO. Hence, the Company is situated in remote area; therefore, the availability of human resource is very less.
Company has not appointed Company Secretary as per the provisions of the Companies Act 2013 and rules made thereunder	The company is looking for a suitable candidate for posting at its registered office as Company Secretary. During 2016-17 company advertised about the requirement of Company Secretary but due to the remote area nobody has shown their interest. But, now on, the company has appointed Whole-time Company Secretary w.e.f. 21 st July 2018.

COST AUDITORS

As per the requirements of Central Government and pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s Balwinder & Associates, Cost Accountants (Firm Registration No. 000201), Chandigarh were appointed as the Cost Auditors of the Company for FY 2017-18 to audit the cost accounts of the Company. They have been re-appointed as Cost Auditors for FY 2018-19.

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

The information required under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" is given in the **Annexure - 4** forming an integral part of this Report.

MANAGERIAL REMUNERATION

Statistical Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed with this report as **Annexure -5**.

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

The Company has in place an Anti Harassment policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. There was no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018.

The policy has been posted on the website of the company at www.sturdyindustries.com under head Investor.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussions and Analysis Report as required, pursuant to Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 is annexed and forms part of this Report.

CORPORATE GOVERNANCE

The Company has complied with all the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

A separate section on Corporate Governance along with a certificate from the Auditors of the Company confirming the compliance is annexed and forms part of this Report. The Board has also evolved and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally.

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 34(2) of SEBI (LODR) Regulations, 2015, the Cash Flow Statement for the year ended on 31st March, 2018 forms an integral part of the Financial Statements.

PERSONNEL

Your Directors place on record their appreciation for the significant contribution made by all the employees, who through their competence, hard work, solidarity and co-operation, have enabled the Company to withstand the impact of slowdown.

TRADE RELATIONS

The Board wishes to place on record its appreciation for the support and co-operation that the Company received from its suppliers, distributors, retailers and other associates. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links based on mutuality, respect and co-operation with each other and consistent with customer interest.

ACKNOWLEDGEMENT

Directors wish to convey their sincere appreciation for the co-operation and excellent assistance the Company has received from central/state government(s) and various ministries, departments of the central/state government(s), dealers and valued business associates without which it would not have been possible to achieve all round progress and growth of the Company.

The Board also places on record its appreciation to all investors, banks, regulatory and government authorities, for their continued support continued trust and support. The Board also places on record its appreciation for the continuous patronage of the customers of the Company.

***For and On Behalf of THE BOARD
OF STURDY INDUSTRIES LIMITED***

PLACE: Parwanoo

DATE : 29.08.2017

**Sd/-
(MOHAN LAL GUPTA)
(DIN NO. 00161184)
MANAGING DIRECTOR**

**Sd/-
(RAMESH GUPTA)
(DIN NO. 00161363)
WHOLE TIME DIRECTOR**

FORM NO. MGT 9					
EXTRACT OF ANNUAL RETURN					
As on financial year ended on 31.03.2018					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
I. REGISTRATION & OTHER DETAILS:					
1	CIN	L25209HP1989PLC009557			
2	Registration Date	27.07.1989			
3	Name of the Company	STUDRY INDUSTRIES LIMITED			
4	Category/Sub-category of the Company	Indian Non-Government Company			
		Company Limited by Shares			
5	Address of the Registered office & contact details	21, Industrial Area, Parwanoo, Baddi, Himachal Pradesh-173205			
		Email :- legalsturdy@gmail.com Telephone no: 01792-232570, 232863, 232864 Fax no.: 01792-232770			
6	Whether listed company	Yes			
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED, D-153 A, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110020, E-MAIL: admin@skylinerta.com Phone No. :- 011-64732681-88, Fax 011-26812682			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)					
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company		
1	Plastic Pipes & Irrigation	25209	50.56		
2	Aluminum Devision(Conductor)	31300	48.48		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					
2					
3					

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16,673,667	2,096,790	18,770,457	12.41%	16,673,667	1,496,400	18,170,067	12.01%	0.40%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.	11,587,200	8,017,800	19,605,000	12.96%	11,587,200	7,353,750	18,940,950	12.52%	0.44%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	28,260,867	10,114,590	38,375,457	25.37%	28,260,867	8,850,150	37,111,017	24.54%	-0.84%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	28,260,867	10,114,590	38,375,457	25.37%	28,260,867	8,850,150	37,111,017	24.54%	-0.84%
B. Public Shareholding									
1. Institutions									

a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI		77,139,384	77,139,384	51.00%		77,139,384	77,139,384	51.00%	51.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	77,139,384	77,139,384	51.00%	-	77,139,384	77,139,384	51.00%	51.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5343519	7202320	12,545,839	8.29%	4903644	7838370	12,742,014	8.42%	-0.13%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11390971	6772040	18,163,011	12.01%	11468540	6808540	18,277,080	12.08%	-0.08%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3982292	-	3,982,292	2.63%	4271906	590390	,862,296	3.21%	-0.58%
c) Others									
Non Resident Indians	-		-	0.00%			-	0.00%	0.00%

Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals		168296	168,296	0.11%		213125	213,125	0.14%	0.14%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts/HUF/N BFC		879415	879,415	0.58%	907278	1500	908,778	0.60%	0.02%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	20,716,782	15,022,071	35,738,853	23.63%	21,551,368	15,451,925	37,003,293	24.46%	0.84%
Total Public (B)	20,716,782	92,161,455	112,878,237	74.63%	21,551,368	92,591,309	114,142,677	75.46%	0.84%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	48,977,649	102,276,045	151,253,694	100.00%	49,812,235	101,441,459	151,253,694	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Amit Gupta & Sons	81,407	0.05%	81,407	81,407	0.05%	81,407	0.00%
2	Amit Gupta	345,850	0.23%	345,850	345,850	0.23%	345,850	0.00%
3	Satya Bhamra	424,600	0.28%	424,600	424,600	0.28%	424,600	0.00%
4	Usha Gupta	549,085	0.36%	549,085	549,085	0.36%	549,085	0.00%
5	Ramesh Kumar Gupta & Sons HUF	1,036,420	0.69%	1,036,420	1,036,420	0.69%	1,036,420	0.00%
6	Mohan Lal Gupta	3,820,216	2.53%	3,229,826	3,820,216	2.53%	3,229,826	0.00%
7	Mohan Lal Gupta & Sons(HUF)	4,476,778	2.96%	4,476,778	4,476,778	2.96%	4,476,778	0.00%
8	Ramesh Kumar Gupta	6,727,501	4.45%	6,529,701	6,727,501	4.45%	6,529,701	0.00%
9	Vats Plastic Pipes Pvt. Ltd.	952,000	0.63%	629,500	952,000	0.63%	629,500	0.00%

10	Jai Ambey Iron & Steel Ltd.	1,000,000	0.66%	NIL	1,000,000	0.66%	NIL	0.00%
11	Ambey Vaishno Steel Pvt. Ltd.	1,000,000	0.66%	NIL	1,000,000	0.66%	NIL	0.00%
12	Shree Ambey Forging Pvt. Ltd.	1,000,000	0.66%	NIL	1,000,000	0.66%	NIL	0.00%
13	Patriot Pipes Pvt. Ltd.	2,098,050	1.39%	1,997,000	2,098,050	1.39%	1,997,000	0.00%
14	Jagan Irrigation Systems Pvt. Ltd	2,306,800	1.53%	2,306,800	2,306,800	1.53%	2,306,800	0.00%
15	Saurabh Portfolios Pvt. Ltd.	3,142,400	2.08%	2,411,400	3,142,400	2.08%	2,411,400	0.00%
16	Alpine Capital Service Ltd	5,301,100	3.50%	4,242,500	5,283,100	3.49%	4,242,500	-0.01%
17	Shivam Deepak Jain U/G Pushpa Jain	391,650	0.26%	NIL	389,150	0.26%	NIL	0.00%
18	Sahil Deepak Jain U/G Pushpa Jain	389,150	0.26%	NIL	389,150	0.26%	NIL	0.00%
19	Vats Credit Private Limited	312,800	0.21%	NIL	312,800	0.21%	NIL	0.00%
20	Gulshan Malhotra	197,800	0.13%	NIL	197,800	0.13%	NIL	0.00%
21	Gopal Sharma	4,300	0.00%	NIL	4,300	0.00%	NIL	0.00%
22	Jitendra Bhanot	4,300	0.00%	NIL	4,300	0.00%	NIL	0.00%
23	Dinesh Kumar	4,300	0.00%	NIL	4,300	0.00%	NIL	0.00%
24	Jeevan Naryal	4,300	0.00%	NIL	4,300	0.00%	NIL	0.00%
25	Worthwhile Financial Services Private Limited	1,247,000	0.82%	NIL	1,247,000	0.82%	NIL	0.00%
26	Jagan Credir Private Limited	559,000	0.37%	NIL	559,000	0.37%	NIL	0.00%
27	Patriot Hire Purchase Private Limited	518,150	0.34%	NIL	518,150	0.34%	NIL	0.00%
28	Sahyog Credits Ltd	222,500	0.15%	NIL	215,000	0.14%	NIL	0.00%
29	Baddi Steels Pvt Ltd	172,000	0.11%	NIL	172,000	0.11%	NIL	0.00%
30	Pallavi Hire Purchase Pvt Ltd	86,000	0.06%	NIL	86,000	0.06%	NIL	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			38,375,457	25.37%	38,375,457	25.37%
	Changes during			NIL			

	the year						
	At the end of the year			38,375,457	25.37%		
<i>Note: The table is showing some difference between the shareholding which occurred due to shifting of shares in body corporate section but on the whole there is no change in the promoters' shareholding neither there is change in total paid up share capital of the co.</i>							
(iv) Shareholding Pattern of top ten Shareholders							
<i>(Other than Directors, Promoters and Holders of GDRs and ADRs):</i>							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Allahabad Bank						
	At the beginning of the year			31,763,276	21.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			31,763,276	21.00%	31,763,276	21.00%
2	Greenway Advisors Private Limited						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year	29.09 .2017	Transfer	23,132,918	15.29%		0.00%
	At the end of the year			23,132,918	15.29%	23,132,918	15.29%
3	Punjab National Bank						
	At the beginning of the year			45,376,108	30.00%		0.00%
	Changes during the year	29.09 .2017	Transfer	23,132,918	15.29%		0.00%
	At the end of the year			22,243,190	14.71%	22,243,190	14.71 %
4	Divya Tubes Private Limited						
	At the beginning of the year			3,000,000	1.98%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			3,000,000	1.98%	3,000,000	1.98%
5	Motia Constructions Limited						
	At the beginning of the year			2,000,000	1.32%		0.00%
	Changes during the				0.00%		0.00%

	year			-			
	At the end of the year			2,000,000	1.32%	2,000,000	1.32%
6	N K Sharma Enterprises Limited						
	At the beginning of the year			2,000,000	1.32%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			2,000,000	1.32%	2,000,000	1.32%
7	BCL Homes Limited						
	At the beginning of the year			1,000,000	0.66%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			1,000,000	0.66%	1,000,000	0.66%
8	Anugrah Stock & Broking Pvt Ltd						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year		Transfer	448,358	0.30%		0.00%
	At the end of the year			448,358	0.30%	448,358	0.30%
10	Innovative Textile Pvt Ltd						
	At the beginning of the year			430,000	0.28%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			430,000	0.28%	430,000	0.28%
10	Dinesh Management Services Limited						
	At the beginning of the year			398,610	0.26%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			398,610	0.26%	398,610	0.26%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares

1	MOHAN LAL GUPTA						
	At the beginning of the year			3,820,216	2.53%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			3,820,216	2.53%	3,820,216	2.53%
2	RAMESH GUPTA						
	At the beginning of the year			6,727,501	4.45%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			6,727,501	4.45%	6,727,501	4.45%
3	AMIT GUPTA						
	At the beginning of the year			345,850	0.23%		0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			345,850	0.23%	345,850	0.23%
4	D N SHARMA						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			-	0.00%	-	0.00%
5	ASHOK OMPARKASH BHATIA						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year				0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
6	PUJA						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			-	0.00%	-	0.00%

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
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(a) Indebtedness at the beginning of the financial year				
i) Principal Amount	1,827,054,063.48	475,273,573.00	-	2,302,327,636.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,827,054,063.48	475,273,573.00	-	2,302,327,636.48
(b) Change in Indebtedness during the financial year				
* Addition	410,896,384.55	-	-	410,896,384.55
* Reduction	-	(147,465,794.00)	-	(147,465,794.00)
Net Change	410,896,384.55	(147,465,794.00)	-	263,430,590.55
(c) Indebtedness at the end of the financial year				
i) Principal Amount	2,237,950,448.03	327,807,779.30	-	2,565,758,227.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,237,950,448.03	327,807,779.30	-	2,565,758,227.33
Total (a+b+c)	4,475,900,896.06	655,615,558.30	-	5,131,516,454.36

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amt (Rs/Lac)
		MOHAN LAL GUPTA	RAMESH GUPTA	AMIT GUPTA	
	Designation	MD	WTD	WTD	
1	Gross salary	1800000	1800000	1800000	5400000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				

3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total (A)	3,600,000.00	1,800,000.00	5400,000.00	
	Ceiling as per the Act				

B. Remuneration to other Directors

NIL

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

NIL

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount (Rs/Lac)
	Name	Khem Chand	
	Designation	CFO	
1	Gross salary	114,193.00	114,193.00
	(a) Salary as per provisions contained in section 17(1) of the		-

	Income-tax Act, 1961						
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961						-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961						-
2	Stock Option						-
3	Sweat Equity						-
4	Commission						
	- as % of profit						-
	others, specify						-
5	Others, please specify						-
	Total				114,193.00		114,193.00

Note- CFO resigned on 25.07.2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

NIL

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

Form No. AOC-2

**Disclosure of Particulars of Contracts/Arrangements entered into by the Company
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies
(Accounts) Rules, 2014)**

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

1. There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arms length basis.
2. Contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arms length basis:

S. No.	Name of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the board	Amount paid as advances if any	Date on which the special resolution was passed in the general meeting as required under the first proviso to section 188
1	Chemiplast Industries (Associate concern)	Business transactions (like sales,purchase payment received,etc.)	Transactions in normal course of business.	Sale and Purchase of Material at Arm length Price. Goods Purchase:- Rs.65217741.16 Sold: Rs.48774907.16 Payment Recd: Rs.23113780.00	18.06.2017	NA	NA

MR-3**Secretarial Audit Report**

(For the period 01.04.2017 to 31.03.2018)

[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 Board of Directors
Sturdy Industries Limited
CIN L25209HP1989PLC009557
Baddi, Himachal Pradesh

Dear Sir(s)

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

Based on our verification of the **Sturdy Industries Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **31/03/2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Sturdy Industries Limited** (“**the Company**”) for the financial year ended on **31/03/2018** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company:-

- 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- Vi) Based on the representation made by the Company and its officers, the Company has proper system and process in place for compliance under the other applicable Laws, Acts, Laws, Rules, Regulations, Guidelines and Standards as applicable to the Company are given below:-
- i. Labour Laws and other incidental Laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc:
 - ii. Acts prescribed under prevention and control of pollution.
 - iii. Acts prescribed under environmental protection
 - iv. Factory Act 1948
 - v. Central Excise Act 1944
 - vi. Custom Act 1962
 - vii. SEBI(LODR) Regulations,2015

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

- i) The Institute of Company Secretaries of India has prescribed Secretarial Standards which are mandatory for the year 2017-18.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above ***subject to the following observations:-***

1. Company has not filed Financial Results within stipulated time as prescribed under regulation 33 of SEBI (LODR) Regulations 2015.
2. The company has not filed Form in respect of the appointment made in Board Meeting of Cost Auditor for the Financial Year 2017-18.
3. The has not appointed Chief Financial Officer as required under the provisions of The Companies Act 2013 and rules made thereunder.
4. Company has not appointed Company Secretary as per the provisions of the Companies Act 2013 and rules made thereunder.

2. We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**For Himanshu Sharma & Associates
Company Secretaries**

Place:- New Delhi
Date :- 31.07.2018

Sd/-
Himanshu Sharma
M No. 27235
C.P. NO. 11553

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:**A. CONSERVATION OF ENERGY:**

- a) **Steps taken for conservation:** The Company continues to give high priority to conservation of energy on an on-going basis. A few significant measures taken are:
- I) Periodical and preventive maintenance of electric equipments and ensured optimum utilization of electric energy.
 - II) Phased balancing of heating and lighting load.
 - III) Increase in power factor by installing capacitor at the individual machines.

b) Steps taken for utilizing alternate sources of energy: - NA**c) Capital investment on energy conservation equipments:-**

Further energy conservation is planned through replacement of and modification of inefficient equipments and by providing automatic controls to reduce idle running of equipments.

B. B.TECHNOLOGY ABSORPTION:

Efforts made for technology absorption

1. Research and Development (R & D): - NA

- a) Specific areas on which R & D carried on by the Company:
- b) Benefits derived as a result of the above R & D:
- c) Future plan of action:
- d) Expenditure on R&D:

2. Technology Absorption, Adaptation & Innovation:

Efforts, in brief, made towards technology absorption, adaptation and innovation: The Company is constantly engaged in in-house R&D and is in constant touch with the new technologies.

Benefits derived as a result of the above efforts: Due to continuous developmental efforts, the Company has been able to produce much more complicated dials which were being imported until now.

3. i) Technology imported: None .

ii) **Year of Import:** N.A.

iii) **Has technology been fully absorbed? :** NA

iv) **If not absorbed, area where this has not taken place, reasons thereof and future plans of action:** N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rupees in Millions) 2017-18

Foreign Exchange earnings :- \$3782066.44

Foreign Exchange outgo :- NIL

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(g) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S.No.	Requirements of Rule 5(1)	Details		
	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Mohan Lal Gupta	3:1	
		Mr. Ramesh Gupta	3:1	
		Mr. Amit Gupta	3:1	
(ii)	The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive or Manager, if any, in the Financial year;	Name	As per Payout	As per terms
		Mr. Mohan Lal Gupta	NA	NA
		Mr. Ramesh Gupta	NA	NA
		Mr. Amit Gupta	NA	NA
(iii)	The percentage increase in the median remuneration of employees in the financial year	NIL		
(iv)	The number of permanent employees on the rolls of company	100 as on 31.03.2018		
(v)	The explanation on the relationship between average increase in remuneration and company performance	No appraisal been given during the year under review		
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Remuneration of the Key managerial personnel is in line with the performance of the company and individual		
(vii)	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies , the variations in the net worth of the Company as at the close of the current financial year and previous financial year.	Detail	31.03.2018	31.03.2017
		Market Capitalization	14.06 Cr.	19.40 Cr
		Share price – BSE	0.93	1.15
		EPS	NIL	NIL
		Net Worth	19.20 Cr.	40.70 Cr.
(viii)	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	No increase in Remunerations		
(ix)	Comparison of each remuneration of the Key Managerial	Equal		
(x)	The parameters for any variable component of remuneration availed by the directors;	NA		
(xi)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors	3:1		
(xii)	Affirmation that the remuneration is as per the	Remuneration policy of the company		

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company strongly believes that good Corporate Governance is a pre-requisite for enhancing long term shareholders value and considers it be an internally driven need that does not merely need to be enforced externally. The Company is committed to the principles and features of good Corporate Governance and has consistently followed high standards of Corporate Governance in all its activities and processes.

The principles and practices the Company follows are imbibed in its system of working and are part and parcel of the Company's policies, rules, regulations and procedures. Being a value-driven organization, the company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on principles of good corporate governance viz. integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The Company is committed to benchmark itself with the best standards of Corporate Governance, not only in form but also in spirit. This section, along with the section on 'Management Discussion & Analysis', constitute the Company's compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The company follows the Corporate Governance charts as provided under Listing Agreement with the stock Exchange which sets out the norms and disclosures that have to be followed by companies in respect of governance.

II. THE BOARD OF DIRECTORS

The Board is at core of the Company's Corporate Governance practices. It oversees the management and ensures the achievement of long term objectives of the company.

Your Company believes that an active, independent and participative board is a prerequisite to achieve and maintain the desired level of Corporate Governance. We ensure that the Board is provided with all relevant operational information to maintain a transparent decision making process.

a) Size and Composition of Board

As on 31st March, 2018 the Board of Directors of the company have of 6 (Six) members which consist of as follows:

- Three Executive Directors out of which one is CEO cum Managing Director and remaining two are Whole-time Directors.
- Three Non- Executive Directors cum Independent Directors out of which one is Women Director.

The Composition of the Board is in conformity with regulation 17 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors satisfy the criteria of independence as defined under the Companies Act, 2013, the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

b) Board Meetings

Minimum four prescheduled Board meetings are held every year. Additional meetings are held by giving appropriate notice to address specific needs of the company.

During the Financial Year 2017-18, the Board of Directors met 15 times during the year on 08.04.2017, 30.05.2017, 22.06.2017, 25.07.2017, 14.08.2017, 25.08.2017, 20.09.2017, 22.09.2017, 27.09.2017, 20.10.2017, 14.11.2017, 20.12.2017, 31.01.2018, 15.02.2018, 26.03.2018. The maximum gap between any two meetings was less than four months as stipulated under listing regulations as well as Companies Act, 2013.

As mandated by Listing Regulations, none of the Directors are members of more than 10 Board level committees, nor are they Chairman of more than five committees in which they are members.

Following is the attendance of Directors at the Board Meetings as well as in committee meetings held during the year 2017-18 and the last Annual General Meeting (AGM) held on 20.09.2017 are as follows:

Name of Director	Category of Directorship	DIN	Attendance Particulars			No. of other Companies Directorships and Committee memberships/ chairmanships of the company*		
			No. of Board Meetings attended		Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
			Held	Attended				
Sh. Mohan Lal Gupta, CEO-MD	ED –WTD	00161184	15	15	Yes	--	--	--
Sh. Ramesh Gupta	ED –WTD	00161363	15	15	Yes	--	3	-
Sh. Amit Gupta	ED –WTD	00161417	15	15	Yes	--	--	--
Sh. Ashok Omparkash Bhatia	NED –ID	02394943	15	15	Yes	--	1	--
Sh. Deveinder Nath Sharma	NED –ID	00161621	15	15	Yes	--	3	3
Ms. Puja	NED –ID	08054543	2	2	No	--	3	--

*ED stands for Executive Director; WTD stands for Whole-Time Director, NED stands for Non- Executive Director and ID stands for Independent Director.

Notes: 1. Mr. Mohan Lal Gupta is father of Mr. Amit Gupta. 2. Mr. Ramesh Gupta is Brother of Mr. Mohan Lal Gupta. Apart from these Directors none of the other Director is related to each other.

Shareholding and Remuneration of Non-Executive Directors (NED):

Name of Director	Category	No. of shares held	Remuneration
------------------	----------	--------------------	--------------

(ANNUAL REPORT 2017-18)

		(Rs 2/- paid up)	
Sh. Ashok Omparkash Bhatia	ID/NED	0	Nil
Sh. Deveinder Nath Sharma	ID/NED	0	Nil
Ms. Puja	ID/NED	0	Nil

Familiarization Programme for Independent Directors

Pursuant to the Code of Conduct for Independent Directors specified under the Companies Act, 2013 and requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a familiarization programme for all its Independent Directors to familiarize them on their roles, rights and responsibilities in the Company.

The Familiarization programme for Independent Directors is posted on the website at www.sturdyindustries.com and the direct link to the programme is at <http://www.sturdyindustries.com/pdf/financial/Familiarization%20Programme-Independent%20Director.pdf>.

Role of Board Members:

The Board of Directors of the Company directs the Company by formulating and reviewing Company's policies, strategies and business plans. The Board of the Company provides leadership and strategic guidance to the Company and exercises control over the Company, while remaining at all times accountable to the shareholders.

The Board of Directors of the Company is constituted in compliance with the Corporate Governance principles. As on the date of adoption of Corporate Governance Report, the Board is having five members with Sh. Devinder Nath Sharma, Chairing the Board.

The Company has not entered into any materially significant transaction with its Directors/Management or relatives etc. affecting the interest of the Company at large except in normal course of business.

Procedure of the Board Meetings:

The meetings of the Board are convened by giving appropriate advance notice to the members of the Board and to Stock Exchange.

The Compliance officer of the Company circulates internal notice to all the Board members and division heads asking for the suggestions/ details of any matter which requires discussion or approval of the Board so that the same could be incorporated in the agenda of the Board meeting. The date of the Board meeting is fixed taking into account convenience and availability of the Board members.

The Board of the Company is presented with all the relevant information on various vital matters affecting the working of the Company as well as those matters, which require deliberation at the highest level. Board Members are given appropriate documents / detailed notes and information in advance of each Board and Committee Meeting. The minutes of the Committee of Board of Directors are taken as read at the meeting

of Board for information of the members. The follow up actions of important agenda items of previous Board meeting are placed at the Board meeting for review of the Board.

The Compliance officer of the Company conducts the Board meetings and prepares all documents including minutes of the meeting in compliance with the provisions of the Companies Act and other statutory enactments.

Compliance Officer

Mr. Ramesh Gupta, Whole Time Director of the company is designated as a Compliance Officer of the company, who can be reached at: **STURDY INDUSTRIES LIMITED, Corporate office or at** Email id- legalsturdy@gmail.com

Directors retiring by Rotation

In Compliance with provisions of the Companies Act, 2013, Mr. Amit Gutpa will be retiring by the rotation at the ensuing Annual General Meeting and being eligible, offerered himself for re-appointment.

Name	: -	Mr. Amit Gupta
Date of Birth	: -	21.11.1978
Date of Appointment	: -	30.09.2003
Expertise in Specific	: -	He is one of the promoters of the company. He is responsible for Purchasing and Domestic Marketing. He has more than 10 years experience in operation and maintenance activities of plants. He has rich experience of materials and cost management spread over a period of more than 10 years. He usually remains in travel for looking after the operational management of distantly located plants.
List of Outside Directorship	: -	NIL
Membership/Chairmanship of the committees of Board of Directors	: -	NIL
Number of Shares Held in the Company	: -	345850 Equity Shares of Rs. 2/- each

III. COMMITTEES OF THE BOARD

Currently, the Board has three committees: Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee

1. AUDIT COMMITTEE

The scope of activities of the Audit Committee is as set out as per Listing regulations with the BSE Limited read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are broadly as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report
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 and 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;

16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. 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 and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the Financial Year 2017-18, 5 meetings of the Audit Committee were held on 29.05.2017, 14.08.2017, 27.09.2017, 14.11.2017, 15.02.2018.

As on 31st March 2018, the composition of the Audit committee and attendance of the members at the meetings are as under:

S. No.	Name of Director	Category	Designation	No. of Board Meetings attended	
				Held	Attended
1	Mr. Devinder Nath Sharma	NED- ID	Chairperson	5	5
2	Ms. Puja	NED- ID	Member	1	1
3	Mr. Ramesh Gupta	ED- WTD	Member	5	5
4.	Mr. Ashok Om Prakash Bhatia**	NED- ID	Member	4	4

*ED stands for Executive Director; WTD stands for Whole-Time Director, NED stands for Non- Executive Director and ID stands for Independent Director.

**Mr. Ashok Om Prakash Bhatia was the member of Committee till 31.01.2018. Later Ms. Puja was appointed as the Independent Director and as Member of the Audit Committee.

All members of the Audit Committee are financially literate and possess requisite accounting or financial management expertise.

The powers, role and terms of reference of the Committee are as per Listing Regulations and the Committee reviews information as prescribed.

2. NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration committee as set out in Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Brief description of terms of reference includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. 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 their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Assessing and reviewing the performance of Senior/Top Management Employees of the Company and recommend their remuneration package as per Policy of the Company after considering the employment scenario, remuneration package of the industry and remuneration package of the managerial talent of other industries.

Details of remuneration paid to the whole-time Director for the financial year ended 31st March, 2018

The company has paid remuneration to the following directors by way of salary, special allowance, performance linked pay and perquisites. The payment of remuneration shall be within the overall limit as approved by the shareholders of the company.

Sr. No.	Name	Salary & Allowances (Amount In Lacs)
1.	Sh. Mohan Lal Gupta	18.00
2.	Sh. Ramesh Gupta	18.00
3.	Sh. Amit Gupta	18.00
	TOTAL	54.00

During the financial year ended on 31st March, 2018, 4 (four) meetings of the Nomination and Remuneration Committee were held on 29.05.2017, 25.08.2017, 14.11.2017, 15.02.2018.

As on 31st March 2018, the composition of the Nomination and Remuneration Committee is as given below:

Sr. No.	Name of Director	Category	Designation	No. of Board Meetings attended	
				Held	Attended
1	Mr. Devinder Nath Sharma	NED- ID	Chairperson	4	4
2	Mr. Ashok Omparkash Bhatia	NED- ID	Member	4	4
3	Mr. Puja	NED- ID	Member	1	1
4.	Mr. Amit Gupta**	ED- WTD	Member	3	3

*NED stands for Non- Executive Director and ID stands for Independent Director.

**Mr. Amit Gupta was Chairing as the member of Committee till 31.01.2018. Later Ms. Puja was appointed as the Independent Director and as Member of the Board Committee.

3. SHARE TRANSFER AND INVESTORS' GRIEVANCE (STIG) COMMITTEE

The STIG Committee has formed pursuant to the listing regulations for specifically looks in to redressal of shareholders and investors' complaints such as transfer of shares, non receipt of share certificates, non-receipt of Balance sheet, non receipt of declared dividends and to ensure expeditious transfer process.

During the Financial Year 2017-18, 4 meetings of the committee were held on 29.09.2017, 15.02.2018

The details of present composition of the STIG committee and attendance of the members at the meetings are as under:

Sr. No.	Name of Director	Category	Attendance Particulars	
			No. of Committee Meetings attended	
			Held	Attended
1	Mr. Ashok Bhatia, Chairman	ID/ NED	2	2
2	Mr. Devinder Nath Sharma	ID/NED	2	2
3	Mr. Ramesh Gupta	ED/WTD	2	2

*ED stands for Executive Director; WTD stands for Whole-Time Director, NED stands for Non- Executive Director and ID stands for Independent Director.

All complaints received from the shareholders were resolved to their satisfaction.

IV. SHAREHOLDERS INFORMATION

General Body Meetings

Particulars of General Meetings held in last three years:

AGM/EGM	Year	Venue	Day & Date	Time	No. of Special Resolution passed
28 th AGM	2016-17	Plot No. 21, Industrial Area, Baddi, Distt Solan- HP	Wednesday, the 20 th Day of September, 2017	09.30 AM	8
27 th AGM	2015-16	Plot No. 21, Industrial Area, Baddi, Distt Solan- HP	Saturday, the 20 th Day of August, 2016	09:30 AM	8
26 th AGM	2014-15	Plot No. 21, Industrial Area, Baddi, Distt Solan- HP	Wednesday, the 30 th Day of September, 2015	09.30AM	5

V. DISCLOSURES:

Related Party Transactions

During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company in large. The transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the Balance Sheet (See Note 10 to the Notes of Accounts of financial statements in the Annual Report). Also, there has not been any non-compliance done by the Company in this regard.

The Policy on dealing with Related Party Transactions as approved by the Board is posted on the Company Website at www.sturdyindustries.com and direct link to the policy is at <http://www.sturdyindustries.com/pdf/financial/Related%20Party%20policy.pdf>.

No penalties or strictures were imposed by the Stock Exchange, SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of financial statements and the Company has not adopted a treatment different from that prescribed in the Accounting Standards or revised relevant schedule of the Companies Act, 2013 read with rules made there under there under.

The Company has not adopted any non-mandatory requirements. The Company has adopted Vigil Mechanism/ Whistle Blower Policy.

The Management affirms that no person has been denied access to the Audit Committee. All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters. In matters other than those with pecuniary interests, the Directors are considered to be interested to the extent of their shareholding in the Company and following is the status of their shareholding as on the date of this Report:

Risk Management

The Company periodically identifies, assesses and monitors risks associated with project implementation, foreign exchange fluctuation, processes and systems, statutory compliances, HR policies etc. The Internal Auditor conducts periodical audits and reports to the Audit Committee at its meetings on the adequacy of the procedures.

Details of use of proceeds from Public/Rights Issue

During the year, the Company did not raise any money through public issue, right issues or preferential issues and there was no unspent money raised through such issues.

Details of Directors appointed/Reappointed

Details of Directors being appointed / re-appointed, have been disclosed in the Notice and Explanatory statement attached thereto for the AGM, i.e. a brief resume, nature of expertise in specific functional areas, names of directorships and committee memberships and their shareholding in the Company.

Code of Conduct

The company has adopted a code of conduct for the members of the Board and for every employee of the Company in compliance with the provisions of Listing Regulations. Commitment to ethical professional conduct is a must for every employee, including Board members and senior management. The code is intended to serve as a basis of ethical decision making in conduct of professional work. The code of conduct enjoins that each individual in the must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline All Board members and senior Management personnel affirm compliance with the code of conduct annually. The Code of conduct has been posted on the website of the company at www.sturdyindustries.com and direct link to the code of conduct is at <http://www.sturdyindustries.com/pdf/financial/Code%20of%20Conduct%20for%20Directors%20and%20employees.pdf>.

A declaration signed by the Managing Director (MD) to this effect is given below:

“I hereby confirm that, the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2017-18.”

Place: Parwanoo
Date : 29.08.2018

Sd/-
(Mohan Lal Gupta)
Managing Director

Details of non-compliance by the company, penalties, structures imposed on the company by Stock Exchange or SEBI, or any other statutory authority, or any matter related to capital markets, during the year.

During the year no penalty was imposed.

MANAGEMENT

The management discussion and analysis report giving an overview of the Industry, Company's Business and its financials is provided separately as a part of this Annual Report.

INSIDR TRADING

Pursuant to Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations the company has prescribed a Code of Conduct for Prevention of Insider Trading and a Code of Corporate Disclosure Practices.

The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with securities of the company. Under this code, Directors including Insiders (i.e. Designated Employees) are prevented from dealing in the Company's shares. To deal in Securities beyond specified limits, permission of Compliance Officer is required. All Designated Employees are also required to disclose related information as defined in the Code. The purpose of the code is also to guide company's transaction and dissemination of price sensitive information to outside agencies and to ensure timely and adequate disclosures thereof to regulatory authorities on a continuous basis.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

VI. MEANS OF COMMUNICATION

Apart from furnishing the copies of the Unaudited Quarterly, Half yearly and Audited Results to all the stock exchanges where the shares of the company are listed, Company publish the result in newspapers. The financial results of the company and other information pertaining to the company are available on the company's website i.e. <http://www.sturdyindustries.com/> The Company's website contains a separate dedicated section Investor's where shareholders information, annual report and other policies & programmes are available in downloadable form.

VII. GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting proposed to be Held

Day, Date & Time : Saturday, 29th Day of September 2018 at 09.30 A.M.
Venue : Plot No. 21, Industrial Area, Baddi, Distt Solan (HP)- 173205

Financial year : 1st April 2017 to 31st March 2018

Financial Calendar 2018-19 (Tentative)

Results for the quarter ended 30 th June, 2018	By 14 th August, 2018
Results for the quarter ended 30 th Sep, 2018	By 14 th November, 2018
Results for the quarter ended 31 th Dec, 2018	By 14 th February, 2019
Results for the quarter ended 31 st March, 2019	By 30 th May, 2019

Book Closure Dates: Friday, 21st September 2018 to 28th September 2018 (Both days inclusive)

Listing on Stock Exchange

Bombay Stock Exchange Limited, Mumbai

Registrar and Share Transfer Agents

Skyline Financial Services Private Limited,

D-153 A, Okhla Industrial Area,

Phase-1, New Delhi- 110020

E-mail: admin@skylinerta.com

Share Transfer System

Applications for transfer of shares held in the physical form are received at the Corporate Office of the Company at 55-57, Industrial Area, Sector I, Parwanoo-HP. All valid transfers are processed and brought into effect within a period of 15 days from the date of receipt.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and transfer agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records and to send all corporate communications, dividend warrants, etc.

The Company had made agreements with both depositories i.e., CDSL and NSDL. Now, the shareholders of the Company can dematerialize their shares with CDSL and NSDL. Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under the advice to the shareholders.

Dematerialization of shares and liquidity

The Equity Shares of the Company have been admitted by both depositories namely, NSDL and CDSL.

BSE Scrip ID : 530611

Demat ISIN No. : INE 134F01026

As on 31st March, 2018, 500,25,360 equity shares representing 33.07% of the company's total paid up capital have been dematerialized.

STOCK DATA

Table below gives the monthly high and low prices and volumes of trading of Equity Shares of the Company at Bombay Stock Exchange Limited (BSE) for the year 2017-18. (Face Value Rs. 2/- per share)

BOMBAY STOCK EXCHANGE			
Month & Year	High	Low	Volume(No. of Trades)
April, 2017	1.15	0.83	62

May, 2017	1.7	0.87	197
June, 2017	1.35	1.16	44
July, 2017	1.22	0.95	31
August, 2017	0.93	0.68	51
September, 2017	0.65	0.52	54
October, 2017	0.51	0.44	43
November, 2017	0.88	0.53	305
December, 2017	0.77	0.56	263
January, 2018	1.01	0.68	192
February, 2018	0.95	0.95	2
March, 2018	0.95	0.95	-

Distribution of shareholding as at 31.03.2018:

Distribution of shareholding of the equity shares of the company by size and ownership class as on 31.03.2018 is as under:

(a) Shareholding pattern by size:

Shares holding Nominal Value of (Rs.)	No. of Shareholders	% to Total Numbers	Share holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	3426	65.68	7111182	2.35
5001 To 10,000	947	18.16	7949854	2.63
10001 To 20,000	352	6.75	5613250	1.86
20001 To 30,000	224	4.29	5604720	1.85
30001 To 40,000	51	0.98	1851272	0.61
40001 To 50,000	34	0.65	1595600	0.53
50001 To 1,00,000	70	1.34	5219848	1.73
1,00,000 and Above	112	2.15	267561662	88.45
Total	5216	100	302507388	100

(b) Shareholding Pattern by ownership:

Category	No. of Shares held	Voting Strength (%)
Promoters Holding	37111017	24.54
Non-Promoter Holding	114142677	75.46

Registered office and Plant Locations

- I) 21, Industrial Area, Baddi, Distt. Solan (HP)
- II) Village Saidpura, Derabassi (Punjab)

- III) Village Bhatoli Khurd, Baddi (HP)
- IV) 36-37, Industrial Area, Sector-1, Parwanoo (HP)
- V) 44-45, Industrial Area, Sector-1, Parwanoo (HP)
- VI) Industrial Growth Centre, Chatabari, Chaygaon, Distt. Kamrup, (Assam)
- VII) Behind Plot 21, HPSIDC-Village Judikalan, Near IOC Bottling Plant, Tehsil Nalagarh, Distt- Solan, Himachal Pradesh 173205.

Address for Correspondences

55-57, Industrial Area, Sector I, Parwanoo, Distt, Solan-173220 (HP)

Adoption of Non- Mandatory Requirements:

The Company is taking steps to comply with the non- mandatory requirements. The Board wishes to ensure that the non- mandatory disclosures requirements would be complied in the near future.

**FOR & ON BEHALF OF THE BOARD
STURDY INDUSTRIES LIMITED**

PLACE: Parwanoo
DATE : 29.08.2018

Sd/-
(MOHAN LAL GUPTA)
(DIN NO. 00161184)
MANAGING DIRECTOR

sd/-
(RAMESH GUPTA)
(DIN NO. 00161363)
DIRECTOR

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Sturdy Industries Limited,

We have examined the compliance of conditions of Corporate Governance by STURDY INDUSTRIES LIMITED for the year ended on 31st March 2018 as stipulated in the listing regulations of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the company.

On the basis of our review of the relevant records and documents maintained by the company and furnished to us for review and the information and explanation given to us by the company we certify that the company complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency with which the Management has conducted the affairs of the Company.

For R K DEEPAK & CO
CHARTERED ACCOUNTANTS
FIRM REGD No. 003145N

PLACE: CHANDIGARH
DATE : 24.08.2018

Sd/-
(CA RANJEET SINGAL)
FCA, PARTNER

MANAGEMENT DISCUSSION AND ANALYSIS

The report on Management Discussion and Analysis is akin to the Company's performance in the current economic and industry scenario. The report also details the threats perceived and the opportunities available to the Company.

I. INDUSTRY STRUCTURE AND DEVELOPMENT:

Sturdy Industries Limited was incorporated in 1989. The company is involved in business of Aluminum Conductor, Pipes & fitting, Irrigation System, ACC & ACP Sheets and Trading in Polymers & Aluminum etc. Our business interest comprises Irrigation Systems- Drip & Sprinkler Irrigation, Power generation products- Aluminum Conductors, cables, wire rods, I.T. Infrastructure products- HDPE PLB Ducts. The Company has successfully sailed through the turbulent waters of overall economic recession and today the company is a leading manufacturer of specialized irrigation system and aluminium conductors in India. The Company's product portfolio is increasing. The company has already ventured into the Power Sector and the Management is working on the same so that the ambit of the company widens and the Company can grow steadfast in the new areas. The core competence of the Company remains to add on activities which are the need of the hour and be a leader in the Industry.

During the year under review, the company has achieved a turnover of Rs .210,06,37,004.76 for the year ended 31st March 2018, as compared to the previous year turnover of Rs. 398,58,42,071.11. The turnover of the company has fallen substantially. The Financial expenses of the company have also been decreased during the year. The Company has incurred a loss of Rs. 21,46,65,326.75 during the financial year under review. The Company has met the standards set by the Management and the Management is committed to scale new heights and peaks in the times to come. The company has been further strengthened and able to compete in original sector with large players. The driving force behind the Company's success is the able guidance and experience of Mr. M. L. Gupta and Mr. Ramesh Gupta. The management's vision to be a Leader in the Industry is being achieved and the commitment to achieve this is unmatched.

II. OPPORTUNITIES AND THREATS:

Opportunities and risks go side by side in the business and one cannot have only opportunities and no risks. The major risk that is perceived is low quality products being manufacture at lower cost being thrown into the market by the competitors. The Company's initiatives in this direction help the company to perceive risks and be ready to counter them The Company is expanding its manufacturing capacity for the domestic and the export markets. The Company has to sustain its growth, retain its leadership and for that no stone is left unturned. Consistent efforts are put in to cover the risks in the business. Pricing and procurement risks are reduced through integrated management efforts and plans. The key competitive strengths of the company are:

1. Strong brand name in the Industry
2. Increasing product base
3. Cost competitiveness
4. Venturing into expansion and reaching new horizons
5. Diverse revenue streams

III. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

A) PRIMARY SEGMENT

The company's primary segment includes Aluminum Conductor, Pipes & fitting, Irrigation System, ACC & ACP Sheets and Trading in Polymers & Aluminum etc.

During the year ended 31st March, 2018, the details of primary segment information and revenue are as follows:

(Rs. In Lacs)						
S. No.	Description	(Manufacturing) Plastic Pipes & Irrigations	(Manufacturing) Aluminum Divisions	Trading	Others	Total
1.	Sales	6625.46	14361.14	19.77	2212.41	23218.78
2.	Total Revenue	6625.46	14361.14	19.77	2212.41	23218.78
3.	Segment Result	-	-	-	-	-
4.	Interest	-	-	-	-	346.02
5.	Profit/Loss Before Tax	-	-	-	-	(2510.19)
6.	Provision for Current Tax	-	-	-	-	-
7.	Profit/Loss Before Tax	-	-	-	-	(2510.19)
8.	Segment Assets	-	-	-	-	30196.83
9.	Segment Liabilities	-	-	-	-	30196.83
10.	Capital Expenditure	-	-	-	-	-
11.	Depreciation	8.84	527.16	-	65.70	601.70

B) SECONDARY SEGMENT

The company caters all over the country

IV. OUTLOOK

The key products of the Company are as follows:

- Micro Irrigation Systems, sprinkler and drip irrigation systems and HDPE, PVC and LLDPE pipes. The SWATI brand of the Company products have made a mark for itself in the Industry
- Metallic/colored Aluminum Composite panels and sheets with SUNBOND brand name well accepted in the market.
- Power transmission and distribution infrastructure comprising Aluminium conductors, cables and aluminium wires.
- The new line being added to the company's product portfolio is venturing into the Power Sector i.e. by setting up of EPC division.

EXPORTS:

The Company's initiatives in the Direction are expected to bear fruits in the coming times as with the appointment of Distributors abroad the Company has been able to make its name in the Foreign Market. The management is exploring new ways and means to venture into the other parts of the world and the talks and negotiations are on for the export of different products under the ambit of the Company. The Company has been exporting its products to UAE, Mauritius, Spain, Africa, Switzerland, Bulgaria, among others.

V. RISKS AND CONCERNS:

Risk means uncertainties about events and their outcomes that could have a material impact on the performance and projections of the Company. Since risk is inherent in every business, it is the Company's responsibility to minimize its incidence in order to protect and enhance shareholder value.

Our framework for combating risks recognizes that risks may be divided into two broad categories - risks that are common and relevant for most business in general and risks that are more specifically applicable to your company and business in particular. The Risk Management Policy at STURDY INDUSTRIES LIMITED inter-alia provides for Risk identification, assessment, and reporting and mitigation procedure. The Policy is continuously updated and adopted to the changing environment in which the Company operates.

Risks of General Nature:

Risks relating to the general macroeconomic environment of the Company include risks associated with political and legal changes, changes in tax structures, and commercial rules & laws. The Company keeps a proactive track to anticipate such changes and mitigate associated risks to the extent possible.

Risks related to man-made and natural disasters such as explosions, earthquakes, storms as well as civil disturbances are handled by following best practices in the design of structures and "safety first" as a guiding principle while designing technical and business processes duly supplemented with requisite insurance coverage.

The third set of general risks relates to risks from market led changes. These include risks associated with sudden fall in GDP and growth rates, overall market condition in India and abroad, or sudden changes in market preferences. The mitigation of these risks is achieved by a cost-effective and flexible working structure which would allow the Company to scale up or scale down working in affected areas in accordance with the changes.

Specific Risks:

We have identified the some specific risks that need more detailed attention in the present circumstances and business of the Company. The Company is structurally focusing on increasing the revenue from other manufacturing business streams and strategically enhancing the growth of these segments, which will help is off-setting the over dependence on the watch segment.

Risk related to Personnel:

Our business is increasingly dependent on the skills and competencies of our employees and management team. The general war for talent in our growing economy has created a risk related to the retention of key personnel

both in manufacturing and retail sector. This risk is mitigated through effective HR policies relating to recruitment and retention and a proactive remuneration and rewards policy that is periodically reviewed at the highest management level.

VI. INTERNAL CONTROL SYSTEM:

A strong internal control culture is an important focus and thrust area in the company. The company has comprehensive internal systems, controls and policies for all the major processes to ensure the reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources. The formalized systems of control facilitate effective compliance as per Listing Agreement/ SEBI (LODR) 2015. The company also has well documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed for changes warranted due to business needs. The Company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled. The Company has a sound internal control system for financial reporting for various transactions, efficiency of operations and compliance with relevant laws and regulations. Suitable delegation of power and also the guidelines for preparation of accounts have been issued for uniform compliances. The Company has established a separate internal Control department to exercise the various controls and see check that all the organization's departments function properly. The internal control department reviews the effectiveness and efficiency of these systems to ensure that all assets are protected against loss and that the financial and operational information is complete and accurate. The scope and authority of the Internal Audit activity are well defined in the Internal Audit scope and guidelines, approved by the Audit Committee. Internal Auditors develops a risk based annual audit plan with inputs from major stake holders and the major focus areas as per previous audit reports.

VII. HUMAN RESOURCE AND INDUSTRIAL RELATIONS:

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skill, enabling them to adapt to contemporary technological advancements. We lay special emphasis to the human resources function and believe that our opportunities and competitive compensation policy help us in attracting and retaining our personnel. We have an elaborate performance system in place comprising goal setting and periodic reviews (including confirmation and annual reviews). The review sessions impress upon several aspects of the professional's careers such as career and competency, individual preferences and organizational needs. Our compensation package has a fixed component in line with the industry standards and a variable component linked to the corporate and individual performance.

VIII. CORPORATE IMAGE BUILDING:

Sturdy continued with the corporate image building initiatives in 2017-18 with focus on the Customer contact programs. Emotional Connect initiatives such as performing Puja during the delivery of goods and customer meets were organized. This along with well-planned media relations activities made sure Sturdy's growth story was present in the mass media throughout the year. Sturdy explored branding and communications with a view to explore both, external and internal communications to best effect. Our credit screens and processes are aligned to deliver superior customer service to our target customers who are largely first time buyers and small customers in deeper reaches of rural and semi urban India. On the other hand our Captive team focuses on converting our

existing customers into lifelong customers. Sturdy continues to invest time and money in further refining sales processes and systematic measurement of process metrics, aimed at improving efficiency and customer satisfaction. Significant investments in branch network and sales force automation will hold the key to winning customers in an ever increasing competitive environment.

IX. FUTURE PROSPECTS:

Considering the overall business conditions, the Company is confident about its future prospects. The Directors are striving hard to bring better symmetries of proper utilization of resources and to accomplish the basic goals with an overall objective of customer satisfaction. The low manufacturing cost of our products is our basic strength and the Company offers the good quality products to its customers at an acceptable price. The ever rising raw material cost is a growing concern to all. Aluminum, plastic and energy costs have recorded historical high prices, and with energy crisis the Company expects the raw material costs and bank rate of interest to remain high. The Company will continue to strike for correct selling price in order to maintain an acceptable profit margin. Management believes that with the ongoing efforts to control overall cost, improve plant efficiency and create the right mix of products, the Company will emerge as the most successful company in India.

X. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's Structure, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates/ would operate, changes in the Government regulations, tax laws and other statutes and other incidental factors.

FOR & ON BEHALF OF THE BOARD

DATE: 29.08.2018

PLACE: Parwanoo

Sd/-	Sd/-
(MOHAN LAL GUPTA)	(RAMESH GUPTA)
(MANAGING DIRECTOR)	(DIRECTOR)
(DIN NO. 00161184)	(DIN NO. 00161363)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF *STURDY INDUSTRIES LIMITED*

Report on the Ind As financial statements

We have audited the accompanying Ind AS financial statements of ***Sturdy Industries Limited*** (“***the Company***”) which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other comprehensive Income), Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other comprehensive Income), cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the companies (Indian Accounting Standards) Rule 2015 (as amended) under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and the rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the

Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and loss and other comprehensives income), its Cash Flow and change in equity for the year ended on that date.

Other Matters

The financial information of the Company for the year ended March 31, 2017 and transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statement, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the companies (Accounting Standards) Rules 2006 (as amended) which were audited by B. M. Varma and Co, Chartered Accountants, on which they expressed an unmodified opinion dated May 31, 2017 and May 30, 2016 respectively. The adjustments to those financial statements for the difference in accounting principles adopted by the Company transition to the Ind AS have been audited by us.

Our Opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c. the Balance Sheet, the Statement of Profit and Loss(including other comprehensive income), and the Cash Flow Statement and the statement of Change in equity dealt with by this Report are in agreement with the books of account
- d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) , in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Ind AS financial statements disclose the impact of pending litigations on the financial position of the company. Refer note no 25 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For and on behalf of
R.K . Deepak & Co
Chartered Accountants
FRN 003145N

Sd/-
CA Ranjeet Singal
Partner
M.No. 090190
Place: Chandigarh
Date:18/06/2018

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Ind As financial statements of the Company for the year ended March 31,2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(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.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Records and Audit) Rules,2014 as amended and prescribed by the central Government under sub-section (1) of section 148 of the companies Act 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with view to determining whether they are accurate or complete.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- c) Detail of dues of Excise Duty which have not been deposited as on 31/03/2018 on account of dispute are given below

Name of the Statute (Nature of Dues)	From where Dispute is pending	Period t which the amount relates	Amount involved (Rs in lacs)
Central Excise Act	Tribunal	2010-11	13.00
	Commissioner	2004-05 to 2013- 14 2014-15	202.28 77.71

- 8) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not defaulted in the repayment of dues to banks. The banks under consortium has sanctioned SDR on dated 24.10.2016 in respect of all the credit facilities availed by the company
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind As financial statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
R.K . Deepak & Co
Chartered Accountants
F.R.N. 003145N

Sd/-
CA Ranjeet Singal
Partner
M. No. 090190
Place: Parwanoo
Date:18/06/2018

**“Annexure B” to the Independent Auditor’s Report of even date on the Ind As financial statements of STURDY INDUSTRIES LIMITED
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“theAct”)**

We have audited the internal financial controls over financial reporting of STURDY INDUSTRIES LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Opinion

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

For and on behalf of
R.K . Deepak & Co
Chartered Accountants
FRN 003145N

Sd/-
CA Ranjeet Singal
Partner
M. No. 090190
Place: Parwanoo
Date:18/06/2018

STURDY INDUSTRIES LIMITED - BADDI H.P.
CIN:L25209HP1989PLC009557
Balance Sheet as at 31st March, 2018

(All Amount in INR Lakhs, unless otherwise stated)

Assest	Notes	31-Mar-2018	31-Mar-2017	April 01 , 2016
Non-Current Assests				
(a) Property, Plant and Machinery and Equipment	1	6,170.65	6,813.36	7,998.18
(b) Capital Work in Progress	1	106.84	99.68	91.98
(c) Goodwill				
(d) Other intangible Assets		76.40	76.40	76.40
(e) Intangible assets under development		-	-	-
(f) Financial Assets		-	-	-
(i) Investment	2	31.07	31.07	51.07
(ii) Loans	3	1,339.13	1,561.59	1,236.99
(iii) Other financial Assets				-
Total Non Current Assets		7,724.08	8,582.08	9,454.61
Current Assets				
(a) Inventories	4	2,932.17	4,345.32	8,856.13
(b) Financial Assets		-	-	-
(i) Investment		-	-	-
(ii) Trade receivable	5	17,344.74	17,604.24	15,932.13
(iii) Cash and Cash equivalents	6	97.02	79.12	73.01
(iv) Bank balances other than (iii) above	7	649.04	799.51	757.98
(v) Loans	8	1,448.17	1,827.02	1,029.63
(vi) Other financial Assets		-	-	-
(c) Other current Assets	9	1.61	2.15	25.10
Total Current assets		22,472.74	24,657.35	26,673.98
Total Assets		30,196.83	33,239.44	36,128.60

Significant Accounting Policies **27**

Notes to Accounts & Accounting Policies **28**

The Accompanying notes are integral part of these Financial Statements

AUDITOR' REPORT

as per our separate report of even date annexed hereto

for R.K DEEPAK AND CO.

CHARTERED ACCOUNTANTS,
Firm Registration No 003145N

Sd/-

CA Ranjeet Singal
PARTNER
Membership No 090190

Dated : 18/06/2018

Place: Parwanoo

(Annual Report 2017-18)

on behalf of the Board of Directors
for STURDY INDUSTRIES LTD.

Sd/-

Sd/-

(RAMESH GUPTA)
DIRECTOR
DIN-0161363

(AMIT GUPTA)
DIRECTOR
DIN-0161417

STURDY INDUSTRIES LIMITED - BADDI H.P.
CIN:L25209HP1989PLC009557
Balance Sheet as at 31st March, 2018

EQUITIES AND LIABILITIES	Notes	31-Mar-2018	31-Mar-2017	April 01 , 2016
1. Equity				
(a) Equity Share Capital	10	3225.07	3225.07	1689.84
(b) Other Equity		0.00	0.00	0.00
		0.00	0.00	0.00
Equity component of compound financial instruments		0.00	0.00	0.00
Reserves and surpluses	11	-5012.26	-2854.82	-2656.89
Other reserve	11	3700.56	3700.56	3693.01
Equity attributable to owners of value Ind AS Limited				
Non Controlling Interest				
Total Equity		1913.37	4070.82	2725.96
2. LIABILITIES				
i. Non-current Liabilites				
Financial Liabilites				
(i) Long Term Borrwoings	12	9918.45	8945.50	11543.70
(ii) Other Financial Liabilites	13	3277.81	4607.51	4850.72
Loang Term Provisions	14	8.38	8.38	725.11
Employee Benefits Obligations	15	56.25	62.33	42.19
Deferred Tax Libilites	16	363.02	726.56	605.97
Governments grants		-	-	-
Other non Current Libilites		-	-	-
Total Non current Libilities		13623.91	14350.28	17767.69
Current Liabilities				
Financial Liabilities				
Short Term Borrowings	17	12461.33	9470.27	9088.74
Trade Payable	18	2122.60	4203.25	6006.87
Other Financial Liabilities		0.00	1106.00	479.52
Short Tem Provisions	19	75.62	38.82	59.81
Current Tax Liabilities				
Other Current Liabilities				
Liabilities directly associated with assets classified as held for Sale				
Total Current Liabilites		14659.54	14818.34	15634.94
Total Liabilites		28283.46	29168.62	33402.63
Total equity and liabilities		30196.83	33239.44	36128.60

Schedule III Require these items to be presented on the face of the balance sheet. They have been included for illustrative purposes though they

are not applicable to Value Ind AS Limited

Significant Accounting Policies **27**

Notes to Accounts & Accounting Policies **28**

The Accompanying notes are integral part of these Financial Statements

AUDITOR' REPORT

as per our separate report

of even date annexed hereto

for R.K DEEPAK AND CO.

CHARTERED ACCOUNTANTS,

Firm Registration No 003145N

Sd/-

**CA Ranjeet Singal
P A R T N E R**

Membership No 090190

Dated : 18/06/2018

Place : Parwanoo

**on behalf of the Board of Directors
for STURDY INDUSTRIES LTD.**

Sd/-
(RAMESH GUPTA)

DIRECTOR
DIN-0161363

Sd/-
(AMIT GUPTA)

DIRECTOR
DIN-0161417

STURDY INDUSTRIES LIMITED - BADDI H.P.
CIN:L25209HP1989PLC009557
Statement of Profit and Loss for the year ended 31st March, 2018

	Notes	43190.00	42825.00
Continuing Operations			
Revenue from Operations	20	21006.37	39858.42
Other Income	21	2212.41	1134.56
Total Income		23218.78	40992.98
Expenses			
Cost of material consumed	22	19600.20	36394.12
Purchases of stock in trade		0.00	0.00
Change in inventories of Finished goods	23	1808.72	2012.94
Excise Duty		0.00	0.00
Employee benefits expenses	24	342.06	358.61
Depreciation and amortisation	1	601.70	686.00
Impairment of goodwill and other non-current assets		0.00	0.00
Other Expenses	25	3034.46	762.19
Finance Costs	26	346.02	1051.18
Total Expenses		25733.18	41265.04
Profit before exceptional items		-2514.39	-272.06
Profit before tax			
Income Tax expenses			
Current Tax		0.00	
Deferred Tax		-363.54	120.59
Total Tax expenses		-363.54	120.59
Other Comprehensive Income/Loss			
Items that will no reclassified to Profit and Loss			
Remesurement of defined benefits obligations		22.79	0.00
Tax relating to these items		-4.86	0.00
Other Comprehensive Income/Loss for the year		0.00	0.00
Net of Tax		17.93	0.00
Total Comprehensive Income for the year		-2132.93	-392.65
Earning per equity Share			
:- Basic earning per Shares		0.00	0.00
:- Diluted earning per Shares		0.00	0.00

 Significant Accounting Policies **27**

 Notes to Accounts & Accounting Policies **28**

The Accompanying notes are integral part of these Financial Statements



STURDY INDUSTRIES LTD.

AUDITOR' REPORT

as per our separate report
of even date annexed hereto
for R.K DEEPAK AND CO.

**CHARTERED ACCOUNTANTS,
Firm Registration No 003145N**

Sd/-

**CA Ranjeet Singal
P A R T N E R**

Membership No 090190

Dated : 18/06/2018

Place : Parwanoo

**on behalf of the Board of Directors
for STURDY INDUSTRIES LTD.**

Sd/-

**(RAMESH GUPTA)
DIRECTOR
DIN-0161363**

Sd/-

**(AMIT GUPTA)
DIRECTOR
DIN-0161417**

STURDY INDUSTRIES LIMITED - BADDI H.P.
CIN:L25209HP1989PLC009557
Statement of Change in Equity
Note 10 : Equity Share Capital

Particulars					
As at April 01,2016			1,682.29		
Change in equity share capital			1,542.79		
As at March 31, 2017			3,225.07		
Change in equity share capital			-		
Equity Shares of Rs 2/- each fully paid up issued during the year			3,225.07		
As at March 31,2018		10	3,225.07		

Note 11 : Other Equity

Particulars	Securities	General	Revaluation	Subsidy	Retained
	Premium	Reserve	reserve		Earning
	Account				
Balance As at April 01, 2016	696.36	164.39	1,432.86	1,406.96	(2,854.82)
Profit for the year					
Other Comprehensive Income					
Total comprehensive Income for Year					
Others					
Balance As at March 31,2017	696.36	164.39	1,432.86	1,406.96	(2,854.82)
Profit for the year					(2,150.39)
Other Comprehensive Income					
Total comprehensive Income for the year					
Other					
Balance As at March 31,2018	696.36	164.39	1,432.86	1,406.96	(5,005.20)

 Significant Accounting Policies **27**

 Notes to Accounts & Accounting Policies **28**

The Accompanying notes are integral part of these Financial Statements

AUDITOR' REPORT

 as per our separate report
 of even date annexed hereto
 for R.K DEEPAK AND CO.

 on behalf of the Board of Directors
 for STURDY INDUSTRIES LTD.

CHARTERED ACCOUNTANTS,
Firm Registration No 003145N

 Sd/-
CA Ranjeet Singal
PARTNER
Membership No 090190
Dated : 18/06/2018
Place : Parwanoo

 Sd/-
(RAMESH GUPTA)
DIRECTOR
DIN-0161363

 Sd/-
(AMIT GUPTA)
DIRECTOR
DIN-0161417

STURDY INDUSTRIES LIMITED - BADDI H.P.
CIN:L25209HP1989PLC009557

Note 1 Fixed Assets

(a) Property, Plant and Machinery and Equipment

Particulars	Gross Block		Accumulated Depreciation					Net Block	
	Balance as at 1 April 2017	Additions/ (Disposals) Subsidy	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciated on charge for the year	Balance as at 31 March 2018	Transfer To Reserve and Surpluses	Balance as at 31 March 2018	Balance as at 31 March 2017
Tangible Assets (Not Under Lease)									
Land	1556.65	0.00	1556.65	0.00	0.00	0.00	0.00	1556.65	1556.65
Building	1783.30	0.00	1783.30	873.12	91.53	964.64	0.00	818.66	911.90
Plant & Machinery	8406.09	40.00	8366.09	4069.88	507.32	4577.20	10.76	3778.12	4286.60
Furniture & Fixture	36.18	0.00	36.18	29.12	0.86	29.98	3.44	2.76	35.07
& Other Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle	322.13	1.00	321.13	264.36	2.00	266.35	40.31	14.47	23.15
Total (i)	12104.35	41.00	12063.35	5236.48	601.70	5838.18	54.51	6170.65	6813.36
Previous Year	12820.86	-716.51	12104.35	4397.28	686.00	5083.29	207.70	6813.36	7998.18

(b) Capital Work in Progress

Particulars	Gross Block		Accumulated Depreciation					Net Block	
	Balance as at 1 April 2017	Additions/ (Disposals) Subsidy	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciated on charge for the year	Balance as at 31 March 2018	Transfer To Reserve and Surpluses	Balance as at 31 March 2018	Balance as at 31 March 2017
Capital Work in Progress	99.68	7.16	99.68	0.00	0.00	0.00	0.00	99.68	98.68
Total (i)	99.68	7.16	99.68	0.00	0.00	0.00	0.00	99.68	98.68
Previous Year	91.98	7.70	99.68	0.00	0.00	0.00	0.00	99.68	

Note 2 Non Current Investment

Particulars	As at 31 March 2018	As at 31 March 2017
A Trade Investments (Refer A below)		
(b) Investment in Equity instruments	20.07	20.07
(f) Investments in Mutual Funds	1.00	1.00
(h) Other non-current investments (specify nature)	10.00	10.00
Total (A)	31.07	31.07
B Other Investments (Refer B below)		
(h) Other non-current investments (specify nature)	0.00	0.00
Total (B)	0.00	0.00
Grand Total (A + B)	31.07	31.07
Less : Provision for dimunition in the value of Investments	0.00	0.00
Total	31.07	31.07

Particulars	As at 31 March 2018	As at 31 March 2017
Aggregate amount of quoted investments at Market Price	36.97	70.01
Aggregate amount of unquoted investments	39.00	39.00
Total	75.97	109.01

Note 3 Long Term Loans and Advances

Particulars	As at 31 March 2018	As at 31 March 2017
a. Security Deposits /Earnest Monies		
Unsecured, considered good	423.06	409.12
ii) Balance with Govt Authorities and Claim Recoverable	916.07	1152.47
	1339.13	1561.59
Total	1339.13	1561.59

Note 4 Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
a. Raw Material (Valued at Cost or Market Price whichever is less)	1728.73	1326.10
b. Finished Goods (Cost or Market Price Whichever is less)	1179.95	2988.67
e. Store & Spare (Cost or Market Price Whichever is less)	8.95	7.31
f. Packing Material (Cost or Market Price Whichever is less)	14.55	23.25
Total	2932.17	4345.32

Note 5 Trade Receivable

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	6695.04	8791.55
Less: Provision for doubtful debts		
	6695.04	8791.55
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	12482.82	8818.17
	0.00	0.00
Less: Provision for doubtful debts	1833.12	5.49
	10649.70	8812.68
Total	17344.74	17604.24

Note 6 Cash and Cash equivalents

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
*. Cash in hand	97.02	79.12
	-	
Total	97.02	79.12

Note 7 Bank balances other than Cash

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
-		
a. Balances with banks	12.87	191.69
b. In Fixed Deposit	636.17	607.81
Total	649.04	799.51

Note 8 Short-term Loans and Advances

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
a. Others (specify nature)		
Unsecured, considered good		
i) Advance Tax/TDS	6.94	9.15
ii) Balance with Excise, & Others Govt Authorities	785.76	537.08

III) Staff and Others	30.13	7.80
IV) Prepaid Expenses	51.17	29.63
v) Advances to suppliers	574.17	1243.36
Total a+b	1448.17	1827.02

Note 9 Others Current Assests (Specify Nature)

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Tools and Dies	2.15	2.69
Less: Written off	0.54	0.54
Total	1.61	2.15

Note 11 Reserve & Surpluses

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
A. Securities Premium Account		
Opening Balance	696.36	696.36
Add : Securities premium credited on Share issue		0.00
<u>Less : Premium Utilized for various reasons</u>	0.00	
Premium on Redemption of Debentures		0.00
For Issuing Bonus Shares	0.00	
Closing Balance	696.36	696.36
B. Revaluation Reserve		
Opening Balance	1432.86	1432.86
(+) Current Year Transfer	0.00	0.00
(-) Written Back in Current Year	0.00	0.00
Closing Balance	1432.86	1432.86
C. Other Reserves		
General Reserve		
Opening Balance	164.39	164.39
(+) Current Year Transfer (swap ratio difference due to merger with TAL)		0.00
(-) Written Back in Current Year	0.00	0.00
Closing Balance	164.39	164.39
D. Subsidy		
Opening Balance	1406.96	1406.96
(+) Current Year Transfer		0.00
(-) Written Back in Current Year	0.00	
Closing Balance	1406.96	1406.96
D. Surplus		
Opening balance	-2854.82	-2656.89

(+) Net Profit/(Net Loss) For the current year	-2132.93	-392.65
(-)(+) Provision for Taxation /Adj.	-3.73	-12.98
Add/Less: Additional Depreciation pursuant to enactment of Schedule II of the Companies Act 2013		207.70
	-20.79	0.00
Closing Balance	-5012.26	-2854.82
Total	-1311.70	845.75

Note 12 Borrowings

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Secured		
(a) Term loans from Banks		
(of the above, ` 100 % is guaranteed by Directors and Promoters / Others)	9918.45	8945.50
Total	9918.45	8945.50

Note 13 Other Financial Liabilities

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Unsecured		
(a) Term Loan		
from Corporates	3277.81	3873.53
Deposits	0.00	733.97
Total	3277.81	4607.51

Note 14 Long Term Provisions

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Securities Deposit	8.38	8.38
Total	8.38	8.38

Note 15 Employee Benefits Obligations

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Gratuity (unfunded), Leave Encashment	56.25	62.33
Total	56.25	62.33

Note 16 Deferred Tax Liabilities

<u>Particulars</u>	As at 31 March	As at 31 March
--------------------	----------------	----------------

	2018	2017
Opening Balance	726.56	605.97
Add/Less : During the Year	-363.54	120.59
Total	363.02	726.56

Note 17 Short Term Borrowings

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
<u>Secured</u>		
(a) Loans repayable on demand		
Working Capital Limits From Banks	12461.06	9325.04
(Secured By Hyp.of Stocks and Book Debts both Present and Future)		
(of the above, ` 100 % is guaranteed by Directors and Promoters / Others)		
-	12461.06	9325.04
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	0.00	0.00
2. Amount	0.00	0.00
<u>Unsecured</u>		
(a) Loans repayable on demand		
ICICI Bank for Balco Channel Financing	0.27	145.23
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	0.00	0.00
2. Amount	0.00	0.00
Total	12461.33	9470.27

Note 18 Trade Payables

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017
Sundry Creditors	2122.60	4203.25
Advances from Customers	0.00	0.00
Total	2122.60	4203.25

Note 19 Short Term Provisions

<u>Particulars</u>	As at 31 March 2018	As at 31 March 2017

(a) Provision for employee benefits	18.42	15.14
(b) Current maturities of long-term debt		
Punjab National Bank - Term Loans	0.00	1106.00
(c) Others	0.00	0.00
T.D.S. Payable	4.06	0.00
Reverse Charges Payable	1.68	0.00
Entry tax Payable	0.86	0.27
Audit Fee Payable	2.00	2.00
GST Payable	40.72	10.85
CST Payable	0.00	0.02
Electricity and Water Charges	7.89	10.52
Total	75.62	1144.82

Note 20 Revenue from Operations

Particulars	As at 31 March 2018	As at 31 March 2017
a. Sale of products;	21454.22	41364.28
b. Job Work	0.00	33.02
<u>Less:</u>		
Excise duty.	447.85	1538.88
TOTAL	21006.37	39858.42

Note 21 Other Income

Particulars	As at 31 March 2018	As at 31 March 2017
Incentive and Discounts	882.64	875.34
Others	1329.77	259.22
Total	2212.41	1134.56

Note 22 Cost of Material Consumed

Particulars	As at 31 March 2018	As at 31 March 2017
<u>1. Raw Material</u>		
Opening Stocks of Raw Materials	1326.10	3779.32
ADD : Raw Material Purchased	20613.35	33734.87
ADD: Stock in Transit	0.00	0.00
Add: Stock Transfer Inward	1192.79	4132.99
Less: Transfer Outward	-1946.60	-4263.80
Closing Stocks of Raw Material	1728.73	1326.10
Cost of Raw Material Consumed (a)	19456.91	36057.29
<u>2. Store and Spares</u>		
Opening Stock	7.31	0.58
Add: Purchases	30.87	33.58
Less: Closing Stock	8.95	7.31
Consumption of Stores and Spare (b)	29.23	2684609.00

3. Packing Material		
Opening Stock	23.25	18.98
Add: Purchases	105.36	314.26
Less: Closing Stock	14.55	23.25
Consumption of Packing Material (c)	114.06	309.99
Total (a+b+c)	19600.20	36394.12

Note 23 Change In Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Opening Stocks of Finished Goods	2988.67	5001.61
(b) Closing Stocks of Finished Goods	1179.95	2988.67
Change In Inventories	1808.72	2012.94

Note 24 Employee Benefits Expenses

Particulars	As at 31 March 2018	As at 31 March 2017
Salaries And Wages	245.34	248.45
Labour Welfare	8.90	6.40
E.S.I	3.77	4.30
Compensation to Employee	10.15	5.94
Director Remuneration	54.00	54.00
Provident Fund	12.46	14.19
Gratuity	7.45	25.33
Total	342.06	358.61

Note 26 Finance Cost

Particulars	As at 31 March 2018	As at 31 March 2017
Interest On Term Loan	0.00	140.57
Bank Charges and Interest	346.02	910.61
Total	346.02	1051.18

Note 25 Other Expenses

Particulars	As at 31 March 2018	As at 31 March 2017
A . Manufacturing Expenses		
Electricity & Water Charges	109.87	162.83
Freight and Cartage	155.70	186.61
Repair and Maintainence	0.00	0.00
Building	0.12	0.65
Plant and Machinery	36.23	43.29
Job Work	22.83	38.39
Wages	22.46	21.33

Total - A	347.22	453.10
B . Administration Expenses		
Printing & Stationery	2.17	3.77
Postage And Telegram	1.23	4.70
Telephone & Photostate	2.85	3.15
Vehicle Running And Maintenance	34.72	38.03
Travelling And Conveyance	22.66	23.43
Insurance Charges	10.93	12.86
Service Tax	2.94	16.54
Fees and Taxes	19.67	44.70
Listing Fee/ Annual custody fee	6.02	20.73
Audit Fee	2.42	2.22
Consultancy charges	24.34	29.96
Legal And Professional	20.11	13.86
Entry Tax	0.00	0.66
News Paper and Perodicals	0.02	0.00
General Expenses	2.22	1.62
Web Site Charges & Internet Expenses	0.00	0.22
Tender Expenses	0.09	0.55
Swatch Bharat Cess	0.19	0.34
Packing charges	0.00	1.20
Written Off	1.18	-0.06
Donation	0.39	20.00
Krishi Kalyan Cess	0.19	0.25
Tools and Dies Written off	0.54	0.54
Total - B	154.89	239.26
C. Selling and Distribution Expenses		
Freight & Cartage Out wards	78.50	27.41
Advertising & Publicity	0.95	1.01
Testing Charges	6.21	20.44
Business Promotion	4.91	4.59
Discount & Rebate	608.37	4.78
Services Tax	0.30	1.54
Commission On Sales	0.00	10.04
Total - C	699.23	69.82
D. Provisions		
Provision for Bad and Doubtful Debts	1833.12	0.00
Total – D	1833.12	0.00
Total A + B + C+D	3034.46	762.19

STURDY INDUSTRIES LIMITED**Note No. 27 : SIGNIFICANT ACCOUNTING POLICIES& NOTES TO ACCOUNTS****1. STATEMENT SIGNIFICANT ACCOUNTING POLICIES.**

- A) Corporate Information: The Company is a Public Limited Company domiciled in India and incorporated under Companies Act,1956, having its registered office at 21, Industrial Area Baddi Distt Solan (H.P),India and is Listed on BSE Limited . the Company is engaged in manufacturing and supplying of Sprinkler and Drip Irrigation Systems, Conductor and Cable and Trading of Polymers and Aluminium's. It has country wide network to cater its customers, It has Manufacturing facilities at Baddi(H.P) Guwahati(Assam) and Parwanoo(H.P).

The Financial Statements for the year ended March 31,2018 were approved and adopted by the Board of Director on 18/06/2018.

B) Significant Accounting Policies**(i) Statement of compliance with Ind AS**

The Financial Statements have been prepared in accordance with Indian Accounting Standards(Ind AS) notified under Section 133 of the Companies Act,2013 read with Companies(Indian Accounting Standard) Rules, 2015 and other relevant provisions of the act. These financial statements are first financial statements under Ind As. The Financial statements upto year ended March,2017 have been prepared in accordance with the requirements of the previous Indian GAAP, which includes Accounting Standards notified under section 133 of the Companies Act, 2013,read with Companies(Accounting Standards) Rules 2006, Rule7 of the Companies (accounts(Rules 2014, Provisions of the Companies Act,2013 to the extent notified. The date of transition to Ind AS is April 01,2016 Refer separate note no 4 "First Time Adoption of Ind As for information on how the Company adopted Ind AS.

(ii) Basis of Preparation and presentation of Financial Statements

The financial statements are prepared in accordance with Indian Accounting Standards(Ind AS) under the historical cost convention on accrual except for certain financial instruments which are measured at fair values. All assets and Liabilities have been classified as current or non-current based on normal operating cycles of business activities of the Company, which is 12 months.

(iii) Use of Estimates

The preparation of Financial Statements require management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(iv) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated. The cost of an item of property, plant and equipment comprises its cost of purchase and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

(v) Capital Work-in-Progress

Property, Plant and Equipment under construction are disclosed as capital work in progress. On transition to Ind AS, the Company has elected to continue with the carrying value of all its Capital-Work-in-Progress recognised as at April 1, 2016 measures as per the previous GAAP and use that carrying value as the deemed cost of the work-in-progress.

(vi) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

There are no intangible assets having indefinite useful life.

An intangible asset is derecognised upon disposal, or when no future economic benefits are expected to arise. Gains or losses arising from de-recognition upon de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(vii) Depreciation and Amortisation

Property, Plant and Equipment

Depreciation is calculated using the straight line method to allocate their cost, net of their residual value, over their estimated useful lives.

The useful lives have been taken as specified by Schedule II to the Companies Act, 2013.

(viii) Impairment of Assets

A tangible or intangible asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of tangible or intangible assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and impairment loss equal to the excess of the carrying amount over its recoverable value is recognised as an impairment loss and the same is charged to profit and loss account. The

impairment loss, if any, recognised in prior accounting period is reversed if there is a change in estimate of recoverable amount.

(ix) Financial Instruments

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

(x) Financial assets

Classification and Measurement

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the financial assets (other than financial assets covered at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

All financial assets are subsequently measured either at amortised cost or fair value [either through other comprehensive income (FVTOCI) or through profit or loss(FVTPL)] depending on the classification of the financial assets as follows:

(a) Financial Asset measured at Amortised Cost: The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees security deposits and other eligible current and non-current assets which are classified as financial assets carried at amortised cost.

(b) Financial Assets measured at fair Value through Other Comprehensive Income(FVTOCI): On initial recognition, the Company can make an irrevocable election(on an instrument-by-instrument basis) to present the subsequent change in fair value in other comprehensive income pertaining to investment in equity instrument. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transitional costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the Reserve for equity instrument through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments as the same has been recognised in other comprehensive income.

(c) Financial Assets at Fair value through profit or loss(FVTPL): investment in equity instrument are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

De-recognition of Financial Assets

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or the company has transferred the financial asset along with all the risks and rewards or has assumed an obligation to pay the received cash flows to a third party under a pass-through arrangement.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in profit or loss.

Impairment of Financial Assets

The company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected Credit Loss(ECL) is the difference between all contractual cash flows that are due in accordance with the contract and the cash flows expected to receive (i.e. all cash shortfalls)

(xi) **Financial Liabilities**

All the financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial liabilities.

Financial liabilities of a Company are contractual obligations to deliver cash or other financial assets to another entity. The company's financial liabilities include long term and short term borrowings, trade and other payables and other eligible current and non-current liabilities

Classification measurement and De-recognition

All recognised financial liabilities are subsequently measured at amortised cost. The company de-recognize financial liabilities when, and only when the Company's obligations are discharged, cancelled or have expired. Gain and losses are recognised in profit or loss when the liabilities are derecognised.

(xii) **Offsetting of Financial Instruments**

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

(xiii) **Valuation of Inventory**

Inventories are valued at lower of cost and net realisable value after providing for non moving material, obsolescence wherever necessary. The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Inventories are carried in the balance sheet as follows

Inventory	Basis of Valuation
Raw materials, Packing materials, components	At lower of cost, and net realisable value
Work-in-progress	At lower of cost of material on weighted average basis, plus appropriate production overheads and net realisable value
Finished goods- Manufactured	At lower of cost of material on weighted average basis, plus appropriate production overheads and net realisable value

	overheads and net realisable value
Finished goods- Trading	At lower of cost, on weighted average basis and net realizable value

(xiv) Translation of Foreign Currency Transactions

The Company's financial statements are presented in Indian Rupees (INR) which is Company's functional; and presentation currency. Transactions denominated in foreign currency are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currency are retranslated at the rates prevailing at year end date. Exchange difference on monetary items is recognised in profit or loss in the period in which they arise. Income and expenses of foreign branch have been translated at the average rate for the year.

(xv) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of manufactured and traded goods is recognised when significant risks and rewards of ownership of the goods are transferred to the customer, recovery of the consideration is probable and the amount of revenue can be measured reliably. Sales are disclosed net of returns and claims.

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured. Revenue from the maintenance contracts are recognised prorata over the period of contract.

Other operating revenues include sales tax remission, excise duty refund, GST refund and other export incentives and duty drawbacks, and recognised when the right to receive is established.

Other income include interest income, Dividend income, Gain on Foreign Exchange Fluctuation etc. Interest income accrued on a time basis by reference to the principal outstanding and the effective interest rate. Dividend income accounted in the period in which the right or receive the same is established.

(xvi) Government Grants

Grants and subsidies from government are recognised when there is reasonable assurance that the grant or subsidy will be received and all the prescribed conditions will be complied with.

Grant or subsidy relating to an expense item is recognised as income in the statement of profit or loss over the periods necessary to match them on a systematic basis to the cost which is intended to compensate.

Grant and subsidy relating to an asset are included in noncurrent as deferred income and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(xvii) Borrowing Costs

Borrowing cost directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily

takes a substantial period of time to get ready for their intended use. All other borrowing costs are recognised as expense in the period in which they are incurred.

(xviii) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders at the annual general meeting and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors.

(xix) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year adjusted for bonus elements in equity shares issued during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss after tax for the periods attributable to the equity shareholders by the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xx) Employee Benefits

Short term Employee Benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus ex-gratia and performance linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

Long term employee benefits

Defined Contribution plans:

Contribution to the employee's provident fund, Employee's Pension Scheme and Employee's state Insurance are recognised as defined contribution plan and charged as expense during the period in which the employee performs the services.

Defined benefit plans:

Retirement benefit in the form of Gratuity is considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date.

Interest cost, Current Service cost and Past service cost are recognised in profit and loss account immediately. Re-measurement gain and losses arising due to change in actuarial assumptions and estimates are recognised directly in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and loss in subsequent periods.

Other Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. Annual leaves

can either be availed or encashed subject to restrictions on the maximum accumulation of leaves.

Termination benefits:

Termination benefits are recognised as an expense in the period in which they are incurred. The employee benefits with regards to both Leave encashment and gratuity are un-funded.

(xxi) Exceptional items

An item of income or expense which by its side, type or incidence requires disclosure to in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

(xxii) Taxes on Income

Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and computed in accordance with the provisions of the relevant tax laws, outcome of past assessments/appeals and legal opinions sought by the company.

Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax basis of assets and liabilities and their carrying amount for financial reporting purpose at the reporting date. 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 substantively enacted at the reporting date

Minimum Alternative Tax (MAT) credit:

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay income tax under the normal provisions during the specified period resulting in utilisation of MAT credit.

In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is credited by way of a credit to the statement or profit & loss and shown as MAT credit entitlement.

(xxiii) Segment Reporting

The company is engaged into manufacturing Sprinkler and Drip Irrigation Systems, Conductor and Cable and Trading of Polymers and Aluminium's. The Company has three reportable business segment identified by management namely Plastic Pipes and Fitting ,Aluminium and Trading.

(xxiv) Provisions, Contingent Liabilities and Contingent Assets

Provisions involve substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but disclosed in the notes of financial statements. Contingent assets are not recognised but disclosed in the financial

statements when an inflow of economic benefits is probable. Provisions, contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability exist when there is a possible but not probable obligation, or a present obligation that may, but probable will not, an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed as a possibility of outflow of resources is remote.

(xxv) Cash Flow Statements

Statement of cash flow is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of changes during the period in inventories, operating receivables, payables, transactions of a non-cash nature such as depreciation, provisions, deferred tax, unrealised foreign currency gains and losses, and undistributed profits of associates and all other items for which the cash effects are investing or financing cash flows. For the purpose of presentation in the statement of cash flow, cash and cash equivalents include cash in hand and balance held with banks.

28. NOTES TO THE ACCOUNTS

1. Previous year figures have been re-arranged, reworked, reclassified or re-grouped wherever necessary to make them comparable with the current year's figures and others disclosure for the proceeding year are included as an integral part of the current year financial statements and are to be read in relation to the amount and others disclosures relating to the current year.

2. Contingent Liability not provided for in respects of :	Rs in (Lacs)	
	Current Year	Previous Year
(a) Outstanding balance of Bank Guarantees	Rs 7792.00	Rs 7142.00
b) Outstanding balance of ILC/FLC	Rs --	Rs 4459.00
c) Liability against Export obligation for import of Raw Material	Rs --	Rs 42.68

3. Employee Benefits Obligations

I. The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Rs. in Lakhs	
	Gratuity Plan	
	As at March 31, 2018	As at March 31, 2017
Present Value of benefits obligation at the beginning of the period	70.37	-
Interest Cost	5.42	-
Current Service Cost	6.52	-
Past Service Cost	-	-
(Benefits Paid Directly by the Employer)	-	-
Actuarial (Gains)/losses on Obligation-Due to change in	(1.57)	-

Financial Assumptions		
Actuarial (Gains)/losses on Obligation-Due to change in Experience Adjustments	(21.23)	-
Present Value of Benefit Obligation at the end of the period	59.50	-

II. The amounts recognized in Balance Sheet are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2018	As at March 31,2017
Present value of defined benefit obligation	59.50	-
Fair value of plan assets at the end of the period	-	-
Funded Status (Surplus/Deficit)	59.50	-
Net(Asset/Liability) recognized in the Balance Sheet	59.50	-

III. The amount recognized in Statement of Profit and Loss are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2018	As at March 31,2017
Current Service Cost	6.52	-
Net Interest Cost	5.42	-
Past Service Cost	-	-
Expenses to be recognized in Profit and Loss	11.94	-

IV. The amount recognized in Statement of other comprehensive income are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2018	As at March 31,2017
Actuarial (Gains)/Losses on obligation for the period	22.80	-
Return on Plan Assets, excluding Interest Income	-	-
Change in asset ceiling	-	-
Net(Income)/Expense for the period recognized in OCI		

4. First Time adoption of Ind AS

These are Company's first financial statements prepared in accordance with Ind AS. The company has prepared the opening balance sheet as per Ind AS of April 01, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required, not recognizing items assets and liabilities which are not permitted, reclassifying items from previous GAAP to Ind AS and applying Ind AS in measurements of recognized assets' and liabilities.

5 Balance of Unsecured Loans Current Liabilities, Current Assets, Loans and Advances are subjects to confirmation and reconciliation from the respective parties. However the management does not expect any material difference affecting the financial statement for the year.

6. In opinion of the Board of Directors, the Current Assets. Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

7. Estimated amount of Contracts (for Hydro Project at Rohru) remaining to be executed on Capital Account and not provided for net of advances Rs 106.83 Lacs(Previous Year Rs 99.67 Lacs)

8. Payments to Auditors.

	(Amount in Rs)	
	Current Year	Previous Year
a) Statutory Audit Fee	148125	148125
b) Tax Audit Fee	57500	57500
c) Other Services	14375	14375

9. Deferred Tax are recognized using the Balance Sheet approach for future tax consequence of temporary difference between the carrying value of assets and liabilities and their respective tax bases.

10. Segment Reporting

Primary Segment

The Company's primary segment are Aluminum Conductor Pipes & Fitting, Irrigation System, ACC & ACP Sheets and Trading in Polymers & Aluminum Etc.

The above business segment have been identified considering:

- I. The Nature of the products
- II. The related risks and returns.
- III. The internal financial reporting systems

Description	Manufacturing)	(Manufacturing)		Others	Total
	Plastic Pipes & Irrigations	Aluminum Division	Trading		
A. Primary Segment Information					
Segments Revenue					
Sales	6625.46	14361.14	19.77	2212.41	23218.78
Total Revenue	6625.46	14361.14	19.77	2212.41	23218.78
Segments Result					
Interest					346.02
Profit/(Loss) before Tax					(2510.19)
Provision For Current Tax				-	
Profit/(Loss) after Tax					(2510.19)
Segments Assets					30196.83
Segments Liabilities					30196.83
Capital Expenditure					--
Depreciation	8.84	527.16	--	65.70	601.70

B. Secondary Segment

The Company caters all over the country

11. Related Party Disclosure

a) List of Related Parties:

Associated Companies

S.No	Name of the Related Party	Address	Relationship
1.	Chemiplast Industries	55-57, Industrial Area, Sector-1, Parwanoo	Associate Concern

Key management personnel and Relative:

1. Sh. M.L Gupta 2. Sh. Ramesh Gupta 3. Sh. Amit Gupta

b) (i) Transaction with related parties

Amount in Lacs

Sr N	Particulars	31 st March ,2018	31 st March ,2017
1.	Chemiplast Industries		
	Goods Purchases	652.18	310.56
	Goods Sold	487.75	229.58
	Payments Received	231.14	----
	Payments Made	190.20	252.61
2	Shri M.L Gupta (Director's Remuneration)	18.00	18.00
	Shri Ramesh Gupta (Director's Remuneration)	18.00	18.00
	Shri Amit Gupta (Director's Remuneration)	18.00	18.00

(ii). PAYMENTS TO DIRECTORS

Particulars	31 st March 2018	31 st March 2017
Salaries and Allowances		
Shri M.L Gupta	18.00	18.00
Shri Ramesh Gupta	18.00	18.00
Shri Amit Gupta	18.00	18.00

12. Expenditure in Foreign Currency

Capital Assets

Current Year

--

Previous Year

Aluminum, Granules Etc

--

--

Others

\$ --

\$12209.00

13. Earning in Foreign Exchange

\$ 3782066.44

\$ 6248122.70

Non Resident Holders Etc,

a) No of non resident shareholders

Nil

Nil

b) No of Share held by them

Nil

Nil

14. Earning Per Share

In determining earning per share, the company considers the net profit after tax for the year attributable to equity shareholders. The Numbers of share is the weighted average number of share

outstanding during the year. The numbers of share used in computing diluted earning per share comprise the weighted average per share considered for deriving basic earning per share, & also the weighted average numbers of share which could have been issued on the conversion of dilutive potential share,

S.No	Particular	Year Ended 31.03.2018	Year Ended 31.03.2017
A)	Net Profit & (Loss) after Tax	(2132.93)	(392.65)
B)	Weighted Average Number of Equity Share for basic EPS (in Nos)	15,12,53,694	15,12,53,694
C)	Face Value per Share	2	2
D)	Basic EPS (Rs)	---	---
E)	Diluted EPS (Rs)	---	---

15 Lease

The Company has not entered into any fresh operating leasing agreement during the year Current Financial Year.

16. Disclosure under Micro, Small, and Medium Enterprises Development Act,2006

The management of the Company has shown its inability to identify the creditors which micro and small enterprises. So due to non availability of relevant information and by accepting this representation of the management it is impracticable to provide the requisite information.

17. Expenditure on employee in receipt of remuneration of not less than Rs. 108,00,000/- per annum, if employed throughout the year or 9,00,000/- per month Nil when employed for the part of the year.

18. Provision for doubtful debts has been made on an estimated basis keeping in view the likely shortfall on account of recovery from such debtors, after taking into account costs on account of recovery.

19. The company has initiated legal actions for recovery of debts from certain customers, which matter are before jurisdictional Courts, and action for recovery is being initiated against the customers too. The amount recoverable by the company from its debtors are considered good and recoverable and adjustment on account of unrecoverable amounts ,if any and the interest for delayed payments as claimed by the company will be effected in the year of final adjudication of claims of the company.

20. The company is awaiting final sanction from its lenders in the matter of restructuring of its debts under Strategic Debt Restructuring (SDR) Scheme, which will lead to carving out of sustainable debts for future payments by the Company. Pending the aforesaid approval, the company has not accounted on debts, and amount un provided as the end of the year computed as per sanctioned is Rs 40.85 Crore (Previous year Rs 17.00 Crores).The company will account the amount payable towards overdue interest, if any, as the time of approval of aforesaid sanction by the all concerned.

21. Other Income includes Rs 13,29,76,899/- on account of Unsecured Loan written back.

- 22.** The Company has claim of Rs. 13.97 Crores recoverable from Hyderabad Industries Limited in terms of an Agreement dated 06/09/2010. The claim is in respect of a value date 31/03/2018 which amount continues to accrue in accordance with the aforesaid agreement arising out of nonpayment of claim. The company in pursuance of the Agreement had initiated arbitration proceedings before the Learned Arbitral Tribunal comprising Punjab, Haryana high Court at Chandigarh. The claim includes expenditure incurred by the Company in fulfilling its obligations under the aforesaid Agreement which has been adjusted against the respective expenditure heads. The remaining amount of claim will be accounted as income of the Company in the year the award (in case the same is favorable) is executed and the funds are unconditionally released in favour of the Company
- 23. The accounts of Bharat** Aluminum Company Limited (BALCO) and Vedanta Limited, main suppliers to the Company, are pending reconciliation as differences on account of discounts, pricing, quality, excess interest charges due to non-supply of material on time, all being subject matter of mutual discussions; the effect in respect of reconciliation difference will be accounted in the time of resolution thereof.
- 24. The amount in** respect of fixed deposits with Allahabad Bank is under reconciliation.
- 25. An insurance claim** of Rs 77.65 lacs plus interest is under appeal at National Consumer Dispute at New Delhi is pending and the company is hopeful to get favourable award.

For and on behalf of
for STURDY INDUSTRIES LTD

R.K . Deepak & Co

Chartered Accountants
Firm's Registration No 003145N

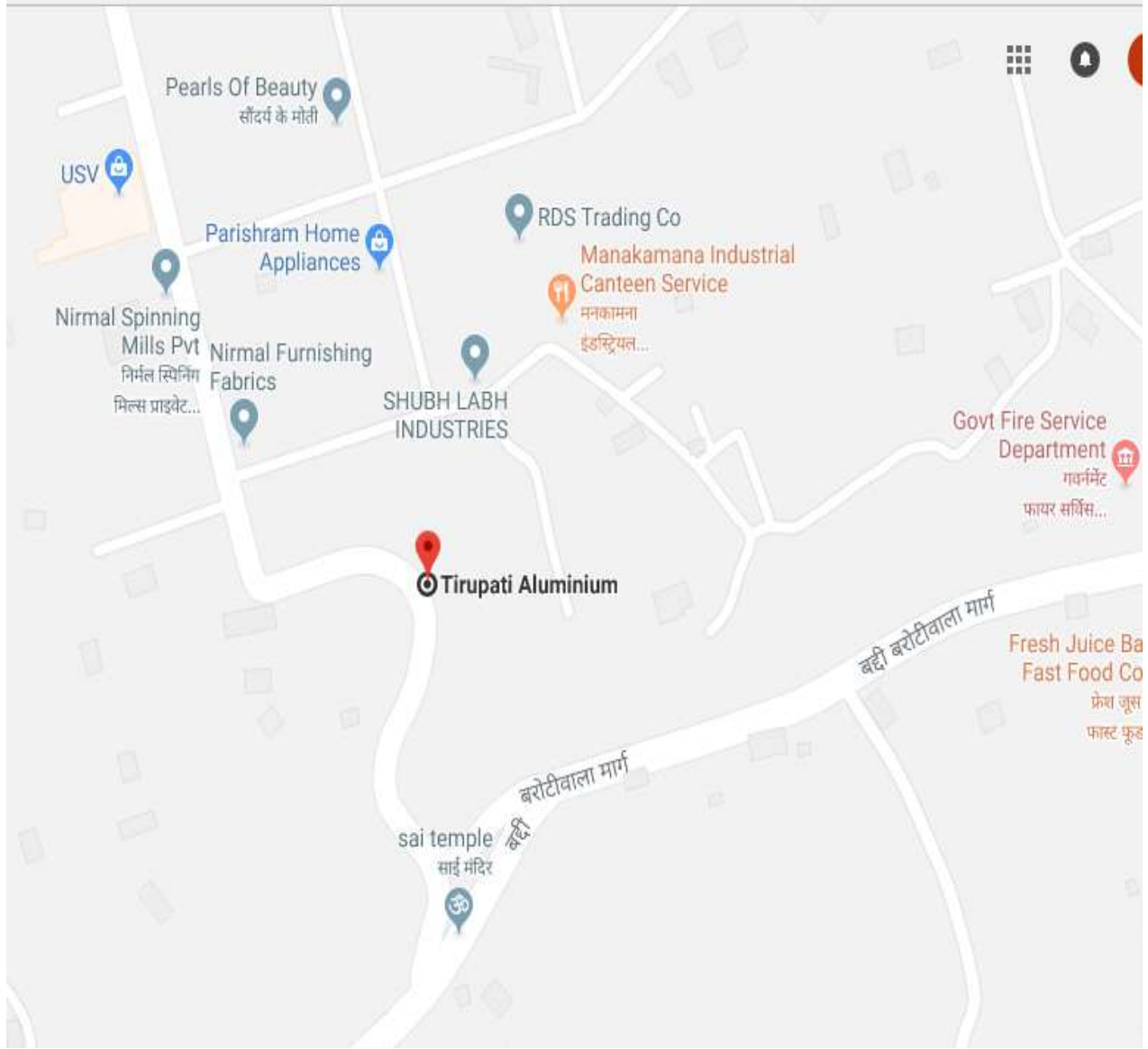
Sd/-
CA Ranjeet Singal
Partner
M.No. 090190
Place: Parwanoo
Date: 18/06/2018

Sd/-
Ramesh Gupta
Director
DIN-0161363

Sd/-
Amit Gupta
Director
DIN-0161417

ROUTE MAP TO THE VENUE OF 29TH AGM TO BE HELD ON 29.09.2018

STURDY INDUSTRIES LIMITED (TIRUPATI ALUMINIUM), BADDI- BAROTIWALA MARG, BADDI



STURDY INDUSTRIES LIMITED

(CIN-L25209HP1989PLC009557)

Regd. Office: - 21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH- 173205

Tel- 01792-232570, 232863-64, Fax- 232770, Email:-legalsturdy@gmail.com

Website: - www.sturdyindustries.com,

Form No. MGT-11

Proxy form

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

CIN: L25209HP1989PLC009557
Name of the company: STURDY INDUSTRIES LIMITED
Registered office: 21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH-173205

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

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

1. Name :	Address :
E-mail Id :	Signature :

or failing him

1. Name :	Address :
E-mail Id :	Signature :

or failing him

1. Name :	Address :
E-mail Id :	Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual general meeting of the company, to be held on **SATURDAY, 29TH DAY OF SEPTEMBER 2018 AT 09.30 A.M.** at the registered office of the company at 21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH-173205 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	RESOLUTIONS
ORDINARY BUSINESS	
1	Ordinary Resolution for consideration and adoption of the Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2	Ordinary Resolution that Mr. Amit Gupta (DIN 00161417), Whole Time Director of the Company who retires by rotation and being eligible, offers himself for the re-appointment.
3	Ordinary Resolution for appointment of statutory auditor in place of retiring Auditor
SPECIAL BUSINESS	
4	Ordinary Resolution for regularization of Additional Director Ms. Puja.
5	Ordinary Resolution for regularization of Additional Director Mr. S.K. Sharma
6	Ordinary Resolution for ratification of Remuneration of M/s Balwinder & Associates, Cost Accountant to act as Cost Auditor.
7	Special Resolution for approval of revision of remuneration of Sh. Mohan Lal Gupta, Managing Director of the Company.
8	Special Resolution for approval of revision of remuneration of Sh. Ramesh Gupta, Whole-Time Director of the Company.
9	Special Resolution for approval of revision of remuneration of Mr. Amit Gupta, Whole-Time Director of the Company.

Signed this ____ day of _____ 2018

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue
Stamp

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

STURDY INDUSTRIES LIMITED

(CIN-L25209HP1989PLC009557)

Regd. Office: - 21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH- 173205

Tel- 01792-232570, 232863-64, Fax- 232770, Email:-legalsturdy@gmail.com

Website: - www.sturdyindustries.com

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the 29th Annual General Meeting of the **Sturdy Industries Limited** being held on **SATURDAY, 29TH DAY OF SEPTEMBER 2018 AT 09.30 A.M.** at the registered office of the company at 21, INDUSTRIAL AREA, PARWANOO, BADDI, HIMACHAL PRADESH-173205, at and at any adjournment thereof.

Signature of the Shareholder	Signature of the Proxy

- Note:** 1. The copy of Annual Report may please be brought to the Meeting Hall.
2. Please note that no gifts will be distributed at the meeting.