

AMD Industries Limited



CIN: L28122DL1983PLC017141

Regd. Office: 18, Pusa Road, First Floor, Karol Bagh, New Delhi- 110005

E-mail: investor@amdindustries.com, Website: www.amdindustries.com

Tel: + 91 11 46830202 / Fax: + 91 11 28753591

NOTICE OF 35th ANNUAL GENERAL MEETING

Notice is hereby given that 35th Annual General Meeting of the Members of AMD Industries Limited will be held on Friday, 28th September, 2018 at 10.00 a.m. at Radiance Motel, Tania Farms Complex, Chattarpur Mandir Road, Satbari Village, New Delhi – 110074 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements for the financial year ended on 31st March, 2018 and the reports of the Board and Auditor's thereon.
2. To appoint a Director in place of Mr. Ashok Gupta (DIN: 00031630), who retires by rotation, and being eligible, offers himself for re-appointment.

**By Order of the Board of Directors
For AMD Industries Limited**

Place: New Delhi

Date: 09.08.2018

**Radha Shakti Garg
Company Secretary
M. No. 26661**

Regd. Office:

18, Pusa Road, 1st Floor,
Karol Bagh,
New Delhi – 110005.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.
2. Corporate Members, intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books will remain closed from Saturday, 22nd September 2018 to Friday, 28th September 2018 (both days inclusive).
4. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio Numbers on the Attendance slip for attending the meeting. All proxy holders are requested to bring their identity proof for verification and to attend the meeting.

5. In case of joint shareholders attending the Meeting, only such holder whose name appears first in the Register of Members will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice are open for inspection at the registered office of the company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual general Meeting.
7. Members who hold shares in physical form in multiple folios, in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrar and Transfer agents, Bigshare Services Private Limited for consolidation into a single folio.
8. The Members of the Company had approved the appointment of Goyal Nagpal & Company., Chartered Accountants, as the Statutory Auditors in its 34th Annual General Meeting of the Company. The said appointment is for the period of 5 years till 39th Annual General Meeting of the Company subject to ratification in every Annual General Meeting. Vide Companies (Amendment) Act, 2017, and enforcement of relevant provisions on 7th May, 2018 by Ministry of Corporate Affairs, the provision with regard to ratification of appointment of Statutory Auditor has been abolished, so not covered in the agenda of this Annual General Meeting.
9. Members, who have not received their dividend paid by the Company in respect of earlier years, are requested to check with the Company's Registrars & Transfer Agent. Members are requested to note that in terms of Section 124 of the Companies Act, 2013, any dividend unpaid/unclaimed for a period of 7 years from the date these first became due for payment, is to be transferred to the Investor Education & Protection Fund.

Members who have not yet encashed their dividends for the financial year ended 31st March, 2011 onwards are requested to make their claims to the Company's Registrars & Transfer Agents accordingly, without delay. It may be noted that the unclaimed dividend for the financial year ended 31st March, 2011 are due for transfer to the "Investor Education & Protection Fund" on 28th October 2018.

Please be noted that the members who have not claimed their dividend in any financial year of last 7 consecutive years are requested to claim their dividend. In case of no-claim the shares in respect to those will be transferred to Investor Education and Protection Fund pursuant to the provision of section 124 of the Companies Act, 2013. Intimation in this regard has already been sent to the respective shareholders and the list of the same is also available on the website of the Company i.e. www.amdindustries.com.

In the event of transfer of Shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

10. The Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members



holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to the Company / Registrar and Share Transfer Agent by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

11. The Notice of the AGM along with the Annual Report is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Annual Report is also available on Company's website www.amdindustries.com. **Members who have not registered their e-mail addresses are requested to register the same with their Depositories.**
13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Bigshare Services Private Limited / Secretarial department of the Company.
14. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office, so as to reach at least 7 days before the date of the Meeting, so that the required information can be made available at the Meeting.
15. The Members please be informed that as a matter of good corporate governance practices, no gifts, food coupons or gifts coupons shall be distributed at the Annual General Meeting.
16. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('Remote e-voting').

The Company has appointed Mr. Amar Gopal Gambhir, Proprietor of M/s A.G.G. & Associates, Company Secretaries, New Delhi to act as the Scrutinizer, for conducting the e-voting and voting process in a fair and transparent manner. The Scrutinizer will submit his report to Chairman of the company within three working days after the conclusion of meeting.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 21st September, 2017 only shall be entitled to avail the facility of remote e-voting. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date of 21st September, 2017. A person who is not

a member as on the cut-off date should treat this Notice for information purposes only.

The e-voting period begins on 25th September 2017 at 9.00 a.m. (IST) and ends on 27th September 2017 at 5.00 p.m. (IST). At the end of Remote e-voting period, the facility shall forthwith be blocked. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.amdindustries.com and on the website of NSDL immediately after the result is declared. The results shall simultaneously be communicated to the Stock Exchanges.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 28th September, 2017.

PROCEDURE FOR E-VOTING

The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating Remote e-voting for AGM. The instructions for Remote e-voting are as under:

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

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 25th September, 2018 (9.00 AM) and ends on 27th September, 2018 (5.00 PM). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

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

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

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

Details on Step 1 is mentioned below:

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

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

- Your password details are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to _____ **<Please mention the e-mail ID of Scrutinizer>** with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

**By Order of the Board of Directors
For AMD Industries Limited**

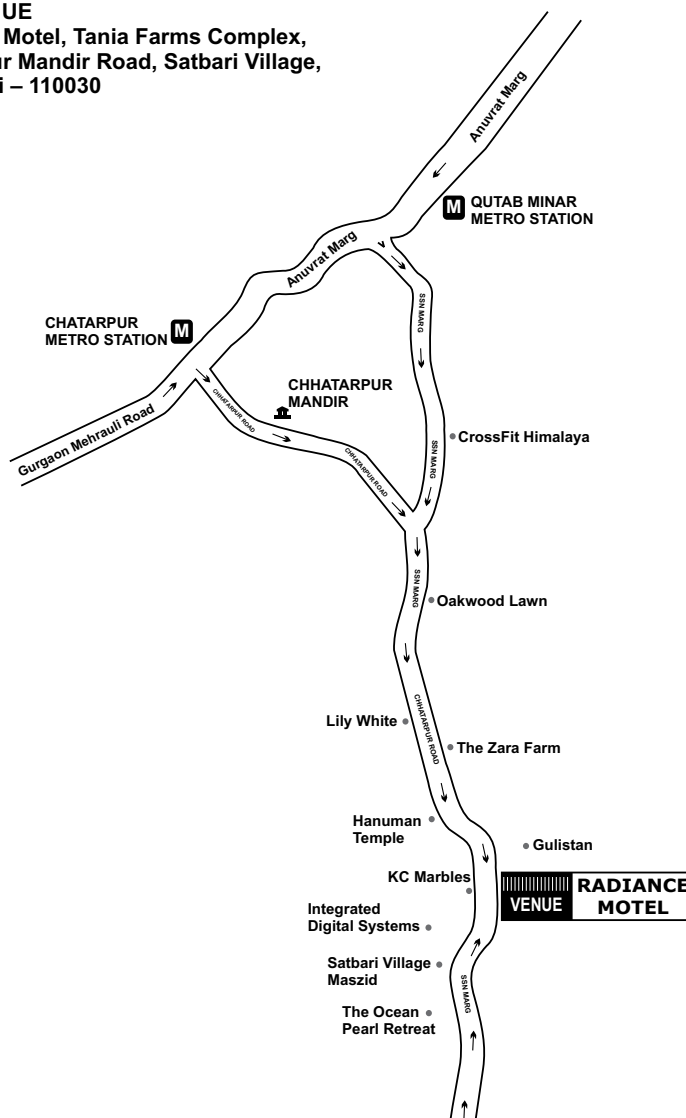
**Place: New Delhi
Date: 09.08.2018**

**Radha Shakti Garg
Company Secretary
M. No. 26661**

Regd. Office:
18, Pusa Road, 1st Floor,
Karol Bagh,
New Delhi – 110005.

ROUTE MAP

AGM VENUE
Radiance Motel, Tania Farms Complex,
Chattarpur Mandir Road, Satbari Village,
New Delhi – 110030



Annual Report 2017-18



AMD Industries Limited



OUR VISION

To take on high growth track by establishing a strong and a supportive link in the total supply chain management of our associates.

QUALITY POLICY

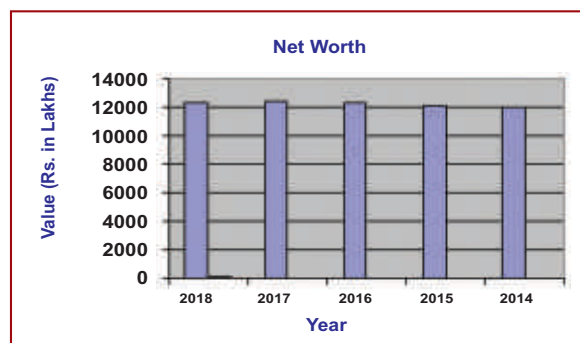
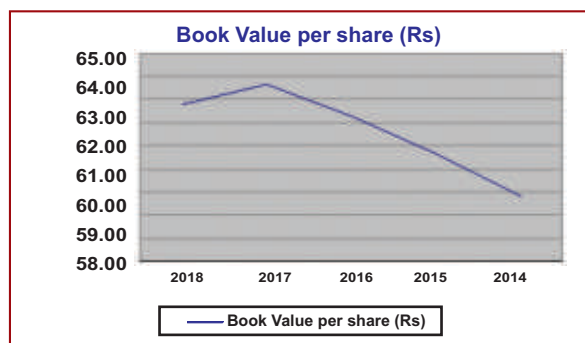
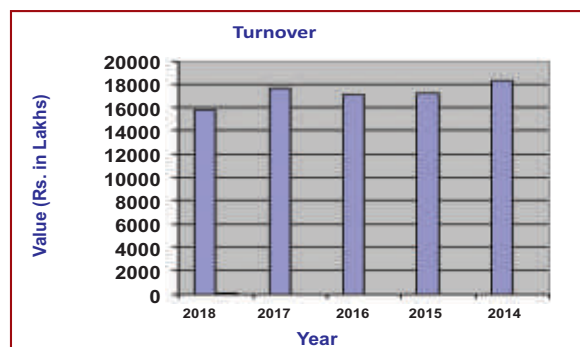
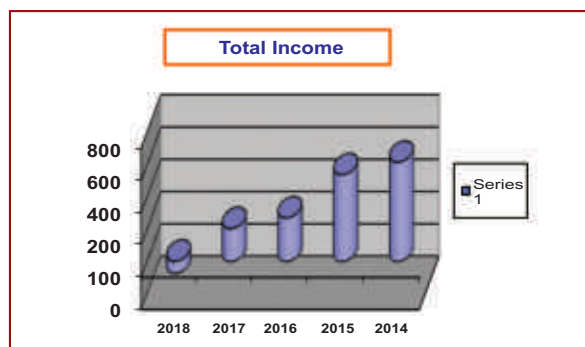
We at AMD are committed to control and improve quality, cost and delivery performance through continual improvement of the quality management. We shall increase our market share year after year through improving customer satisfaction.

FINANCIAL INDICATORS FOR PAST 5 YEARS

(RS. IN LAKHS)

PARTICULARS	YEAR ENDED 31ST MARCH				
	2018	2017	2016	2015	2014
TOTAL INCOME	15824.16	17668.32	17126.52	17217.84	18344.11
PBDIT	1705.55	2305.99	2579.33	2781.56	2845.76
PBT	-215.2	241.98	438.34	686.83	929.67
Provision for taxation					
Current	0	60	230	260	280
Deferred	-168.67	-8.93	-74.93	-76.77	62.74
Tax for earlier years	27.57	-11.04	0	0	0
PAT	-74.1	201.95	268.93	536.54	614.6
Cash Profit [^]	947.69	1362.31	1457.33	1671.06	1487.64
Fixed Assets					
Gross Block	19,909.32	18,956.14	17,038.47	16,004.82	15,485.30
Net Block	9,820.53	9,873.59	9,196.89	9,515.92	8,771.09
Equity Share Capital	1916.67	1916.67	1916.67	1916.67	1916.67
Reverses & Surplus	10423.87	10510.53	10377.15	10224.19	10044.22
Networth	12340.54	12427.2	12293.82	12140.86	11960.89
EPS (Rs.) (Annualized)	-0.39	1.05	1.4	2.8	3.21
Cash EPS (Rs.) (Annualized)	4.94	7.11	7.60	8.72	7.76
Book Value per share (Rs)	64.38	64.84	64.14	63.34	62.4

[^]Net of Deferred Tax Liability





CORPORATE INFORMATION

BOARD OF DIRECTORS

Ashok Gupta	- Chairman
Adit Gupta	- Managing Director
Mahipal	- Independent Director
Prabhat Krishna	- Independent Director
Shubha Singh	- Independent Director

KEY MANAGERIAL PERSONNEL

Adit Gupta	- Managing Director
P. K. Mukhopadhyay	- Chief Financial Officer
Radha Garg	- Company Secretary & Compliance Officer

REGISTERED OFFICE

18, Pusa Road, 1st Floor, Karol Bagh, New Delhi-110 005
Tel.: 91-11-46830202 Fax : 91-11-28753591
Email : amdgroup@amdindustries.com
Url : www.amdindustries.com
CIN : L28122DL1983PLC017141

MANUFACTURING UNITS

- 1) C-4 & C-5, Site 3, Meerut Road, Indl. Area, Ghaziabad, Uttar Pradesh
- 2) SP-32, RIICO Ind. Area, Neemrana, Rajasthan

BANKERS

State Bank of India
Punjab National Bank
Union Bank of India
Kotak Mahindra Bank
IDFC Bank
ICICI Bank

INTERNAL AUDITORS

M/s B.L. Khandelwal & Co.
Chartered Accountants
1, Doctor's Lane, Gole Market
New Delhi-110 001

STATUTORY AUDITORS

M/s Goyal Nagpal & Co.
Chartered Accountants,
20-A, Street No. 6,
Dheeraj Vihar, Korala,
New Delhi - 110 084

SECRETARIAL AUDITORS

M/s AGG & Associates
Company Secretaries
21/16, 2nd Floor, West Patel Nagar
New Delhi - 110008

LEGAL COUNSEL

Dinesh Kumar Gupta (Advocates)
C-58, Vivek Vihar, Delhi - 110059

REGISTRAR & SHARE TRANSFER AGENTS

Head Office:

Bighshare Services Pvt. Ltd.
1st, Floor, Bharat Tin Work Building, Opp. Vasant Oasis,
Makwana Road, Moral, Andheri East, Mumbai - 400059
Tel : 022 62638200, Fax : 022 626 38299

Branch Office

4-E/8, First Floor, Jhandewalan Ext., New Delhi-110055
Tel. : 011-23522373

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 35th Annual Report together with audited accounts for the financial year ended 31st March 2018.

Financial Results

The financial performance of the Company for the financial year ended 31st March, 2018 is summarized below:

(Rs. in Lakhs)

Particulars	Financial Year 2017-18*	Financial Year 2016-17*
Revenue from Operations (net of excise duty)	15462.76	17600.90
Other Income	361.40	67.42
Total	15824.16	17668.32
Profit from operations before Financial Costs, Depreciation, Exceptional Items & Tax Expenses	1705.55	2305.99
Financial Costs	898.96	903.65
Profit before Depreciation, Exceptional Item & Taxation	806.59	1402.34
Depreciation	1021.79	1160.36
Profit before Exceptional Items and Tax Expenses	-215.20	241.98
Exceptional Items	-	-
Profit before Tax	-215.20	241.98
Less: Tax Expenses	141.10	19.97
Profit/Loss for the year	-74.10	201.95
Other Comprehensive Income	-12.56	-22.10
Net Profit/Loss	-86.66	179.85
Appropriations:		
General Reserve	Nil	Nil
Dividend on Equity Shares	Nil	Nil
Tax on Dividend	Nil	Nil
Balance Carried to Balance Sheet	-107.77	23.42
TOTAL	-86.66	179.85

*The above figures are extracted from the standalone financial statements prepared as per Indian Accounting Standards (Ind AS). For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS. First-Time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

Indian Accounting Standard

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies and the listed Companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. For AMD Industries Limited, Ind AS is applicable from April 1, 2017, with a transition date of April 1, 2016 and IGAAP as the previous GAAP.

Operations

During the year under review your Company registered total revenue of Rs. **15462.76** lakhs as compared to previous year's revenue of Rs. **17600.90** lakh which shows a de-growth of approx. **12.14%** over the previous year. But this difference includes the impact of Excise duty and collection of real estate revenue. The total Operational revenue (Sale of Product) for the year 2017-18 was of Rs. 12303.84 Lakhs as compared to the year 2016-17 of Rs. 13471.85 Lakhs and there is a degrowth of Rs.1168 Lakhs approx. 8.7% less from last year. There is a Net Loss of **86.66** Lakhs as compared to Net Profit of Rs. 179.85 Lakhs (The profit reported for the previous year 2016-17 was 23.42 Lakhs, the difference of Rs. 156.43 Lakhs is due to implementation of Indian Accounting Standard)

Packaging business

During the year under review, there is a decrease in profit before tax and exceptional items against last year which is mainly due to decrease in overall sales. Over all, sales (including Job work) in PET Performs were down by approx. 8 % against last year. The sales of crowns improved by 14% but Closures down by 23 % than last year. The new product PET Jar was launched in the month of August 2017 which marked the sale of Rs. 4.43 Crores till the end of the reporting financial year 2017- 2018. So the overall sales of product including Job work decreased by approx 11%.

Real Estate Business

The company through its related company, AMD Estates & Developers Private Limited is developing a Commercial Complex at Sector-114, Gurgaon, Haryana in collaboration with VSR Infratech Private Limited, New Delhi. Since growth in the real estate market of the country has been stagnant, the development of this project has slowed down considerably. During the year under review, the company has received revenue of Rs. 71.16 Lakhs from this project.

Expansion

The company is exploring opportunities to expand its business in other geographies of the country.

Dividend

Your directors' recommends no dividend for this financial year 2017-18 due to decrease in profit as shown herein above in financial results of the Company.

Fixed deposits

During the financial year 2017-18, your Company has not invited or accepted any deposits from the public within the meaning of provisions of Section 73 of the Companies Act, 2013.

Board, Directors and Key Managerial Personnel

Your Company's Board has an optimum combination of Executive, Non-executive and Independent Directors with one women Director, as per the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). The composition of the Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Listing Regulations, 2015 and the Companies Act, 2013.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Ashok Gupta, Chairman cum Whole Time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Company has received necessary declarations from each of the Independent Directors under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of the independence as laid down in section 149(6) of the Companies Act, 2013 and Clause 49 and Regulation 16(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of programs for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: <http://amdindustries.com/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>.

Policy on directors' appointment and remuneration

The Board has constituted a Nomination & Remuneration Committee for formulating the criteria for determining qualifications, positive attributes and independence of a director, identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in Nomination & Remuneration policy and to recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel. The objective of the Nomination & Remuneration Policy is also to set out the principles governing the Company's Remuneration systems in organizational guidelines.

Board Evaluation

The Company has adopted a Performance Evaluation Policy for evaluation of performance of Independent Directors, Board, Committees and other individual Directors (non-executive directors and executive directors). On the basis of this Policy a process of evaluation is being followed by the Board for evaluation of its own performance and that of its Committees and individual Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of a questionnaire on board governance and performance issues. Individual directors met with the Chairman of the Company to discuss their responses.

The performance of the committees was evaluated by the Board after getting an evaluation report from the members of each committee which evaluates the performance of the Committee against its stated objectives and responsibilities, effectiveness of committee meetings, etc. during the year.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, committed to the Company's values, beliefs and ethics etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a 'going concern' basis;
- the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors and Auditors' Report

Statutory Auditors

Pursuant to the provision of section 139 of Companies Act, 2013, M/s Goyal Nagpal & Co. Chartered Accountants (FRN-018289C) was appointed as a Statutory Auditors of the Company, for a period of five years, by the Shareholders in its Annual General Meeting held on 28.09.2017, subject to ratification in every Annual General Meeting.

Vide Companies (Amendment) Act, 2017 and enforcement of relevant provisions on 07th May, 2018 by Ministry of Corporate Affairs, the provision with regard to ratification of appointment of Statutory Auditor has been abolished.

The financial statements, as referred to in the Auditor's Report, are self explanatory and therefore do not require further comments and explanations. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

Referring notification of Ministry of Corporate Affairs, Government of India dated 31st December 2014 with respect to applicability of Companies (Cost Records and Audit) Amendment Rules, 2014, your company is not required to get its cost records audited and thus did not proceed towards conducting Audit of Cost Audit for the financial year 2017-18.

Secretarial Auditor

M/s AGG & Associates, Company Secretaries, New Delhi was appointed to conduct Secretarial Audit for the financial year 2017-18, as required under section 204 of the Companies Act, 2013 and rules there under. The Secretarial Audit Report issued by M/s AGG & Associates is forms part of the Annual Report as Annexure-I. It does not contain any qualification, reservation or adverse remark.

Associate/ Joint Venture/ Subsidiary Companies

The company has no associate/ joint venture and subsidiary companies during the financial year under review.

The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: <http://amdindustries.com/Policy%20on%20Material%20Subsidiary.pdf>.

Corporate Governance

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. At AMD, the goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seeks to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of term. We also endeavor to enhance long- term shareholder value and respect minority rights in all our business decisions.

Our Corporate governance report for fiscal 2018 forms part of this Annual Report.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: <http://amdindustries.com/Corporate%20Social%20Responsibility%20Policy.pdf>

During the year, in compliance with CSR provisions, Company has spent Rs. 7.55 Lakhs on CSR activities. The brief content of CSR policy is given in the Annual Report on CSR activities is annexed herewith as Annexure II.

Further, pursuant to the provisions of rule 3 sub rule (2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 the provisions of section 135 in relation to spend 2% of the profit on CSR is no more applicable from 2018-19 onwards, as the profit of the company for last 3 years are below 5%, till the Company comes under the purview of Section 135 of the Companies Act, 2013. However Company may continue the same voluntarily being a socially responsible Cororate.

Internal Financial Controls

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

Meetings of the Board

The Board met four times during the financial year 2017-18, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Committees

Currently, the Board has five Committees: the Audit Committee, the CSR Committee, the Nomination and Remuneration Committee, the Management



Committee, the Stakeholder Relationship Committee. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report section of this Annual Report.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements.

Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year under review with related parties were in the ordinary course of business and at arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Company has a Policy on materiality of and dealing with Related Party Transactions, as approved by the Board, which is available at its: <http://amdindustries.com/Policy%20on%20Related%20Party%20Transactions.pdf>

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure III to this Report.

Vigil Mechanism/Whistle Blower policy

The Vigil Mechanism/Whistle Blower Policy of the Company aims to provide an avenue for directors and employees to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, unethical behavior, violation of Code of Conduct, etc. This policy also aims to create an environment where individuals feel free and secure to raise the alarm where they see a problem. It also ensures that whistleblowers are protected from retribution, whether within or outside the organization.

The Policy on vigil mechanism/whistle blower policy may be accessed on the Company's website at: <http://amdindustries.com/Whistle%20Blower%20Policy%20-%20Vigil%20Mechanism.pdf>

Particulars of Employees and related disclosures

Particulars of Employees and related disclosures in terms of the provisions of Section 197(12) of the Act read with Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed herewith as **Annexure IV** to this Report.

Risk Management

Risk is an integral and unavoidable component of business and your company is committed to managing the risk in a proactive and effective manner. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, legal risk.

Your Company adopts systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. During the year, your company has adopted a Risk Management Policy. Our risk management policy focuses on three key elements, 1) Risk Assessment; (2) Risk Management; and (3) Risk Monitoring. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks. Risk Management and Risk Monitoring are important in recognizing and controlling risks. Risk mitigation is an exercise aiming to reduce the loss or injury arising out of various risk exposures.

The Audit Committee of the Company reviews the Risk Management Policy and its implementation.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **Annexure V** to this Report.

Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its related company.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Sexual Harassment Policy

All the Company's units maintain 100% compliance with local and national laws, regarding ethics and human rights. AMD has formed Internal Complaints Committees at all of its operational locations where employees can register their complaints against sexual harassment. This is supported by the Anti-Sexual Harassment Policy which ensures a free and fair enquiry process with clear timelines for resolution. All employees are sensitised on these topics through structured training programmes. No cases of child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment were reported during the period.

Green Initiative

As in the previous years, this year too, Notice of 35th Annual General Meeting of the Company and Annual Report of the Company for the financial year 2017-18 are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent in the permitted mode.

Acknowledgement

Your Directors take this opportunity to express their sincere appreciation of the cooperation and support of our customers, business associates and bankers for their continued support during the financial year.

Your Directors wish to convey our deep appreciation to the dealers of the Company for their achievements in the area of sales and service, and to suppliers/ vendors for their valuable support.

Your Directors also place on record our sincere appreciation for the enthusiasm and commitment of Company's employees for the growth of the Company and look forward to their continued involvement and support.

On behalf of the Board of Directors

Ashok Gupta
Chairman
(DIN- 00031630)

Place: New Delhi
Date: 25.05.2018