



MOHOTA INDUSTRIES LIMITED



71st Annual Report 2017 - 2018



MOHOTA INDUSTRIES LIMITED

Vision.....

To excel as a trusted, socially responsible and customer driven organization providing maximum value to all stakeholders.

Mission.....

To manufacture quality products at competitive cost through technology and team work.

Values.....

- Ethical practice
- Customer Focus
- Commitment to Society, Safety and Environment
- Professional and transparent management
- Empowerment and Accountability
- Adaptability to “change”
- Innovation and Creativity
- Emphasis on human resource development, cost reduction, productivity enhancement and resource conservation

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Board of Directors

Chairman

Dr. Ranchhoddas Mohota

Managing Director

Vinod Kumar Mohota

Directors

Vinay Kumar Mohota

Shantilal B. Singhavi

G. G. Singhee

Suresh Rathi

K. P. Tekriwal

Ritu Kabra

Chief Financial Officer

Mukesh B. Mahajan

Company Secretary

Sachin N. Kanojiya

Bankers

State Bank of India

Bank of India

Statutory Auditor

M/s. M.M Parikh & Co., (FRN 107557W)

Chartered Accountants, Mumbai

Secretarial Auditor

Dinesh Kumar Deora,

Company Secretaries, Mumbai

Cost Auditor

G. R. Paliwal and Co. (FRN 100058)

Cost Accountants, Nagpur

Registered Office

Block No.15, 3rd Floor,

Devkaran Mansion, Gate No.2,

63, Princess Street, Mumbai – 400 002.

Corporate Office

Ram Mandir Ward, Hinganghat-442 301,

Dist – Wardha (M.S.)

Export Office

309, ACME Plaza,

Andheri Kurla Road, Andheri (E),

Mumbai – 400 059

Registrar and Share Transfer Agent

Bigshare Services Pvt. Ltd.,

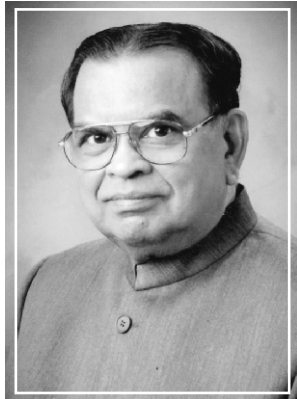
1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road, Marol,

Andheri East, Mumbai-400 059 [M.S.]

Works

1. Ram Mandir Ward, Hinganghat - 442 301
Dist – Wardha (M.S.)
2. Village Burkoni, Tah. Hinganghat - 442 301
Dist – Wardha (M.S.)



From the Chairman's Desk

Dear Shareholders,

Financial Year 2017-18 was a historic year for the Indian Economy. The landmark GST legislation came into place. While there was a lot of apprehension among businesses going into it, looking back, it seems to have been a great step for the Indian economy. The World Bank gave a massive fillip to India in its 'Ease of Doing Business' rankings, and Moody's upgraded India for the first time in 13 years. The textiles sector has specially derived substantial benefits under the new tax regime. We believe that with time, the ironing out of residual issues with this will only bring more benefits to the economy.

Your company grew the top-line at the rate of 7.69%. There was a slight improvement in margins on the back of the closure of loss-making weaving section last year. However, volatility in feedstock prices posed some challenge. Overall, we believe we achieved moderate success with various strategic initiatives announced last year. The best years, however lie ahead as we tread steadily, albeit cautiously on the strategic realignment of this 120 years old enterprise.

Like every year, this time also I would like to thank all our stakeholders including customers, employees and management for contributing meaningfully towards the growth of Mohota Industries Limited. The legacy of this company is our best asset as well as biggest responsibility. We will continue to build it up further in the coming years.

Sd/-

Dr. Ranchhoddas Mohota
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 71st Annual General Meeting of the Members of Mohota Industries Limited will be held on Thursday the 27th day of September, 2018 at 10.30 A.M. at Devkaran Mansion, Gate No.2, 3rd Floor, 63 Princess Street, Mumbai - 400 002 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Ranchhoddas Mohota, who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint a Director in place of Shri Shantilal B. Singhavi, who retires by rotation and being eligible offer himself for re-appointment.
5. To ratify the appointment of Auditors and fix their remuneration and for this purpose, 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, approval of the Company be and is hereby given to ratify the appointment of M/s M.M. Parikh & Co., Chartered Accountants, Mumbai (Firm Registration Number: 107557W) as approved by the members at its 70th Annual General Meeting of the Company held on 27th September, 2017, as the Statutory Auditors of the Company, to hold office from this Annual General Meeting (AGM) until the conclusion of the seventy fifth (75th) AGM of the Company to be held in the year 2022 at a remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus service tax, out of pocket and traveling expenses etc., incurred in connection with the Audit."

SPECIAL BUSINESS

6. Approval of Cost Auditor's Remuneration:

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 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force M/s Khanuja Patra & associates, Cost Accountants. (Firm Registration No.: 000214), appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company's Textile manufacturing units at Hinganghat and Burkoni, be paid a remuneration, for the Financial Year ending 31st March, 2019, amounting to ₹ 30,000/- plus GST as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid Audit."

7. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member.

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

"RESOLVED THAT pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of ₹ 50/- (Rupees Fifty Only) per document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

By the order of the Board
For, Mohota Industries Limited

Sd/-
Vinod Kumar Mohota
Managing Director

Place: HINGANGHAT
Date: 14.08.2018

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto and forms a part of this Notice.
2. A Member entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.
3. The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting. Members / Proxies are requested to sign the attendance slip and hand it over at the gate of the venue of the Meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the Rules framed there under, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
5. Corporate Members are requested to send a Board Resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
6. The proxy form should be signed by the appointer or his/her attorney duly authorised in writing or, if the appointer is a body corporate, the proxy form should be signed by an officer of the Company under his/her official seal or an attorney duly authorised by him/her.
7. A statement giving the details of the Directors seeking re-appointment under Item Nos. 3 and 4 of the accompanying Notice, as required under Listing Regulations is annexed herewith.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2018 to 27th September, 2018 (both days inclusive), for the purpose of AGM and determining the names of Members eligible for Dividend on Equity Shares, if declared at the AGM.
10. The dividend on Equity Shares, if declared at the Annual General Meeting, will be payable on or after 28th September, 2018 to those Members:
 - (a) Whose names appear as Members in the Register of Members of the Company after giving effect to the valid share transfers in physical form lodged with the Company/ Registrar and Transfer Agent on 19th September, 2018; and
 - (b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on 19th September, 2018 furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
11. 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 their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/ Company.
12. Members are requested to bring their copy of the Annual Report to the Meeting. Since practice of distribution of copy of Annual Report at the venue of AGM has been discontinued.
13. Members are requested to send their queries, if any, in writing at least 10 days in advance of the day of the meeting at the Registered Office of the Company.
14. **Nomination Facility:**
As per the section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members Holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
15. **Voting through Electronic means :**
In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and regulation 44 of the Listing Regulation, the Members are provided with the facility to cast their vote electronically through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, through poll shall be made available at the venue of the 71st AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

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

In case of Members receiving e-mail:

1. The voting period begins on 24.09.2018 (9.00 A.M.) and ends on 26.09.2018 (5.00 P.M.). During this period shareholders of the Company, holding shares either in Physical form or in Dematerialised form, as on the cut-off date i.e. 20.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05.00 p.m. on 26.09.2018.
2. Shareholders who have already voted prior to the meeting date would not be entitled for voting at the meeting venue.
3. The Shareholders should Log on to the e-voting website www.evotingindia.com
4. Click on "Shareholders" tab.
5. Now, select the "Mohota Industries Limited [Formerly - The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.]" from the drop down menu and click on "SUBMIT"
6.
 - i) 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.
 - ii) Next enter the Image verification as displayed and click on Login.
7. 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.
8. If you are a first time user follow the steps given below:
9. **Now, fill up the following details in the appropriate boxes.**

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field. In case the serial 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 serial number 1 then enter RA00000001 in the PAN field.
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 Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If the details are not recorded with the depository or company please enter the member ID / Folio number in the Dividend Bank details field as mentioned in instruction 6.

10. After entering these details appropriately, click on "SUBMIT" tab.
11. 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.

12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice of AGM.
13. Click on the EVSN of "Mohota Industries Limited" on which you choose to vote.
14. 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.
15. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
16. 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.
17. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
19. 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.
20. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2017. Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Note for Institutional Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - 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 compliance 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.
22. I. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com desire
- II. Please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting. If a Member casts vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated invalid. The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the Cut-off date of 20th September, 2018.
- III. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting shall be counted for the purpose of passing of resolution(s).
- IV. The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary (Membership No. FCS 5683 CP No. 4119), as the Scrutinizer, to scrutinize the e-voting process (including poll at the meeting), in a fair and transparent manner.
- V. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The report declared along with the report of the Scrutinizer shall be placed on the website of the Company- www.mohotaindustries.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).