

CONSTRUCTING A GREENER PLANET

The most Versatile, Sustainable building solutions that cater to the Industrial, Commercial and Housing development needs of Rural and Urban India.



Indian. Innovative. Iconic.

ANNUAL REPORT 2019

EcoPro offers incredible versatility in mass application.

Years of research.
Years of testing against all conditions.
Years of creating amazing innovation and flexibility.

And finally, the Sahyadri Solutions and Innovation Lab is ready for a new launch.

Probably the most versatile building material known to man.

Introducing EcoPro multi-use cement sheets from SSIL.

And here's the proof!

Durability? Proof Hai!

Termite Resistant.
Water Resistant.
Fire Resistant.
Soundproof.
High Load Bearing Capacity.

Enhances Aesthetics?

Proof Hai!

Conceals ducts, vents, wiring, plumbing and pipes.
CNC cut sheets specially designed for aesthetic appeal.

Cost effective and Economical?

Proof Hai!

Quick+ easy installation and removal.
Reduced labour and subsequent cost.
Versatile and multi-utility product mix.

EcoPro [Fins]

Now no more ugly ducts and vents in the building. Cover them with EcoPro plus get excellent ventilation.



EcoPro [Roof Underlay]

An EcoPro roof underlay solves leakage problems and cuts down noise from heavy rains. It's also dust free.



EcoPro [Mezanine]

EcoPro is lighter and yet can handle amazing load. Replace RCC slabs with this lighter durable option.



EcoPro [CNC Cut]

CNC cut designer EcoPro sheets beautify and cover ducts. Or they can be used for pure aesthetic purposes, the choice is yours.



EcoPro [Wall Partition]

Constructing a partition wall? Just use EcoPro. It's faster, lighter, thinner and water resistant!



EcoPro [Ceilings]

EcoPro conceals wiring or AC pipes, enhances aesthetics and is a quick and easy option.





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CORPORATE INFORMATION

STATUTORY AUDITOR

M/s. Vijay S Kalera & Associates
Chartered Accountants
Pune
Firm Registration No. 115160W

SECRETARIAL AUDITOR

M/s. Suvir Saraf
Practicing Company Secretary
Pune
C.P. No. 11409

ADDRESSES

COMPANY

Sahyadri Industries Limited
CIN: L26956PN1994PLC07894I
39/D, Gultekdi, J.N. Marg, Pune-411037
Email ID: info@silworld.in
Tel No. 020-26444625/26/27
Website: www.silworld.in

REGISTRAR AND TRANSFER AGENT

Sharex Dynamic (India) Private Limited
CIN: U67190MH1994PTC077176
C 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai 400083
Email ID: support@sharexindia.com
Tel No. 022-2851560604/44

BANKERS OF THE COMPANY

The Cosmos Co-operative Bank Limited

Corporation Bank

HDFC Bank Limited

Indian Overseas Bank

Standard Chartered Bank

ICICI Bank limited



REPORT OF BOARD OF DIRECTORS

BOARD'S REPORT

Dear Shareholders,

The Directors of your Company take pleasure in presenting the Twenty Fifth Annual Report on the business and operations of the Company together with financial statements for the financial year ended March 31, 2019.

I. Financial results & appropriations:

a) Financial results

	(Amount in Lakh)	
Particulars	March 31, 2019	March 31, 2018
Revenue from operations	29524.36	27545.34
Total Income	237.90	304.33
Profit before finance cost, depreciation, exceptional items and extraordinary expenses (EBITDA)	6933.90	6496.82
Depreciation and amortization (-)	1827.20	2063.08
Finance cost (-)	812.01	1128.92
Exceptional Items- Income / (Expenses)	194.01	260.78
PROFIT BEFORE TAX	4488.69	3565.61
Current tax expense (-)	1564.55	1215.26
Deferred tax (-)	265.57	91.56
NET PROFIT FOR THE YEAR	3189.71	2441.90
Less: Profit attributable to Non-controlling interest	0	0
Profit attributable to owners of the Company	3189.71	2441.90
Add: Profit brought forward from last year	0	0
Add: Re-measurements of defined benefit plans, net of tax	1.45	7.13
Less: Transfer to Debenture Redemption Reserve (DRR)	0	0
Add: On Account of Capital Reduction	0	0
Appropriation: Dividend on Equity Shares	0	0
Tax on Dividend	0	0
Balance carried forward in Balance Sheet	3191.17	2449.04

b) Company's Performance

During the financial year 2018-19, Sahyadri Industries Limited achieved revenue of Rs. 29524.36 Lakh as compared to Rs. 27545.34 Lakh in the previous year a growth of 7.18%. Profit after tax of the Company for the year stood at Rs. 3189.71 Lakh as against Rs. 2441.90 Lakh in the previous year – a growth of 30.62%.

c) Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

d) Dividend

The Board is pleased to recommend Dividend of 10%

i.e. Rs. 1/- per share of for the year ended March 2019. Total outgo on account of Dividend if declared will be Rs. 95,61,500/- (Including Dividend Distribution Tax).

The register of Members and Share Transfer Books will remain closed from 06th August 2019 to 13th August 2019 for the purpose of AGM and determining shareholders entitlement for Dividend

e) Transfer of unclaimed dividend to Investor Education and Protection Fund

During the year under review, Company has transferred unclaimed dividend amount of Rs. 1,92,032/- to IEPF account.

g) Reserves

The Board of Directors does not propose to transfer any amount to the reserves.



h) Credit Rating

During the year under review, CRISIL a Credit rating agency of the Company has change upgraded the ratings of the Company. CRISIL has upgraded the ratings of the Company from CRISIL BB/Stable/ CRISILA4+ to CRISIL BBB-/Positive/ CRISILA3.

i) Details of Internal Financial Controls with reference to the Financial Statements

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations have been developed and the same are operating satisfactorily. Internal control systems consisting of policies and procedures are designed to ensure accuracy and completeness of the accounting records and the timely preparation of reliable financial information, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

The internal financial controls with reference to the financial statements were adequate and operating effectively as endorsed by statutory auditors in their report.

j) Details in respect of frauds reported by Auditors

During the year under review, there have not been any instances of fraud and accordingly, the Statutory Auditors have not reported any frauds either to the Audit Committee or to the Board under Section 143(12) of the Act.

2. Industry Outlook and Business Overview:

Details on economic outlook, industrial outlook, business overview and analysis of the company is covered in the Management Discussion and Analysis report.

3. Financial Information and Disclosures

a) Report on Performance of Subsidiaries, Associates and Joint Venture Companies

Since Company does not have any subsidiary, joint venture or associate company, therefore this clause is not applicable to the Company.

b) Conversion of Company to Public Limited Company

During the year under review, there was no instance of conversion of company; therefore this clause is not applicable to the Company.

c) Share Capital

During the year under review, there were no changes to the structure of share capital of the company compared with previous year.

d) Fixed Deposits

During the year under review, the Company has not accepted any deposits from the public.

e) Disclosures under Section 134(3) (I) of the Companies act, 2013 – Material Changes and Commitment

During the year under review, there were no Material Changes and Commitment impacting the going concern status and Company's operations in future.

f) Disclosure regarding significant and material orders passed by regulators or Courts or Tribunal

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

g) Particulars of contracts or arrangements made with Related Parties

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

h) Particulars of Loans, Guarantees or Investments

During the year under review, Company has not extended any loans, guarantees, investments and securities to any other individual or entity under section 186 of the Companies Act 2013..

i) Disclosure under Section 43(a) (ii) of The Companies Act, 2013

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

j) Disclosure under Section 54(1) (d) of the Companies Act, 2013

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

k) Disclosure under Section 62(1) (b) of the Companies Act, 2013

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

4. Disclosures related to Board, Committees, Remuneration and Policies

a) Directors and Key Managerial Personnel

Sr. No.	Name of the Director	Designation	Category
1	Jayesh Purushottam Patel	Chairman & Whole time Director	Executive
2	Satyen Vallabhbbhai Patel	Managing Director	Executive
3	Sarita Jagannath Kotasthane	Director	Independent
4	Shrikant B Malegaonkar	Director	Independent
5	Mahendra Kumar Sharma	CFO	--
6	Prasad Zinjurde	CS	--

During the year under review, CS Yashodhara Agase and CS Akarshak Maheshwari had stepped down as Company Secretary of the Company on 30th July 2018 and 07th January 2019 respectively.

Details of Board Meetings and Committee meetings held during the year under review and attendance at the meetings are provided in Corporate Governance Report.

b) Declaration by Independent Directors

In terms of Section 149(7) of the Act, the Independent Directors have submitted their declaration confirming compliance with the criteria of independence as stipulated under Section 149(6) of the Act.

c) Information on Board Meeting procedure and attendance during the Financial Year 2018-19

The Board meetings of the Company are conducted as per the provisions of the Companies Act, 2013 and applicable Secretarial Standards. Information as mentioned in the Act

and all other material information, as may be decided by the management, are placed for consideration of the Board. Details on the matters to be discussed along with relevant supporting documents, data and other information is also furnished in the form of detailed agenda to the Board and the Committees concerned, to enable directors take critical decisions and accordingly advise the management.

Details regarding information furnished to the Board members, number of Committee and Board meetings held during the year along with attendance record of each director has been disclosed in the Corporate Governance Report of the Company.

d) Director's Remuneration Policy and Criteria for Matters under Section 178 and Payment of Commission

As stipulated under Section 178 of the Act, the Board has approved a Nomination and Remuneration Policy of the Company. The Policy documents mention in detail the mechanism for appointment, cessation, evaluation and remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company. Information on the Policy and details of the criteria for determining qualifications, positive attributes and other matters in terms of Section 178 of the Act are provided in the Corporate Governance Report.

The Company has paid Commission to the Chairman and Managing Director during the financial year under review. The Company has paid in aggregate profit related commission of 95.44 Lakh to executive directors for the financial year 2018-19 which is within 1% of profit and details of the same are provided in Corporate Governance Report.

No director of the Company who receive commission from the company and who is Managing Director or Whole Time Director of the company is disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company.

e) Annual evaluation of the performance of the Board, its Committees and Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, the Board of Directors has carried out an annual performance evaluation of its own performance and that of the Directors and Committees, internally.

It included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was led by the Chairman of Nomination and Remuneration Committee along with an Independent Director. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience, performance of duties and governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on



parameters such as attendance, contribution, independent judgment and guidance and support provided to the management.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Director's.

f) Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Directors, based on the representation received from the management, confirm that:

- i. in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2018-19 and of the profit and loss of the Company for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

g) Corporate Governance

Corporate Governance Report along with General Shareholder Information and Management Discussion and Analysis are included in this Annual Report.

The Managing Director and Chief Financial Officer have certified to the Board with regard to financial statements and other matters as required under Regulation 17(8) read with Schedule II to the Listing Regulations is annexed herewith as an Annexure I.

h) Corporate Social Responsibility and CSR Policy

Corporate Social Responsibility is an integral part of the Company's ethos and policy and it has been pursuing this on a sustained basis. In this endeavor, the Company has contributed funds for the CSR activities/project related to supply of Nutritional Food, Measures for reducing inequalities faced by socially and economically backward groups, Protection of Animal and welfare, Protection of Art and Culture etc.

During the year under review the Company was required to spent 12.20 Lakh towards CSR activities against which, the Company has spent 7.32 Lakh. The Annual Report on CSR activities as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in an Annexure - II to this Report.

i) Risk Management Policy

The Board of Directors has approved and adopted comprehensive Risk Management Policy for the Company. The Risk Management Policy is designed to manage risk within the risk threshold established by the Board and provide reasonable assurance over the achievement of strategic and operational objectives. The Policy will help in risk identification, risk measurement, define risk appetite and threshold limits and suggesting risk mitigation measures. The process is ongoing and requires continuous exercise across all locations and functions of the Company.

5. Auditors

a) Statutory Auditor

Pursuant to the provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, as amended from time to time, appointment of M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] as the Statutory Auditors of the Company was made by the members at the 23rd Annual General Meeting held on 28th September, 2017 for a term of five years, subject to the ratification of members in Annual General Meeting.

The said appointment was ratified by the members of the company in their meeting held on 10th September 2018 on the terms, conditions and remuneration as fixed by the Board.

Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company.

Independent Auditors Report is attached to the annual report and forms part of this Annual Report.

b) Cost Auditor

As per the provisions of Section 148 of the Act and Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 ("the Rules"), the Company is required to maintain cost records with respect to certain products of the Company and get the same audited. The cost records of the company are maintained as per the provisions of the Companies Act 2013.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee has appointed M/s Nimkar Mohani &

Associates to audit the cost accounts of the Company for the financial year 2019-20 on at a remuneration of Rs. 30,000/- plus Goods and services Tax as applicable. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s Nimkar Mohani and Associates, Cost Auditors is included in the Notice convening the Annual General Meeting. The Cost Audit Report for the financial year 2019-20 will be filed within the stipulated period of 30 days after it is submitted by the Cost Auditors.

c) **Secretarial Audit and Secretarial Auditors Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Suvir Saraf, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2018-19

The Secretarial Audit Report is included as "Annexure III" and forms an integral part of this Report.

6. **Other Disclosures**

d) **Particulars of employees and related disclosures**

Disclosure of remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as Annexure-IV.

e) **Conservation of Energy, Technology absorption, Foreign exchange earnings and Outgo**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in Annexure - V to this report.

f) **Extract of Annual Return**

As required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), an extract of annual return in Form MGT - 9 is attached as an Annexure VI. Extract of Annual report is place as www.silworld.in

g) **Occupational Health & Safety**

The organization believes in 'Zero Harm'. The aim is to improve health and safety standards of people who are working with the organization in their capacity as employees, contractors or in any other role. Efforts are taken to minimize activities which may affect the health and safety in working place. Steps are taken for optimum utilization of plants, with least disposal of harmful gases in environment.

h) **Disclosure as required under sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company is committed towards providing a healthy environment and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place an Internal Complaints Committee to inter-alia Prevent sexual harassment at the workplace and Redress the complaints in this regard. During the year under review, the Company has not received any complaint.

i) **Company has displayed its Annual Report on its website www.silworld.in**

j) **Company has complied with applicable Secretarial Standards (SS-1) & (SS-2) issued by Institute of Company Secretaries of India including amendments, modification if any.**

7. **Acknowledgements**

Your Directors place on record their acknowledgement for the co-operation received from the Customers, Vendors, Bankers, Associates, Collaborators and the Employees of the Company without which it would not have been possible for the Company to achieve such performance and growth.

On Behalf of the Board of the Directors FOR SAHYADRI INDUSTRIES LIMITED

SD/-
Jayesh Patel
Chairman
(DIN: 00131517)

SD/-
Satyen Patel
Managing Director
(DIN: 00131344)