

# **BNR UDYOG LIMITED**



**23<sup>rd</sup> Annual Report  
2016-2017**



## BNR UDYOG LIMITED

### TWENTY THIRD ANNUAL GENERAL MEETING

Day : Monday Date : 11-09-2017 Time : 10-15 A.M.

Venue : A'La Liberty, A.G. Heights, Road No. 12,  
Banjara Hills, Hyderabad-500 037

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## BNR UDYOG LIMITED

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Mr. Kamal Narayan Rathi	-	Managing Director	(DIN: 00011549)
Mr. Sandeep Rathi	-	Executive Director Cum CFO	(DIN: 05261139)
Mr. J. Vikramdev Rao	-	Independent Director	(DIN: 00173556)
Mr. T. Bharadwaj	-	Independent Director	(DIN: 00211834)
Dr. M. Priyadarshini	-	Independent Director	(DIN: 02268397)

#### Company Secretary

Ms. Sonal Agarwal	-	Company Secretary	(M.No: 29790 )
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#### REGISTERED OFFICE

6-3-650, 218, 2nd floor, Maheshwari Chambers,  
Somajiguda, Hyderabad – 500082, Telangana.  
Ph.No. 91-40-23375791, 23375793.

#### CORPORATE IDENTITY NUMBER

L67120AP1994PLC018841

#### STATUTORY AUDITORS

Laxminiwas & Jain,  
Chartered Accountants  
5-4-726, Station Road,  
Nampally,  
Hyderabad - 500001.

#### INTERNAL AUDITOR

M/s. P P K G & Co.  
Chartered Accountants  
4-1-371, 3<sup>rd</sup> Floor, Kundas Estate,  
Near Hotel Jaya International,  
Abids, Hyderabad - 500001.

#### SECRETARIAL AUDITOR

M/s. S. S. Reddy & Associates  
Practicing Company Secretaries  
Plot No.6-3-354/13, A1, Suryateja  
Apartments, Hindi Nagar,  
Punjagutta, Hyderabad-500034

#### AUDIT COMMITTEE

1. Mr. J. Vikramdev Rao	-	Chairman
2. Mr. T. Bharadwaj	-	Member
3. Dr. M. Priyadarshini	-	Member

#### NOMINATION & REMUNERATION COMMITTEE

1. Mr. T. Bharadwaj	-	Chairman
2. Dr. M. Priyadarshini	-	Member
3. Mr. J. Vikramdev Rao	-	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

1. Mr. J. Vikramdev Rao	-	Chairman
2. Mr. T. Bharadwaj	-	Member
3. Dr. M. Priyadarshini	-	Member
4. Mr. Sandeep Rathi	-	Member

#### BANKERS

HDFC Bank Ltd.  
The A.P. Mahesh Co-op Urban Bank Ltd  
State Bank of India

#### REGISTRAR & SHARE TRANSFER AGENTS

Karvy Computer Shares Pvt. Limited,  
Karvy Selenium Tower B, Plot No. 31  
32, Gachibowli, Financial District,  
Nanakramguda, Hyderabad-500 032  
Tel : 040-67161500 Fax 040-23001153

#### LISTED AT

BSE Limited.

#### DEMAT ISIN NUMBER IN NSDL & CDSL

INE355C01016

#### WEBSITE

www.bnrul.com

#### INVESTOR E-MAIL ID

info@bnrul.com



## BNR UDYOG LIMITED

### NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Shareholders of M/s. BNR Udyog Limited will be held on Monday, the 11th day of September 2017 at 10.15 a.m. at A'La Liberty, A.G. Heights, Road No. 12, Banjara Hills, Hyderabad - 500 037 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March 2017.
3. To appoint a director in place of Mr. Sandeep Rathi (holding DIN: 0561139), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Laxminiwas & Co., as Statutory Auditors in place of retiring auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and pursuant to recommendation of Audit Committee, M/s. Laxminivas & Co., be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this 23<sup>rd</sup> Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2018 as may be determined by the Audit Committee in consultation with the Auditor from time to time.”

For and on behalf of the Board,  
**BNR Udyog Limited**

Sd/-

**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549

Place : Hyderabad  
Date : 05-08-2017



## BNR UDYOG LIMITED

### NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

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 (50) members and holding in 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 proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 05.09.2017 to 11.09.2017 (Both days Inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within a period of 30 days to those members whose name appear as:
  - (a) Beneficial Owners as on 05.09.2017 on the lists of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited; and
  - (b) Members in the Register of Members of the Company after giving effect to valid share transfer in the physical form lodged with the Company on or before 05.09.2017.
8. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
9. 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 the Company/ Registrar and Share Transfer Agents (M/s. Karvy Computershare Private Limited.)
10. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.



## BNR UDYOG LIMITED

11. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **M/s. Karvy Computershare Private Limited.**, Share Transfer Agents of the Company for their doing the needful.
12. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission / transposition, Demat / Remat, change of address, issue of duplicate share certificates, ECS and nomination facility.
14. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/ RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
15. Electronic copy of the Annual Report for 2016-2017 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 2016-2017 is being sent in the permitted mode.
16. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website [www.bnrul.com](http://www.bnrul.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office 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 communication, the shareholders may also send requests to the Company's investor email id: [info@bnrul.com](mailto:info@bnrul.com)
17. **Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 05.09.2017, are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on 08.09.2017 and will end at 5.00 p.m. on 10.09.2017. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The Company has appointed Mr. S. Sarveswar Reddy, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.
18. **Procedure for remote e-voting**
  - I. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:
    - (a) In case of Members receiving an e-mail from Karvy:



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- (i) Launch an internet browser and open <https://evoting.karvy.com>
  - (ii) Enter the login credentials (i.e. User ID and password). The Event, No., Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - (iii) After entering the above details click on - Login.
  - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
  - (v) On successful login, the system will prompt you to select the e-Voting Event
  - (vi) Select the EVENT of BNR Udyog Limited and click on - Submit.
  - (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
  - (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
  - (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xi) 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, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net). They may also upload the same in the e-voting module in their login. The scanned images of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip
- I. INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.
    - (i) EVENT  
(e-Voting Event Number)                      USER ID                      PASSWORD
    - (ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.
  - II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
  - III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
  - IV. The voting rights shall be as per the number of equity shares held by the Member(s) as on 05.09.2017. Members are eligible to cast vote electronically only if they are holding shares as on that date.
  - V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at 9.00 a.m. on Friday, 08-09-2017 and will end at 5.00 p.m. on Sunday, 10-09-2017. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.



## BNR UDYOG LIMITED

- VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- VII. 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.
- VIII. Members who have acquired shares after the despatch of the Annual Report and before the book closure may obtain the user ID by approaching the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- (a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399  
Example for NSDL : MYEPWD <SPACE> IN12345612345678  
Example for CDSL : MYEPWD <SPACE> 1402345612345678  
Example for Physical : MYEPWD <SPACE> XXX1234567
- (b) If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a new password.
- (c) Member may call Karvy's toll free number 1-800-3454-001
- (d) Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com)
- IX. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Private Limited
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) 05.09.2017.
20. The Register of Director's and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
21. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board,  
**BNR Udyog Limited**

Sd/-

**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549

Place : Hyderabad  
Date : 05-08-2017



## BNR UDYOG LIMITED

### DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting before you the 23<sup>rd</sup> Director's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

#### 1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31<sup>st</sup> March, 2017 has been as under:

Particulars	Amount (Rs. in Lakhs)	
	2016-17	2015-16
Total Income	1295.49	851.52
Total Expenditure	1261.77	868.85
Profit before Tax	33.72	(17.33)
Provision for Taxation	1.07	3.62
Profit after Tax	32.65	(20.95)
Transfer to General Reserve	1-00	---
Profit available for appropriation	31.65	(20.95)
Provision for Proposed Equity Dividend	25.28	---
Balance Carried to Balance Sheet	6.37	(20.95)

During the year under review, the Company has recorded a total income of Rs. 1295.49 Lakhs and profit of Rs. 32.65 Lakhs as against the income of Rs. 851.52 Lakhs and loss of Rs. 20.95 Lakhs in the previous financial year ending 31.03.2016.

#### 2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the Company between 31<sup>st</sup> March and the date of Board's Report. (i.e. 05.08.2017)

#### 3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

#### 4. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

#### 5. TRANSFER TO RESERVES:

During the year under review, the Company has transferred an amount of Rs. 1,00,000 /- to General Reserves.



**6. DIVIDEND:**

The Directors are pleased to recommend a Dividend of Re.0.70 per share on the Paid up Equity Share Capital of the Company in respect of the financial year 2016-17. The total outgo on account of dividend, inclusive of dividend tax stands at Rs. 25,27,511/-- for which necessary provision has been made in the accounts.

**7. REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review.

**8. 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.

**9. 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.

**10. 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.

**11. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**12. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS, IMPACTING THE GOING CONCERN BASIS OF THE COMPANY:**

There were no significant material orders passed by regulators, courts, tribunals, impacting the going concern basis of the Company.

**13. AUTHORISED AND PAID UP CAPITAL OF THE COMPANY:**

The authorized capital of the Company stands at Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs.10/-each and The Company's paid up capital stands at Rs.3,00,00,000/- divided into 30,00,000 equity shares of Rs. 10/- each.

**14. EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report.

**15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of the companies Act,2013 Mr. Sandeep Rathi ((holding DIN: 05261139) Executive Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.



## BNR UDYOG LIMITED

Particulars	Details
Brief Resume of the Director	Master's in Business Systems from University of Alabama, Tuscaloosa, Alabama and the Monash University, Victoria, Melbourne, Australia.
Nature of expertise in specific areas	I.T & ITES, E-Governance Projects and Overseas Operations
Disclosure between directors inter-se	Son of Mr. Kamal Narayan Rathi, Managing Director of the Company
Names of Listed companies where the Director holds directorship and the membership of Committees of the board	None
Shareholding	1,35,774 Equity Shares

### 16. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declaration from each independent director under Section 149 (7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149 (6) of the companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 17. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LODR) Regulations, 2015. The same has been placed on the website of the Company.

### 18. DIRECTOR'S RESPONSIBILITY STATEMENT:

**In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:**

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- 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.



**19. GOODS AND SERVICES TAX (GST)**

The introduction of Goods and Services Tax (GST) is a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, it would mitigate cascading or double taxation in a major way and pave the way for a common national market.

The transition to GST scenario is a major change process and the Company has established a dedicated team to evaluate the impact analysis and carry out changes to the business process & IT systems as per the GST framework.

**20. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:**

The Company does not have any subsidiary Company (ies).

**21. STATUTORY AUDITORS:**

The existing auditors M/s. Laxminivas & Jain will retire at the ensuing Annual General Meeting. Accordingly, the appointment of M/s. Laxminivas & Co., as statutory auditors of the Company, in place of retiring auditors is placed for approval by the shareholders. The Auditors' Report for fiscal year 2017 does not contain any qualification, reservation or adverse remark.

**22. INTERNAL AUDITORS:**

M/s. P P K G & Co, Chartered Accountants, Hyderabad are the internal Auditors of the Company for the financial year 2017-18.

**23. SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

The Board at its meeting held on May 29, 2017, has reappointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2017-18.

**24. AUDIT REPORTS:**

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust growth in the industry.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of Section 204 of the Companies Act 2013 has noted that the same does not have any reservation, qualification or adverse remarks.

**25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

**A. Conservation of Energy:**



## BNR UDYOG LIMITED

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

### **B. Technology Absorption:**

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

### **C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings: Rs. 39,13,509/- (\$ 58,307)  
Foreign Exchange Outgo: Rs. NIL

### **26. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

### **27. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

### **28. INSURANCE:**

The properties and assets of your Company are adequately insured.

### **29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, form part of the notes to the financial statement provided in this Annual Report.

### **30. RISK MANAGEMENT POLICY:**

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

### **31. RELATED PARTY TRANSACTIONS:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on 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 Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.bnrul.com](http://www.bnrul.com).



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Your Directors draw attention of the members to Note 2 (iii) to the financial statement which sets out related party disclosures.

### **32. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

### **33. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under Section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, the ratio of remuneration to maiden employees is 1: 2.14 times in case of Mr. Kamal Narayan Rathi, Managing-Director of the Company and 1: 1.04 times in case of Mr. Sandeep Rathi, Executive Director of the Company.

### **34. NON-EXECUTIVE DIRECTOR'S COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

### **35. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

### **36. SECRETARIAL STANDARDS:**

The Company are in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### **37. EMPLOYEE RELATIONS:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing more than Rs. 8,50,000/- per month or Rs.102,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies(Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

### **38. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

### **39. BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge,



skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, [www.bnrul.com](http://www.bnrul.com)

**40. BOARD EVALUATION:**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as :

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the **Corporate Governance Report**. The Board approved the evaluation results as collated by the nomination and remuneration committee.

**41. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company framed the following policies which are available on Company's website i.e. [www.bnrul.com](http://www.bnrul.com)

- Board Diversity Policy
- Policy on Preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarisation Programme for Independent Directors
- Sexual Harassment Policy
- Related Party Policy
- Code of Conduct for Board of Directors and Senior Management Personnel

**42. 'BNR UDYOG' CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and



ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price, sensitive information and code of conduct for the prevention of insider trading, is available on our website [www.bnarul.com](http://www.bnarul.com)

**43. BOARD OF DIRECTORS:**

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of the Company.

As trustees, the Board has a fiduciary responsibility towards all the shareholders and ensures that the Company has clear goals aligned to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders' aspirations and societal expectations. The Board, as part and parcel of its functioning, also periodically reviews its role.

**44. COMPOSITION OF THE BOARD:**

The composition of the Board of Directors of the Company is an appropriate combination of executive and non-executive Directors with right element of independence. As on March 31, 2017, the Company's Board comprised of five Directors, two promoter Directors. In addition, there are three independent Directors on the Board. In terms of clause 17(1) (b) of SEBI (LODR) Regulations, 2015, the Company is required to have one half of total Directors as independent Directors. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the non-executive Directors other than independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

**45. NUMBER OF BOARD MEETINGS:**

The Board of Directors met Four (4) times during the financial year, on 30.05.2016, 03.08.2016, 11.11.2016 and on 07-02- 2017. The maximum time gap between any two meetings was less than four months. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

**46. ATTENDANCE AND DIRECTORSHIPS HELD:**

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are Whole-Time Directors in any listed Company, then they do not serve as independent director in more than three listed Companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.



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**Table-1**

Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Mr.Kamal Narayan Rathi	Father of Mr.Sandeep Rathi	P & MD	4	4	Yes	—	—	—
Mr. Sandeep Rathi	Son of Mr. Kamal Narayan Rathi	P & ED	4	4	Yes	—	—	—
Mr. J. Vikramdev Rao	None	ID & NED	4	3	Yes	—	—	—
Mr. T. Bharadwaj	None	ID & NED	4	4	Yes	—	—	—
Dr. M. Priyadarshini	None	ID & NED	4	4	Yes	—	—	—

#### **47. INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facts of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Annual business plan.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required.
- Expansion projects and its status monitoring.
- Fatal or serious accidents, injuries or any material environmental problems, if any.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- Significant labour problems and their proposed solutions, whenever necessary.
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.



- Quarterly disclosure of all the investments made.
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any.
- Quarterly review of compliance status under various laws applicable to the Company.
- Substantial non-payment of goods sold by the Company except disputes.
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business.
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**48. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarise with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Details of the same are available on [www.bnarul.com](http://www.bnarul.com)

**49. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mr. Kamal Narayan Rathi, Managing Director and Mr. Sandeep Rathi, Executive Director cum CFO of the Company are inter se related as father and son respectively

**50. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:**

None of the Non-executive Directors of the Company hold any shares and convertible instruments in their name.

**51. COMMITTEES OF THE BOARD:**

The Company has four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**52. AUDIT COMMITTEE: (Constituted in terms of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations, 2015).**

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The Company has constituted a qualified and independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits. The brief description of the terms of reference of the Committee is given below:

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and



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- that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval of payment for any other services.
  - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
  - Reviewing with management the annual financial statements before submission to the Board, focusing on:
    - a. Any changes in accounting policies and practices.
    - b. Qualification in draft audit report.
    - c. Significant adjustments arising out of audit.
    - d. The going concern concept.
    - e. Compliance with accounting standards.
    - f. Compliance with stock exchange and legal requirements concerning financial statements and
    - g. Any related party transactions.
  - Reviewing the Company's financial and risk management policies.
  - Disclosure of contingent liabilities.
  - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - Discussion with internal auditors of any significant findings and follow-up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into the 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.
  - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - Reviewing compliances as regards the Company's Whistle Blower Policy.

### **B. COMPOSITION, MEETINGS & ATTENDANCE:**

The composition of the Audit Committee and the details of meetings attended by its members are given below:

The Audit Committee met Four times during the year on 30.05.2016, 03.08.2016, 11.11.2016 and 07.02.2017.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. J. Vikramdev Rao	Chairman	NED(I)	4	3
Mr. T. Bharadwaj	Member	NED(I)	4	4
Dr. M. Priyadarshini	Member	NED(I)	4	4

**NED (I)** : Non Executive Independent Director



**53. NOMINATION AND REMUNERATION COMMITTEE: (Constituted in terms of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR Regulations, 2015)**

The Committee comprises of three non-executive independent Directors

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Executive Director based on their performance and defined assessment criteria.

**B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:**

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. T. Bharadwaj	Chairman	NED(I)	-	-
Mr. J. Vikramdev Rao	Member	NED(I)	-	-
Dr. M. Priyadarshini	Member	NED(I)	-	-

**NED (I)** : Non Executive Independent Director

**54. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

**Policy:**

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
  - General understanding of the Company's business dynamics, global business and social perspective.
  - Educational and professional background.
  - Standing in the profession.
  - Personal and professional ethics, integrity and values.
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.



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2.1 The proposed appointee shall also fulfil the following requirements.

- shall possess a Director Identification Number.
- shall not be disqualified under the Companies Act, 2013.
- shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting.
- shall abide by the code of conduct established by the Company for Directors and senior Management personnel.
- shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made.
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013.

3. Criteria of independence

3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.3 The independent Director shall abide by the “code for independent Directors” as specified in Schedule IV to the companies Act, 2013.

4. Other directorships/ committee memberships

4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited Companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited Companies.

4.3 A Director shall not serve as an independent Director in more than 7 listed Companies and not more than 3 listed Companies in case he is serving as a whole-time Director in any listed Company.

4.4 A Director shall not be member in more than 10 committees or act as chairman of more than 5 committee across all Companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and Stakeholder's Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other Companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

**55. STAKEHOLDER'S RELATIONSHIP COMMITTEE: (Constituted in terms of Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations, 2015)**

The Company has constituted a Stakeholder's Relationship Committee pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.



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### i. Terms of Reference

The Committee considers and resolves the grievances of the security holders. The Committee also reviews the manner and time-lines of dealing with complaint letters received from Stock Exchanges/SEBI/Ministry of Corporate Affairs etc., and the responses thereto. Based on the delegated powers of the Board of Directors, the Managing Director approves the share transfers/transmissions on a regular basis and the same is reported at the next meeting of the Committee, normally held every quarter.

Ms. Sonal Agarwal, Company Secretary is the Secretary to the Committee and the Compliance Officer appointed for the compliance of capital market related laws.

### ii. Composition:

The composition of the Stakeholder's Relationship Committee and the details of meetings attended by its members are given below:

Name	Designation	Category	Number of Meetings during the financial year 2016-17	
			held	Attended
Mr. J. Vikramdev Rao	Chairperson	NED(I)	4	3
Mr. T. Bharadwaj	Member	NED(I)	4	4
Dr. Priyadarshini Manvikar	Member	NED(I)	4	4
Mr. Sandeep Rathi	Member	ED cum CFO	4	4

**NED (I)** : Non Executive Independent Director

**ED cum CFO:** Executive Director cum Chief Financial Officer

### iii. Meetings

Four Stakeholder's Relationship Committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

30.05.2016, 03.08.2016, 11.11. 2016 and 07.02.2017.

The necessary quorum was present for all the meetings.

### 56. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17

NUMBER OF COMPLAINTS	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange/ SCORE and so on	NIL
Number of complaints resolved	NIL
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2017	NIL
Complaints pending as on March 31, 2017	NIL
Number of Share transfers pending for approval, as on March 31, 2017	NIL



**57. REMUNERATION OF DIRECTORS:**

**A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS**

**VIS-À-VIS THE LISTED COMPANY:** The Non- Executive Directors have no pecuniary relationship or transactions.

**B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

**Policy:**

**1. Remuneration to Executive Director and key managerial personnel**

- 1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall limit approved by the shareholders.
- 1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
- 1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
  - (i) Basic pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retrial benefits
  - (vi) Annual Performance Bonus
- 1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual Performance Bonus will be approved by the committee based on the achievement against the annual plan and Objectives.

**2. Remuneration to Non – Executive Directors**

- 2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.
- 2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

**3. Remuneration to other employees**

- 3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2016-17.**



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Name of the Director	Salary (Rs.)	Sitting Fees (Rs.)	No. of Shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. Kamal Narayan Rathi	9,70,984	—	17,37,634	—	—	—	—
Mr. Sandeep Rathi	5,07,632	—	1,35,774	—	—	—	—
Mr.J.Vikramdev Rao	—	10,194	—	—	—	—	—
Mr. T. Bharadwaj	—	13,592	—	—	—	—	—
Dr. M. Priyadarshini	—	13,592	—	—	—	—	—

### 58. INDEPENDENT DIRECTOR'S MEETING:

As per clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 07.02.2017, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes 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 etc. The details of the familiarization program is given at Company's website (<http://www.bnrul.com> Investor Relations)

The meeting also reviewed and evaluated the performance of non-independent directors. The Company has 2 non-independent directors namely:

- i.) Mr. Kamal Narayan Rathi –Managing Director
- ii.) Mr. Sandeep Rathi – Executive Director cum CFO

The meeting recognized the significant contribution made by Mr. Kamal Narayan Rathi in directing the Company towards the success path and placing the Company globally in Medical Transcription.

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the Company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.



- Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

**59. REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTOR'S INDEPENDENCE:**

**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

- 2.1 "Director" means a director appointed to the Board of a Company.
- 2.2 "Nomination and Remuneration Committee" means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 2.3 "Independent Director" means a director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**Remuneration policy for Directors, key managerial personnel and other employees:**

**1. Scope:**

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

- 2.1 "Director" means a Director appointed to the Board of the Company.
- 2.2 "Key Managerial Personnel" means
  - (i) The Chief Executive Office or the managing director or the manager;
  - (ii) The Company Secretary;
  - (iii) The Executive director;
  - (iv) The Chief Financial Officer; and
  - (v) Such other office as may be prescribed under the Companies Act, 2013
- 2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**60. FORMAL ANNUAL EVALUATION:**

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the Schedule IV and rules made thereunder and regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors of the Company had a meeting on



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17/02/2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has two non-independent directors namely:

- i.) Mr. Kamal Narayan Rathi –Managing Director
- ii.) Mr. Sandeep Rathi –Executive Director cum CFO

The meeting recognized the significant contribution made by Mr. Kamal Narayan Rathi in directing the Company towards the success path and placing the Company globally in Medical Transcription. The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings.
- Attendance at the Board/Committee meetings.
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the Company's governance practices.
- Ensuring a transparent board nomination process with the diversity of experience, knowledge & perspective in the Board.
- Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.
- It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

### 61. RISK MANAGEMENT COMMITTEE:

#### A.) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. Kamal Narayan Rathi	Chairman	MD
Mr. T. Bharadwaj	Member	NED(1)
Mr. Sandeep Rathi	Member	ED cum CFO

**NED (I)** : Non Executive Independent Director

**MD** : Managing Director      **ED** : Executive Director      **CFO** : Chief Financial Officer

#### B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy



## BNR UDYOG LIMITED

- Validating the process of risk management.
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

### 62. DETAILS ON GENERAL BODY MEETINGS:

#### A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special Resolution
2015-16	13.09.2016	10.30 A.M.	Rajasthan Graduate Association, Snatak Bhawan, 5-4-790/1, 1 <sup>st</sup> Floor, Abids, Hyderabad – 500 001.	1. The appointment of Mr. J. Vikramdev Rao as an Independent Director, who has the attained the age of 70 years .
2014-15	03.09.2015	10.30 A.M.	Hotel Inner Circle, Rajbhavan Road, Somajiguda, Hyderabad-82.	1. Re-appointment of Mr. Kamal Narayan Rathi (DIN: 00011549) as M. Director. 2. Amendment of Articles of of the Company.
2013-14	03.09.2014	10.00 A.M.	Hotel Inner Circle, Rajbhavan Road, Somajiguda, Hyderabad-82.	

### 63. PASSING OF RESOLUTIONS BY POSTAL BALLOT:

There were no resolutions passed by the Company through Postal Ballot during the financial year 2016-17.

### 64. MEANS OF COMMUNICATION:

The Company regularly intimates its financial results, audited/limited reviewed, to the Stock Exchange, as soon as the same are taken on record/approved. These financial results are published in the Business Standard in English and Nava Telangana in Telugu language newspaper, respectively. These results are not distributed/ sent individually to the shareholders.

In terms of the requirements of listing regulations of SEBI, the un-audited financial results as well as audited financial results, shareholding pattern of the Company and Corporate Governance Report are electronically submitted, unless there are technical difficulties and are displayed through Corporate Filing and Dissemination System viz., on [www.listing.bseindia.com](http://www.listing.bseindia.com). The un-audited financial results as well as audited financial results, shareholding pattern of the Company and Report on Corporate Governance are displayed on [www.bseindia.com](http://www.bseindia.com).

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

### 65. GENERAL SHAREHOLDER INFORMATION:

#### ANNUAL GENERAL MEETING:

A) The Twenty-Third Annual General Meeting of the Company will be held as per the following



## BNR UDYOG LIMITED

schedule:

Day	Monday
Date	11.09.2017
Time	10.15 a.m.
Venue	A'La Liberty, A.G. Heights, Road No. 12, Banjara Hills, Hyderabad-37

**B) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)**

Financial Year	2017-18
First Quarterly Results	14.08.2017
Second Quarterly Results	14.11.2017
Third Quarterly Results	14.02.2018
Fourth Quarterly Results	30.05.2018
Annual General Meeting for year ending 31st March, 2018	30.09.2018

**C) NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANY'S SECURITIES ARE LISTED:**

**EXCHANGE:** BSE LIMITED, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

**D) STOCK CODE:**

EXCHANGE: BSE Limited

CODE: BNRUDY

**E) STOCK MARKET PRICE DATA:**

Month	Open Price	High Price	Low Price	Close Price	No.of Shares Traded
Apr-16	32.35	34.60	28.80	30.20	8,476
May-16	31.30	36.40	30.00	32.90	888
Jun-16	33.00	40.55	31.30	40.50	153
Jul-16	38.50	40.95	34.05	37.30	6,282
Aug-16	38.70	39.45	33.30	33.30	4,052
Sep-16	31.70	33.30	23.35	26.20	3,040
Oct-16	24.95	33.85	24.95	33.75	5,102
Nov-16	35.40	39.70	32.10	37.75	3,099
Dec-16	39.30	41.20	35.50	40.00	4,196
Jan-17	39.00	48.75	35.15	48.75	4,683
Feb-17	50.40	51.75	42.55	46.00	2,587
Mar-17	46.00	49.35	37.85	40.25	19,611



## BNR UDYOG LIMITED

**G) REGISTRAR AND SHARE TRANSFER AGENTS:**

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No. 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad-500 032

**H) SHARE TRANSFER SYSTEM:**

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and despatched within a period of 15 days from the date of receipt.

**I) DISTRIBUTION OF SHAREHOLDING:**

HOLDING	CASES	% OF CASES	NO. OF SHARES HELDS	%AMOUNT
1 – 5000	1069	84.57	154071	5.14
5001 – 10000	85	6.72	71184	2.37
10001 – 20000	46	3.64	674180	2.25
20001 – 30000	29	2.29	76138	2.54
30001 – 40000	13	1.03	47348	1.58
40001 – 50000	5	0.40	22256	0.74
50001 – 100000	8	0.63	66098	2.20
100001 and above	9	0.71	2495487	83.18

**J) DEMATERIALISATION & LIQUIDITY OF SHARES:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE355C01016. Investors are therefore advised to open a demat account with a depository participant of their choice to trade in dematerialized form. Shares held in demat and physical mode as on March 31, 2017 is as follows:

Particulars	No. of Shares	% Share Capital
NSDL	356896	11.90
CDSL	2453588	81.79
PHYSICAL	189516	6.32
Total	3000000	100.00

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with respective depository participants.

**K) ADDRESS FOR CORRESPONDANCE:**

Ms. Sonal Agarwal  
**Address:** 6-3-650, 218, 2nd floor, Maheshwari Chambers, Somajiguda,  
Hyderabad – 500082, Telangana, India Tel: +91 -40 - 23375791/ 793



## BNR UDYOG LIMITED

### 66) GENERAL SHARE HOLDER INFORMATION

**A) BOOK CLOSURE DATE:**

5th September 2017 to 11th September 2017 (both days inclusive)

**B) LISTING ON STOCK EXCHANGES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2017-18 to BSE limited.

**C) ELECTRONIC CONNECTIVITY:**

Demat ISIN Number: INE355C01016

**D) NATIONAL SECURITIES DEPOSITORY LIMITED**

Trade World, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai-13.

**E) CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**

PhirozeJeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400 023.

**F) SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH,2017:**

S.No	Category	No. of shares held	Percentage of shareholding
<b>A</b>	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	2136352	71.21
2.	Foreign		
	Individual	---	---
	<b>Sub-Total A</b>	<b>2136352</b>	<b>71.21</b>
<b>B</b>	Public Shareholding		
1.	Institutions	---	---
2.	Non Institutions		
	a. Bodies Corporate	200165	6.67
	b. Indian Public and others	663483	22.12
	Sub Total B	<b>863648</b>	<b>28.79</b>
	<b>Grand Total (A+B)</b>	<b>3000000</b>	<b>100.00</b>

### 67. OTHER DISCLOSURES

**A. COMPLIANCES:**

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

**B. DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE:**

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

**C. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.**

The Company does not have any material subsidiaries for the financial year 2016-17

**D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**



## BNR UDYOG LIMITED

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

- i. The Chairman of the Company is a Non-Executive Chairman and hence the provisions for Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.
- ii. The Financial Statements are free from any Audit Qualifications.

### **E. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website [www.bnarul.com](http://www.bnarul.com). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

### **F. DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.

#### **Code of Conduct**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

#### **Certificate of Code of Conduct for the year 2016-17 as per Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

BNRUL is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2016-17.

For and on behalf of the Board,  
**BNR Udyog Limited**

Sd/-

**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549

Place : Hyderabad  
Date : 05-08-2017



## BNR UDYOG LIMITED

### 68. DISCLOSURE UNDER ANTI SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any.

The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 69. APPRECIATION & ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the Company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

For and on behalf of the Board,  
**BNR Udyog Limited**

Place : Hyderabad  
Date : 05-08-2017

Sd/-  
**Sandeep Rathi**  
Executive Director cum CFO  
DIN : 05261139

Sd/-  
**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549

### CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY:

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015 all Board Members and the Senior Management personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2016.

For and on behalf of the Board,  
**BNR Udyog Limited**

Place : Hyderabad  
Date : 05-08-2017

Sd/-  
**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549



## BNR UDYOG LIMITED

### CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To  
The Board of Directors  
BNR Udyog Limited  
Hyderabad

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that;

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the Company's internal control system.

For and on behalf of the Board,  
**BNR Udyog Limited**

Place : Hyderabad  
Date : 05-08-2017

Sd/-  
**Sandeep Rathi**  
Executive Director cum CFO  
DIN : 05261139

Sd/-  
**Kamal Narayan Rathi**  
Managing Director  
DIN : 00011549



## BNR UDYOG LIMITED

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE.

To  
The Members of  
BNR Udyog Limited  
Hyderabad

We have examined the Compliance with conditions of Corporate Governance of M/s. BNR Udyog Limited for the year ended 31st March, 2017 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has Complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For Laxminiwas & Jain  
Chartered Accountants  
FRN: 001859S

Place: Hyderabad  
Date: 05.08.2017

Sd/-  
**Suresh Kumar Jain**  
Partner  
Mem.No. 018465



**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

\*\*

<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.</b>	<b>No. of shareholders who approached the Company for transfer of shares from suspense account during the year.</b>	<b>No. of shareholders to whom shares were transferred from suspense account during the year.</b>	<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.</b>
<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**\*\* Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**



## BNR UDYOG LIMITED

### FORM MR-3 SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

To  
The Members of  
M/s. BNR Udyog Limited, Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. BNR Udyog 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 Company's 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year commencing from 1<sup>st</sup> April, 2016 and ended 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by BNR Udyog Limited ("The Company") for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under for specified Sections notified and came in to effect from 12th September, 2013 and Sections and Rules notified and came in to effect from 1st April, 2014; and thereafter.
  - ii. The Securities Contracts (Regulation) Act, and there after 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 (FDI) and Overseas Direct Investment and External Commercial Borrowings;
  - v. The Securities and Exchange Board of India Act, 1992 ("SEBI Act')
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2016-17
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures.**
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the Company has not issued any shares during the year under review.**
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the Company has not delisted/ proposed to delist its equity shares during the year under review.**



## BNR UDYOG LIMITED

- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- v. 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; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **Not Applicable as the Company has not issued any debt securities during the year under review.**
- vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.bnrul.com](http://www.bnrul.com).**

The Company has framed the policies as mentioned below and displayed the same on the Company's website i.e. [www.bnrul.com](http://www.bnrul.com)

- Ø Board Diversity Policy
- Ø Policy on Preservation of Documents
- Ø Risk Management Policy
- Ø Whistle Blower Policy
- Ø Related Party Transaction Policy
- Ø Nomination and Remuneration Policy

3. During the year the Company has conducted 4 Board meetings, 4 Audit committee meetings, 4 Stakeholder Relationship Committee Meeting and 1 Independent Directors meeting. We have also examined compliance with the applicable clauses.
4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc.,  
We further report that the compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

### **OBSERVATIONS:**

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, **we report that:**
  - i. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
    - External Commercial Borrowings are not attracted to the Company under the financial year under report;
    - Foreign Direct Investment (FDI) is not attracted to the Company under the financial year under report;
    - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad is not attracted to the Company under the financial year under report.



## BNR UDYOG LIMITED

- ii. As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) We further report that:-
  - i. The Company has a Company Secretary namely Ms. Sonal Agarwal and CFO namely Mr. Sandeep Rathi.
  - ii. The Company has the internal auditors namely M/s. PPKG & Co. Chartered Accountants, Hyderabad.

### **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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, 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.

We further report that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For S.S. Reddy & Associates

Sd/-

**S. Sarveswar Reddy**  
Practicing Company Secretaries  
C.P.No: 7478

Place: Hyderabad

Date: 05.08.2017



## BNR UDYOG LIMITED

### Annexure A

To  
The Members of  
M/s. BNR Udyog Limited  
Hyderabad

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc.
4. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S.S. Reddy & Associates

Sd/-

**S. Sarveswar Reddy**  
Practicing Company Secretaries  
C.P.No: 7478

Place: Hyderabad  
Date: 05.08.2017



## BNR UDYOG LIMITED

### MGT 9

#### Extract of Annual Return

As on the Financial Year 31.03.2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i. CIN:-	L67120AP1994PLC018841
ii. Registration Date	29-11-1994
iii. Name of the Company	BNR Udyog Limited
iv. Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company
v. Address of the Registered office and contact details	6-3-650, 218, 2nd flr, Maheshwari Chambers, Somajiguda Hyderabad - 500082
vi. Whether listed Company Yes / No	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computer Share Pvt. Ltd. Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032

### **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:-

<b>Sl. No.</b>	<b>Name and Description of main products /services</b>	<b>NIC Code of the Product / service</b>	<b>% to total turnover of the Company</b>
1.	Investment	---	01.78
2.	Business Support Service	---	95.20
3.	Medical Transcription/IT/ITES	---	03.02

### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

N.A.



## BNR UDYOG LIMITED

### 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				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individual/HUF	2131792	4900	2136692	71.22	2131452	4900	2136352	71.21	(0.01)
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total</b>									
<b>(A) (1) :-</b>	<b>2131792</b>	<b>4900</b>	<b>2136692</b>	<b>71.22</b>	<b>2131452</b>	<b>4900</b>	<b>2136352</b>	<b>71.21</b>	<b>(0.01)</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) BodiesCorp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) AnyOther....	0	0	0	0	0	0	0	0	0
<b>Sub-total</b>									
<b>(A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2131792</b>	<b>4900</b>	<b>2136692</b>	<b>71.22</b>	<b>2131452</b>	<b>4900</b>	<b>2136352</b>	<b>71.21</b>	<b>(0.01)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0



## BNR UDYOG LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non Institutions</b>									
a) Bodies Corp.									
i) Indian	200286	13900	214186	7.14	186265	13900	200165	6.67	(0.47)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	322686	173816	496502	16.55	301152	170716	471868	15.73	(0.81)
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	146620	0	146620	4.89	185690	0	185690	6.19	1.30
c) Others (specify)									
1. Non Resident Indians	6000	0	6000	0.20	2969	0	2969	0.10	(0.10)
2. Clearing Members	0	0	0	0.00	2956	0	2956	0.10	(0.10)
Sub-total(B)(2)									
Total Public Shareholding(B) = (B)(1)+(B)(2)	<b>675592</b>	<b>187716</b>	<b>863308</b>	<b>28.78</b>	<b>679032</b>	<b>184616</b>	<b>863648</b>	<b>38.79</b>	<b>(0.01)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	<b>2807384</b>	<b>192616</b>	<b>3000000</b>	<b>100</b>	<b>2810484</b>	<b>189516</b>	<b>3000000</b>	<b>100</b>	<b>0</b>
<b>(ii) Shareholding of Promoters</b>									
1. Kamal Narayan Rathi	1734034	3600	1737634	57.92	1734034	3600	1737634	57.92	Nil
2. Mayura Rathi	150873	Nil	150873	5.03	150873	Nil	150533	5.02	(0.01)
3. Sandeep Rathi	134974	800	135774	4.53	134974	800	135774	4.53	Nil
4. Sunita Devi Rathi	48611	500	49111	1.64	48611	500	49111	1.64	Nil
5. KamalNarayan Rathi HUF	63300	Nil	63300	2.11	63300	Nil	63300	2.11	Nil



## BNR UDYOG LIMITED

### (iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mayura Rathi				
	At the beginning of the year	150873	5.03	---	---
	Date wise Increase / (Decrease) in Promoters Share holding during theyear specifying the reasons for increase / decrease (e.g.allotment /transfer /bonus/ sweatequity etc):	(100) 16-12-16 (54) 24-03-17 (186) 31-03-17		150773 150719 150533	
	At the End of the year	---		150533	5.02

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	VSL Securities Pvt. Ltd.,	115559	3.85	113045	3.77
2.	Amit Rathi	81000	2.70	81000	2.70
3.	Peeti Securities Limited	65300	2.18	65300	2.18
4.	Sangeetha S	48130	1.60	-	-
5.	Subramanian P	17490	0.58	104690	3.49
6.	Ravindra Nath	19953	0.67	19998	0.67
7.	Pradeep Kumar jain HUF	9950	0.33	9950	0.33
8.	Kishore Nand Agarwal	9946	0.33	7782	0.26
9.	Suresh Kotturi.	9719	0.32	9719	0.32
10.	Rukmani Gautam.	7988	0.27	4810	0.16
	Date wise Increase / Decrease in Promoters Share holding Gift during theyear specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL			
	At the End of the year	---	---	---	---



## BNR UDYOG LIMITED

### (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1.	<b>Kamal Narayan Rathi</b>					
		At the beginning of the year	1737634	57.92	1737634	57.92
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):				
	At the End of the year			1737634	57.92	
2.	<b>Sandeep Rathi</b>					
		At the beginning of the year	135774	4.53	135774	4.53
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):				
	At the End of the year			135774	4.53	

### VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment Amount in Rs.

Indebtedness at the beginning of the financial year	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	—	—	—
Change in Indebtedness during the financial year Addition/ Reduction	—	—	—	—
Net Change	—	—	—	—
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	—	—	—



## BNR UDYOG LIMITED

<b>VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
<i>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</i>					
Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount Rs.
		Kamal Narayan Rathi Managing Director	Sandeep Rathi Exec.Dir /CFO		
1.	Gross salary (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	Rs. 9,70,984	Rs. 5,07,632		14,78,616
2.	Stock Option	—	—		—
3.	Sweat Equity	—	—		—
4.	Commission- as % of profit- Others, specify	—	—		—
5.	Others, please specify	—	—		—
6.	Total (A)	Rs. 9,70,984	Rs. 5,07,632		14,78,616
7.	Ceiling as per the Act				
<i>B. Remuneration to other directors:</i>					<i>Amount in Rs.</i>
Sl. No.	Particulars of Remuneration	Name of Director			Total Amount
		Mr. J. Vikram Dev Rao	Mr. T. Bharadwaj	Dr. M. Priyadarshini	Amount
	Independent / Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	10,194	13,592	13,592	37,378
	Total (1)	10,194	13,592	13,592	37,378
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	—	—	—	—
	Total (2)	—	—	—	—
	Total Managerial Remuneration Total (B)=(1+2)	10,194	13,592	13,592	37,378
	Overall Ceiling as per the Act				



## BNR UDYOG LIMITED

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Ms.Sonal Agarwal	CFO	Total Rs.
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	—	Rs. 10,000 x 12 Months=Rs.1,20,000	—	1,20,000
2.	Stock Option	—	—	—	---
3.	Sweat Equity	—	—	—	---
4.	Commission- as % of profit-others, specify	—	—	—	---
5.	Others, please specify	—	—	—	---
6.	Total	—	Rs. 1,20,000	—	1,20,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
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)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—



**ANNEXURE II**

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall seek prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company
- (d) I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours faithful ly,

Sd/-

**J. Vikramdev Rao**  
DIN : 00173556

Date : 29.05.2017  
Place: Hyderabad



**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall seek prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company
- (d) I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours faithfully,

Sd/-

**T. Bharadwaj**  
DIN : 00211834

Date : 29.05.2017  
Place : Hyderabad



**ANNEXURE II**

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall seek prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company
- (d) I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours faith fully,

Date : 29.05.2017  
Place : Hyderabad

Sd/-  
**M. Priyadarshini**  
DIN : 02268397



**INDEPENDENT AUDITORS' REPORT**

**To  
The Members of  
M/s. BNR UDYOG LIMITED, Hyderabad**

**Report on the Financial Statements**

We have audited the accompanying financial statements of BNR Udyog Limited ('the Company'), which comprises the balance sheet as at 31 March 2017, the statement of profit and loss, the statement of cash flows for the year ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the 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 financial statements.



**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 financial position of the Company as at 31 March, 2017, and its financial performance and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 purposes 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, the Statement of Cash Flows and the dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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"; and
  - (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 read with Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements
    - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
    - iv. the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For LAXMINIWAS & JAIN,**  
Chartered Accountants  
Firm Registration No. 001859S

Sd/-  
**SURESH KUMAR JAIN**  
Partner  
Membership No. 018465

Place : Hyderabad  
Date : 29.05.2017



**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, the fixed assets have been physically verified by the management according to the phased program designed to cover all the fixed assets over the year. In respect of fixed assets verified according to this program, which we consider reasonable, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans to any of the parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (iv) 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 Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Value Added Tax, Duty of Customs, Service Tax, Cess and other material statutory dues applicable to it.
  - (b) According to the information and explanations given to us, there are no dues of Sales Tax, Duty of Excise, Service tax and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute except Income Tax amounting to Rs. 24,35,980/- for which the appeal is pending with the Appellate Authority.
- (viii) According to the records of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank or government during the year. The Company has not issued any debentures.
- (ix) According to the records of the Company examined by us and information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



## BNR UDYOG LIMITED

- (xi) According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us, in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For LAXMINIWAS & JAIN,**  
Chartered Accountants  
Firm Registration No. 001859S

Sd/-  
**SURESH KUMAR JAIN**  
Partner  
Membership No. 018465

Place : Hyderabad  
Date : 29.05.2017



**Annexure - B to the Auditor's Report**

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

We have audited the internal financial controls over financial reporting of BNR Udyog Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



## BNR UDYOG LIMITED

### **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 31 March 2017, 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.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of **BNR Udyog Limited**, which comprise the Balance Sheet as at March 31, 2017, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report as of date expressed an unqualified opinion thereon.

**For LAXMINIWAS & JAIN,**  
Chartered Accountants  
Firm Registration No. 001859S

Sd/-  
**SURESH KUMAR JAIN**  
Partner  
Membership No. 018465

Place : Hyderabad  
Date : 29-05-2017



## BNR UDYOG LIMITED

### BALANCE SHEET AS AT 31st March, 2017

( Value in Rs.)

PARTICULARS	Note	As at 31-03-2017	As at 31-03-2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's funds</b>			
Share Capital	2.01	3,00,00,000	3,00,00,000
Reserves and Surplus	2.02	2,35,40,803	2,28,02,865
		<b>5,35,40,803</b>	<b>5,28,02,865</b>
<b>Non-current liabilities</b>			
Long-term borrowings	2.03	—	—
Deferred tax liabilities (net)	2.04	41,74,460	40,43,107
		<b>41,74,460</b>	<b>40,43,107</b>
<b>Current liabilities</b>			
Short-term borrowings	2.05	83,46,062	1,04,08,877
Trade payables	2.06	66,74,955	6,01,65,211
Other current liabilities	2.07	31,28,991	30,18,598
Short-term provisions	2.08	25,46,227	—
		<b>2,06,96,235</b>	<b>7,35,92,686</b>
<b>TOTAL</b>		<b><u>7,84,11,498</u></b>	<b><u>13,04,38,658</u></b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Fixed assets	2.09		
Tangible assets		50,15,154	71,81,427
Intangible Assets		—	—
Capital work-in-progress		—	—
Non-current Investments	2.10	2,87,92,909	2,81,82,235
Long term loans and advances	2.11	1,45,727	1,20,727
Other non-current assets	2.12	—	80,00,000
		<b>3,39,53,790</b>	<b>4,34,84,389</b>
<b>Current assets</b>			
Current investments	2.13	1,33,45,415	84,94,469
Inventories	2.14	—	—
Trade receivables	2.15	1,17,84,711	6,46,88,032
Cash and cash equivalents	2.16	1,09,41,860	1,08,15,640
Short-term loans and advances	2.17	39,98,909	21,56,518
Other current assets	2.18	43,86,813	7,99,610
		<b>4,44,57,708</b>	<b>8,69,54,269</b>
<b>TOTAL</b>		<b><u>7,84,11,498</u></b>	<b><u>13,04,38,658</u></b>

Significant accounting policies and notes on accounts 1 & 2

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For **LAXMINIWAS & JAIN**, Chartered Accountants,

Firm Registration No. 001859S

Sd/-

**SURESH KUMAR JAIN**

Partner M.No. 018465

Place : Hyderabad

Date : 29.05.2017

Sd/-

**SONAL AGARWAL**

Company Secretary

M. No. 29790

For and on behalf of the Board

Sd/-

**KAMAL NARAYAN RATHI**

Managing Director DIN : 00011549

Sd/-

**SANDEEP RATHI**

ED cum CFO

DIN : 05261139

Sd/-

**T. BHARADWAJ**

Director

DIN : 00211834



## BNR UDYOG LIMITED

### Statement of Profit and Loss for the year ended 31st March, 2017

PARTICULARS	Note	Value in Rs.	
		As at 31-03-2017	As at 31-03-2016
<b>Revenue</b>			
<b>I Revenue from operations</b>			
Revenue from operations	2.19	12,72,42,594	8,17,03,751
Other Operating revenue		10,60,685	16,57,707
<b>Total Revenue from Operations</b>	2.19	<b>12,83,03,279</b>	<b>8,33,61,458</b>
<b>II Other Income</b>	2.20	<b>12,46,106</b>	14,94,646
<b>III Total Revenue (I+II)</b>		<b>12,95,49,385</b>	<b>8,48,56,104</b>
<b>IV Expenses:</b>			
Changes in Inventories	2.21	—	—
Purchase for Sale	2.22	2,95,524	—
Employee benefit expenses	2.23	48,71,658	1,39,96,946
Finance costs	2.24	1,84,085	4,35,543
Depreciation and amortization expense	2.09	21,32,437	29,10,594
Other expenses	2.25	11,87,16,848	6,95,42,354
<b>Total Expenses</b>		<b>12,62,00,552</b>	<b>8,68,85,437</b>
<b>V Profit before Exceptional and extra-ordinary items and Tax (III-IV)</b>		<b>33,48,833</b>	(20,29,333)
<b>VI Exceptional Items</b>	2.26	<b>23,426</b>	2,96,039
<b>VII Profit Before Tax (V-VI)</b>		<b>33,72,259</b>	<b>(17,33,294)</b>
<b>VIII Tax Expenses:</b>			
(a) Current tax net of MAT credit	2.27	18,716	—
Provision of Tax	6,42,584		—
Less MAT Credit	6,23,868		—
(b) Deferred Tax		1,31,353	3,88,418
(c) Adjustment for earlier year Taxes		(43,259)	(26,112)
<b>Total Tax Expenses</b>		<b>1,06,810</b>	<b>3,62,306</b>
<b>IX Profit for the period after Tax (IX-VIII)</b>		<b>32,65,449</b>	(20,95,600)
<b>X Earnings per equity share:</b>			
(a) Basic		1.09	(0.70)
(b) Diluted		1.09	(0.70)

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For and on behalf of the Board

For LAXMINIWAS & JAIN, Chartered Accountants,  
Firm Registration No. 001859S

Sd/-

**KAMAL NARAYAN RATHI**

Managing Director DIN : 00011549

Sd/-  
**SURESH KUMAR JAIN**  
Partner M.No. 018465  
Place : Hyderabad  
Date : 29.05.2017

Sd/-

**SONAL AGARWAL**  
Company Secretary  
M. No. 29790

Sd/-

**SANDEEP RATHI**  
ED cum CFO  
DIN : 05261139

Sd/-

**T. BHARADWAJ**  
Director  
DIN : 00211834



## BNR UDYOG LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs' 000)

PARTICULARS	2016-2017	2015-2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax and extraordinary items	3,349	(2,029)
Depreciation	2,132	2,911
Financial Charges	184	436
Operating profit before working capital changes	5,665	1,318
Adjustments for: Trade and other receivables	52,902	(54,565)
Inventories	—	7,333
Current Assets	(3,587)	(610)
Loans and advances	(1,842)	(157)
Current Liabilities & Provision/Trade payables	(55,443)	60,870
Tax	43	26
Cash generated from operations	(2,261)	14,215
Cash flow before extraordinary items	(2,261)	14,215
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(2,261)</b>	<b>14,215</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase in long term loans and advances	(25)	(25)
Increase in Fixed Deposit	3,149	(8,923)
Purchase of Fixed Assets	(195)	(11,707)
Sale of Fixed Asset	252	966
Investments (Shares) / Other Investments	(610)	695
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>2,571</b>	<b>(18,994)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loans Accepted	—	10,409
Dividend paid (Including Tax)	—	(3,611)
Financial Charges	(184)	(436)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(184)</b>	<b>6,362</b>
Net increase in cash and cash equivalents (A+B+C)	125	1,583
Add: Cash and Cash equivalent as at 01-04-2016	10,816	9,233
Cash and Cash equivalent as at 31-03-2017	10,941	10,816

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**, Chartered Accountants,  
Firm Registration No. 001859S

Sd/-

**SURESH KUMAR JAIN**  
Partner M.No. 018465  
Place : Hyderabad  
Date : 29.05.2017

Sd/-

**SONALAGARWAL**  
Company Secretary  
M. No. 29790

Sd/-

**KAMAL NARAYAN RATHI**

Managing Director DIN : 00011549

Sd/-

**SANDEEP RATHI**  
ED cum CFO  
DIN : 05261139

Sd/-

**T. BHARADWAJ**  
Director  
DIN : 00211834



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March, 2017

	As at 31-03-2017 (Rupees)	As at 31-03-2016 (Rupees)
<b>Note 2.01 SHARE CAPITAL</b>		
<b>Authorised Capital :</b> 50,00,000 (Previous Year 50,00,000) Equity Shares of Rs.10/- each	<b>5,00,00,000</b>	5,00,00,000
<b>Issued, Subscribed &amp; Paid up 30,00,000</b> (Previous Year 30,00,000) Equity Shares of Rs.10/- each.	<b>3,00,00,000</b>	3,00,00,000
<b>TOTAL</b>	<b>3,00,00,000</b>	<b>3,00,00,000</b>

**Notes :**

Particulars	2016-17		2015-16	
	No. of Shares	Value (Rs.)	No. of Shares	Value (Rs.)
Issued, subscribed and paid-up capital	30,00,000	3,00,00,000	30,00,000	3,00,00,000
At the beginning of the period	30,00,000	3,00,00,000	30,00,000	3,00,00,000
At the closing of the period	30,00,000	3,00,00,000	30,00,000	3,00,00,000

Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the Shareholder	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	%	No. of Shares	%	No. of Shares
Kamal Narayan Rathi	57.92	17,37,634	57.92	17,37,634
Mayura Rathi	5.02	1,50,533	5.03	1,50,873



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March 2017

<b>Note 2.02 Reserves and Surplus</b>	<b>As at 31-03-2017 (Rupees)</b>	<b>As at 31-03-2016 (Rupees)</b>
<b>General Reserve</b>		
Opening balance of General Reserve	1,06,50,000	1,06,50,000
Add: Transferred from P & L Account during the year	1,00,000	----
	<b>1,07,50,000</b>	<b>1,06,50,000</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening balance	1,21,52,865	1,42,48,465
Add : Profit for the period	32,65,449	(20,95,600)
Less : Proposed Dividend (inclusive of tax)	25,27,511	----
Less: Transferred to General Reserve during the year	1,00,000	----
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>1,27,90,803</b>	<b>1,21,52,865</b>
<b>TOTAL</b>	<b>2,35,40,803</b>	<b>2,28,02,865</b>

#### Note 2.03 Long-term borrowings

<b>A. Secured Loans</b>	---	----
<b>B. Unsecured loans</b>	---	----
<b>TOTAL (A+B)</b>	---	---

#### Note: 2.04 Deferred Tax Liabilities (Net)

Opening balance	40,43,107	36,54,689
Provision for the year	1,31,353	3,88,418
<b>Closing Balance</b>	<b>41,74,460</b>	<b>40,43,107</b>

#### Note: 2.05 Short-term borrowings

<b>A. Secured Loans</b>		
Bank Overdraft with AP Mahesh Co-Op. Urban Bank Ltd.	83,46,062	1,04,08,877
<b>TOTAL</b>	<b>83,46,062</b>	<b>1,04,08,877</b>
(The above loan is secured against lien on Fixed deposits)		



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March 2017

<b>Note: 2.06</b> <b>Trade payables</b>	<b>As at</b> <b>31-03-2017</b> <b>(Rupees)</b>	<b>As at</b> <b>31-03-2016</b> <b>(Rupees)</b>
Trade payables	<b>66,74,955</b>	6,01,65,211
<b>Total</b>	<b>66,74,955</b>	<b>6,01,65,211</b>

Note: Out of the said amount NIL amount pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information has been given in respect of such vendors to the extent they could be identified as Micro and Small Enterprises on the basis of information available with the Company on records.

**Note: 2.07**  
**Other current liabilities**

Other Liabilities	<b>26,61,055</b>	24,59,831
Unclaimed Dividend	<b>4,67,936</b>	5,58,767
<b>Total</b>	<b>31,28,991</b>	<b>30,18,598</b>

**Note: 2.08**  
**Short-term provisions**

Provision for taxation Net of Mat Credit	<b>18,716</b>	---
Proposed Dividend (Incl. Tax)	<b>25,27,511</b>	---
<b>Total</b>	<b>25,46,227</b>	---

**Note 2.09**  
**Fixed Assets**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 1-4-2016 Rs.	Addition (Deletion) for the year Rs.	As at 31-3-2017 Rs.	Upto 1-4-2016 Rs.	Addition for the year Rs.	Sale Adj./ Transfer to reserve Fund Rs.	Upto 31-3-2017 Rs.	As at 31-3-2017 Rs.	As at 31-3-2016 Rs.
<b>Tangible</b>									
<b>1. Building</b>	11,21,954	----	11,21,954	6,86,701	33,481	----	7,20,182	4,01,772	4,35,252
<b>2. Plant &amp; Equipment</b>	18,69,962	39,409	19,09,371	12,75,183	1,19,922	1,23,986	13,95,105	5,14,266	5,94,779
<b>3. Computers (Off. Equip)</b>	2,42,31,883	69,552 (3,52,560)	2,39,48,875	2,07,34,049	12,89,417	----	2,18,99,480	20,49,395	34,97,834
<b>4. Furniture &amp; Fixtures</b>	36,10,365	25,500	36,35,865	32,25,607	62,878	----	32,88,485	3,47,380	3,84,758
<b>5. Vehicles</b>	48,11,147	60,275	48,71,422	25,42,342	6,26,739	----	31,69,081	17,02,341	22,68,804
<b>TOTAL</b>	3,56,45,311	(1,57,824)	3,54,87,487	2,84,63,882	21,32,437	1,23,986	3,04,72,333	50,15,154	71,81,427
<b>PREVIOUS YEAR</b>	3,22,74,845	11,70,7044	4,29,78,187	2,58,87,243	29,10,594	3,33,953	2,84,63,884	1,45,14,303	63,87,600



## BNR UDYOG LIMITED

### Note 2.10 Non Current Investments Trade Investments (Investment in Equity Instruments)

Name of the Company	As at 31-03-2017		As at 31-03-2016	
	Quantity Shares/ Debentures	Amount Rs.	Quantity Shares/ Debentures	Amount Rs.
<b>A) Quoted Investment</b>				
Anant Raj Industries Limited	700	85,551	700	85,551
Assam Company Ltd.	27000	2,65,572	27000	2,65,572
Bata India Limited	1000	5,32,520	400	2,14,420
Bharat Immunologicals	1000	74,390	1000	74,390
Cyient Ltd.	1000	5,41,280	1000	5,41,280
Consolidated Finvest & Holding Ltd.	----	----	4214	3,82,209
Deccan Chronicle Holding Ltd.	5000	39,800	5000	39,800
Divis Lab Ltd.	500	3,22,040	----	----
Facor Steel Ltd.	25000	2,99,000	25000	2,99,000
Frontline Soft Limited	5000	1,13,750	5000	1,13,750
GMR Infrastructure Ltd.	3000	2,91,935	3000	2,91,935
Goldstone Tele Limited	2300	3,19,054	2300	3,19,054
Hazoor Multi Media Ltd.	4265	96,858	4265	96,858
HDIL	1000	7,04,222	1000	7,04,222
Hexaware Limited	500	1,39,228	500	1,39,228
IDFC Bank	4000	3,51,060	4000	3,51,060
India Cement Ltd.	----	----	3300	5,21,865
Infra Development Finance Corp. Ltd.	4000	3,51,060	4000	3,51,060
ISMT-New	1000	1,17,393	1000	1,17,393
ITC Limited	1500	5,21,190	1500	5,21,190
Jaiprakash Hydro Power Ltd.	500	67,140	500	67,140
Jupiter Bio Science Limited	1000	80,190	1000	80,190
JVL Agro Limited	5000	2,10,715	5000	2,10,715
Kingfisher Air Lines Ltd.	500	1,23,202	500	1,23,202
KLG Systel Ltd.	4369	15,94,004	4369	15,94,004
Kotak Bank	----	----	200	1,47,347
Kridhan Infra Limited	14700	15,55,848	14700	15,55,848
KS Oils Ltd.	2500	2,16,520	2500	2,16,520
L & T Finance Ltd.	----	----	3000	2,33,915
Maruti Suzuki Limited	----	----	100	4,27,828
Mukata Arts Limited	6000	6,31,520	----	----
Nagarjuna Fer & Chem. Ltd.	----	----	1100	15,546
NHPC Limited	4000	1,07,320	4000	1,07,320
NMDC Ltd.	1800	6,52,254	1800	6,52,254
RDB Industries Ltd.	9407	7,29,411	11334	8,45,085
Pentamedia Graphics Limited	900	1,19,800	900	1,19,800
Pioneer Embroideries Ltd.	3539	6,16,541	3539	6,16,541
Praj Industries Ltd.	500	1,24,885	500	1,24,885
Premier Explosive Limited	2368	11,07,525	2368	11,07,525
Prozonintu	1000	50,760	----	----
Punj Lloyd Ltd.	2000	3,19,762	2000	3,19,762
PVP Venture Ltd.	3500	5,67,730	3500	5,67,730



## BNR UDYOG LIMITED

Name of the Company	As at 31-03-2017		As at 31-03-2016	
	Quantity Shares/ Debentures	Amount Rs.	Quantity Shares/ Debentures	Amount Rs.
Raymond Limited	1000	6,37,640	----	----
RDB Realities & Infra Ltd.	1424	2,07,597	1424	2,07,597
Reliance Communication Ltd.	200	1,61,862	200	1,61,862
Rohit Ferro Tech Ltd.	12235	14,57,131	12235	14,57,131
Samtel Color Limited	2000	31,840	2000	31,840
Seshachal Tec.	2000	1,70,124	2000	1,70,124
Snowman Logistics Ltd.	5000	4,02,068	3000	2,52,209
Soma Textiles Industries Ltd.	3000	42,600	15000	2,00,931
SSPDL	1000	62,124	1000	62,124
State Trading Corporation	500	67,520	----	----
Sun Pharmaceuticals Limited	1000	10,03,755	1000	10,03,755
Surya Roshini Limited	----	----	500	75,065
Suzlon Energy Ltd.	13400	5,36,509	13400	5,36,509
Tata Motors Ltd.	----	----	200	67,268
The Shipping Corporation of India	756	1,05,840	756	1,05,840
X Changing SOL	500	1,29,525	500	1,29,525
Unitech Limited	57500	13,24,145	57500	13,24,145
Voltas Limited	----	----	500	1,46,050
ZF Stearling Limited	600	9,23,723	200	3,49,390
<b>SUB TOTAL (A)</b>		<b>2,13,05,033</b>		<b>2,08,44,359</b>
Aggregate Market Value		<b>1,00,96,455</b>		<b>88,28,067</b>
<b>B) Unquoted Investments</b>				
A.P. Mahesh Co-op. Urban Bank	250	5,000	250	5,000
<b>SUB TOTAL (B)</b>		<b>5,000</b>		<b>5,000</b>
<b>C) Investment in Properties</b>		<b>74,82,876</b>		<b>73,32,876</b>
<b>Total of Investments in Shares (A+B+C)</b>		<b>2,87,92,909</b>		<b>2,81,82,235</b>
<b>TOTAL Non Current Investments</b>		<b>2,87,92,909</b>		<b>2,81,82,235</b>



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March 2017

<b>Note 2.11</b>	<b>As at</b>	<b>As at</b>
<b>Long term loans and advances</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
<b>Unsecured, considered good</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
Telephone Deposit	20,000	45,000
Deposits with Govt. bodies	1,25,727	75,727
<b>Total</b>	<b>1,45,727</b>	<b>1,20,727</b>

#### **Note 2.12** **Other non-current assets**

Fixed Deposit Receipts	—	80,00,000
<b>Total</b>	<b>—</b>	<b>80,80,000</b>

#### **Note 2.13** **Current Assets**

Fixed Deposit maturing with in 12 Months and lien for Bank Guarantee/Overdraft)	1,17,00,000	70,00,000
Accrued Interest from FDR's	16,45,415	14,94,469
<b>Total</b>	<b>1,33,45,415</b>	<b>84,94,469</b>

#### **Notes : 2.14** **Inventories**

Stock in trade (in respect of goods acquired for trading) (at lower of cost or Net realisable value)	—	—
<b>TOTAL</b>	<b>—</b>	<b>—</b>

#### **Notes: 2.15** **Trade Receivables**

(Unsecured, considered good)		
Outstanding for a period exceeding six months	35,35,843	3,17,386
Others	82,48,868	6,43,70,646
<b>TOTAL</b>	<b>1,17,84,711</b>	<b>6,46,88,032</b>

#### **Note 2.16**

<b>Cash and Cash Equivalents</b>		
Cash on Hand	2,89,897	96,681
<b>Balances with banks</b>		
On Current Accounts	1,01,84,027	1,01,60,192
On Unclaimed dividend account	4,67,936	5,58,767
<b>TOTAL</b>	<b>1,09,41,860</b>	<b>1,08,15,640</b>



**Notes to financial statements for the year ended 31st March 2017**

<b>Note 2.17</b>	<b>As at</b>	<b>As at</b>
<b>Short-term loans and advances</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
<b>(Unsecured and considered good)</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
Security and other Deposit	<b>17,60,000</b>	17,60,000
Other Loans and Advances Recoverable	<b>21,81,929</b>	2,60,000
Prepaid expenses	<b>32,480</b>	89,518
Advance for expenses	<b>24,500</b>	47,000
<b>TOTAL</b>	<b>39,98,909</b>	<b>21,56,518</b>

**Note: 2.18**  
**Other current assets**

Income Tax/ Service Tax Receivable	<b>41,56,193</b>	6,62,789
Rent Receivable	<b>30,620</b>	36,821
Earnest Money Deposit	<b>2,00,000</b>	1,00,000
<b>Total</b>	<b>43,86,813</b>	<b>7,99,610</b>

**Notes 2.19**  
**Revenues from Operations**

<b>Sales &amp; Service</b>		
Business Support Services	<b>12,30,32,345</b>	7,75,76,567
Medical Transcription Services	<b>39,13,509</b>	41,27,184
Sales	<b>2,96,740</b>	---
<b>Sales &amp; Services</b>	<b>12,72,42,594</b>	<b>8,17,03,751</b>
<b>Other Operating Revenue</b>		
Profit on foreign exchange fluctuation in rates	<b>—</b>	4,76,750
Rent	<b>3,57,141</b>	8,26,002
Profit on Shares	<b>7,03,544</b>	3,54,955
<b>TOTAL</b>	<b>10,60,685</b>	<b>16,57,707</b>

**Notes 2.20**  
**Other Income**

Interest (TDS Rs.1,24,308/- Previous year Rs.1,38,776/-)	<b>11,98,800</b>	13,69,103
Miscellaneous Income	<b>536</b>	---
Dividend	<b>46,770</b>	1,25,543
<b>TOTAL</b>	<b>12,46,106</b>	<b>14,94,646</b>



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March 2017

<b>Note 2.21</b>	<b>As at</b>	<b>As at</b>
<b>Changes in inventories of Work-in-process, Finished Goods and Scrap</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<b>A. Opening stocks:</b>		
Work-in-process	---	---
Finished Goods	---	---
Scrap	---	---
<b>TOTAL - A</b>	<b>---</b>	<b>---</b>
<b>B. Closing stocks:</b>		
Work-in-process	---	---
Finished Goods	---	---
Scrap	---	---
<b>TOTAL - B</b>	<b>---</b>	<b>---</b>
<b>C. Increase/(Decrease) in stocks (B-A)</b>	<b>---</b>	<b>---</b>
<b>Note 2.22</b>		
<b>Purchases for Sale</b>		
Purchases	2,95,524	---
<b>TOTAL</b>	<b>2,95,524</b>	<b>---</b>
<b>Note 2.23</b>		
<b>Employee Benefit Expense</b>		
Employees remuneration and benefits	36,51,377	1,27,75,648
Contribution to PF/ESI/Gratuity	1,72,742	1,34,767
Remuneration to Managerial personnel	9,70,984	9,74,533
Staff welfare expenses	76,555	1,11,998
<b>TOTAL</b>	<b>48,71,658</b>	<b>1,39,96,946</b>
<b>Note 2.24</b>		
<b>Finance Costs</b>		
Interest on Loans	1,76,971	3,63,017
Bank Charges	7,114	72,526
<b>TOTAL</b>	<b>1,84,085</b>	<b>4,35,543</b>
<b>Note 2.25</b>		
<b>Other Expenses</b>		
Business Support Charges	11,44,13,165	6,55,09,466
Share Transfer Expenses	78,934	57,222
Repairs & Maintenance :		
Plant & Machinery	1,60,586	2,03,278
Building	2,70,780	3,56,950
Vehicles	3,65,609	2,01,376



## BNR UDYOG LIMITED

### Notes to financial statements for the year ended 31st March 2017

	As at 31-03-2017 (Rupees)	As at 31-03-2016 (Rupees)
Postage & Telegram	1,01,805	96,826
Travelling & Conveyance	1,70,304	2,21,587
Foreign Travel Expenses	—	85,571
Insurance	85,138	74,233
Rates & Taxes ( Excluding Taxes on Income )	9,83,129	7,42,919
Rent	11,990	25,500
Remuneration to auditors :		
Audit Fee	40,000	40,000
Tax Audit Fee	25,000	25,000
Communication Expenses	2,44,711	3,24,627
Subscription	95,947	68,485
Advertisement Expenses	26,220	50,880
Printing & Stationery	1,57,864	2,67,448
Electricity Charges	2,64,855	2,62,036
Professional charges	6,38,929	5,24,339
Director Sitting Fees	24,442	22,220
Business Promotion Expenses	3,47,372	1,59,812
Office, General & Miscellaneous Expenses	93,249	1,07,849
Transportation Expenses	—	35,714
Tender Fee	10,474	32,500
Share Transfer Stamps/Demat/Dly Expenses	26,876	46,516
Loss on Foreign exchange Rate fluctuation	79,469	----
<b>TOTAL</b>	<b>11, 87,16,848</b>	<b>6, 95,42,354</b>

#### Note 2.26

##### Exceptional Items

Profit /(-Loss) on Sale of Assets	23,426	2,96,039
<b>TOTAL</b>	<b>23,426</b>	<b>2,96,039</b>

#### Note 2.27

##### Tax Expenses

Current Tax			
Provision for Tax	6,42,584		----
Less Mat Credit	6,23,868	18,716	----
Total Current Tax		—	—
Deferred (Credit) / Debit Expenses		1,31,353	3,88,418
Adjustment for earlier year		(43,259)	(26,112)
<b>TOTAL</b>		<b>1,06,810</b>	<b>3,62,306</b>



**NOTES FORMING PART OF THE ACCOUNTS:**

**1. Significant Accounting Policies :**

- (a) **FIXED ASSETS :** Fixed Assets are stated at Cost less depreciation and inclusive of expenses upto Commissioning / putting the assets to use.
- (b) **DEPRECIATION:** Depreciation is systematically allocated over the useful life of the asset as specified in Schedule\_II of Companies Act,2013 on Straight Line Method.
- (c) **INVENTORIES :** Inventories of landed properties are valued at cost of acquisition to the Company or market rate value whichever is lower. In respect of construction, work-in-progress, the Company has adopted completed Contract method of accounting and hence carried over the cost of work-in-progress.
- (d) **INVESTMENTS:** No provision for diminution in the value of investment is made in the books as the Company is valuing investments at cost consistently and provision for diminution in value of long term Investments is made only if, such a decline is permanent in the opinion of the Management.
- (e) **RECOGNITION OF INCOME AND EXPENDITURE :** Items of Income and Expenditure are recognised on accrual basis except otherwise stated in notes to Accounts or where the same are not in the knowledge in the ordinary course of business.
- (f) **FOREIGN EXCHANGE TRANSACTIONS:** The transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transactions which define to be date of Invoice. Monetary Assets & Liabilities denominated in Foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognised in the profit and loss account.
- (g) **IMPAIRMENT OF ASSETS :** The carrying amounts of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss if any, is charged to Profit and Loss Account in the year in which as asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or have decreased.
- (h) **RETIREMENT & OTHER BENEFITS :**
  - (I) Contribution to the Provident Fund are charged to Profit & Loss account each year.
  - (ii) The Company has opted for the Group Gratuity - cum - Life Assurance Fund of The Life Insurance Corporation of India (LIC). The Company's contribution to the Scheme is charged to the Profit & Loss A/c. for the year.
- (i) **PROVISION FOR CURRENT & DEFERRED TAX :** The provision for current tax is made after taking into consideration benefit admissible and applicability of Minum Alternate Tax under the provision of Income Tax Act, 1961. Deffered Tax which is resulting on account of timing difference between taxable and accounting income is accounted for applying the tax rate and laws that are acted or substantively acted as on balance sheet date. It is recognised subject to prudence.
- (j) **SEGMENT REPORTING:** Segments are indentified having regard to the dominant source and nature of risks and returns the internal organisation and management structure. Inter segment revenue are accounted on the basis of transactions which are primarily market led. Revenue and expenses which relate to the enterprise as a whole and are not attributable to segments are included in unallocable expenses.



## BNR UDYOG LIMITED

### 2. Notes to financial statements for the year ended 31 March 2017

i. MANAGERIAL REMUNERATION:	2016-2017	2015-2016
	Rs.	Rs.
Salary to Managing Director	9,00,000	9,00,000
Contribution to Provident Fund	57,600	57,600
Medical Reimbursement	13,384	16,933
	<b>9,70,984</b>	<b>9,74,533</b>

### ii. SEGMENT REPORTING - ACCOUNTING STANDARD —17

#### A. Primary Segment

(Rs. In Lakhs)

		Medical Transcription	Business Support	Finance & Others Act.	Total
a.	Segment Revenue Less : Inter Seg.Revenue	39.13	1233.53	23.07	1295.73
b.	Segment Results Less : Interest Unallocable Expenses Profit before Tax	(1.60) --- --- ---	49.61 --- --- ---	(8.31) --- --- ---	39.70 1.77 4.21 33.72
c.	Segment Assets	44.29	113.66	632.40	790.35
d.	Segment Liabilities	3.24	87.73	163.97	254.94
e.	Net Assets	41.05	25.93	468.43	535.41

**B. Secondary Segment (Geographical Segment) :** The Group's Business is organised into two key geography segments comprising United States of America (USA) and India

		2016-2017		2015-2016	
		USA	INDIA	USA	INDIA
a.	Segment Revenue	39.13	1,256.60	46.04	805.48
b.	Segment Assets	41.05	494.36	28.06	499.97

### iii. DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO ACCOUNTING STANDARD 18

#### A) List of related parties

- I) Parties where control exists - Nil
- II) Other parties with whom Company entered into transactions during the year - Nil
- III) Key Management personnel and enterprises having common key management personnel or their relatives.

#### Key Management Personnel :

Mr. Kamal Narayan Rathi – Managing Director  
Mr. Sandeep Rathi – Executive Director

**Enterprises having common Personnel NIL**

**Relatives of Key Management Personnel NIL**



## BNR UDYOG LIMITED

### (B) During the year following transactions were carried out with related parties in ordinary course of Business (Amount in Rs.)

Nature of Transactions	Key Management Personnel & Relatives of Key Management Personnel		Enterprises having common Management Personnel	
	2016-2017	2015-2016	2016-2017	2015-2016
1. Managerial Remuneration	<b>9,70,984</b>	9,74,533	-	-
2. Salary (Executive Director)	<b>5,07,632</b>	6,29,523	-	-

iv. EARNINGS PER SHARE	2016-2017 Rs.	2015-2016 Rs.
<u>Earnings per share has been calculated as under</u>		
Profit/Loss after Taxation	<b>32,65,449</b>	(20,95,600)
Number of Ordinary Shares	<b>30,00,000</b>	30,00,000
Basic & Diluted Earnings per share (Face value Rs.10/- per share)	<b>1.09</b>	(0.70)

### v. DEFERRED TAX (Amount in Rs.)

	Deferred Tax Asset / (Liability) as at 1-4-2016	Current Year Charges (Credit)	Deferred Tax Asset / (Liability) as at 31-3-2017
<b>1. Deferred Tax Liabilities</b>			
a) Difference in Valuation of Investments	(39,23,434)	(28,906)	<b>(39,52,340)</b>
<b>Total</b>	(39,23,434)	(28,906)	<b>(39,52,340)</b>
<b>2. Deferred Tax Assets</b>			
a) Difference between book and tax depreciation.	(1,19,673)	(1,02,447)	<b>(2,22,120)</b>
<b>Total</b>	(1,19,673)	(1,02,447)	<b>(2,22,120)</b>
<b>Total (1-2)</b>	<b>(40,43,107)</b>	<b>(1,31,353)</b>	<b>(41,74,460)</b>

### vi. EARNINGS IN FOREIGN CURRENCY (Amount in Rs.)

Particulars	2016-2017	2015-2016
Medical Transcription Income	<b>39,13,509</b>	46,03,934
Expenditure in Foreign Currency	<b>NIL</b>	NIL



## BNR UDYOG LIMITED

### vii. CONTINGENT LIABILITIES

(Amount in Rs.)

Particulars	2016-2017	2015-2016
a) Income Tax claim against the Company Rs. 24,35,980/- for which the Company has filed appeal with Appellate authorities. The Company is hopeful of complete relief. Hence no provision is made.	<b>24,35,980</b>	24,35,980
b) Counter Guarantee against Bank Gaurantee	<b>12,00,000</b>	25,00,000

viii. There are no Micro, Small and Medium Enterprises to whom the Company owes dues, as at 31st March 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

ix. Balances shown under Trade Receivable are subject to confirmation/reconciliation

x. Figures of the Previous Years have been re-grouped, re-arranged, wherever considered necessary and rounded off to nearest rupee.

### xi. EMPLOYEE BENEFITS

Employee Benefits have been provided as per provisions of Revised Accounting Standard 15 issued by the Institute of Chartered Accountants of India,

DEFINED CONTRIBUTION PLAN :	31-3-2017 in Rs.	31-3-2016 in Rs.
Contribution to Defined Contribution Plan, recognised as expenses for the year are as under :		
Employer's Contribution to Provident / Pension Fund	<b>1,54,929</b>	1,42,714
Employer's Contribution to Employees State Insurance	<b>56,769</b>	33,770
Employees Deposit Linked Insurance	<b>4,891</b>	3,854

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund and Employees State Insurance managed by the Central Government.

### DEFINED BENEFIT PLAN

The Employee's Gratuity Fund Scheme managed by LIC Group Gratuity is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company is having fair value of plan assets which is more than the present value of obligations. The same is not taken into account considering the prudence.



## BNR UDYOG LIMITED

	As on 31/03/2017 Amount in Rs.	As on 31/03/2016 Amount in Rs.	
<b>a. Table showing changes in present value of obligations</b>			
Present value of obligations as at beginning of year	<b>7,31,604</b>	7,20,669	
Interest Cost	<b>58,528</b>	57,654	
Current Service Cost	<b>39,520</b>	31,243	
Benefits Paid	<b>(45,000)</b>	(4,06,500)	
Acturial Gain/Loss on Obligations	<b>(14,468)</b>	3,28,538	
Present values of obligations as at end of year	<b>7,70,184</b>	<b>7,31,604</b>	
<b>b. Assumptions</b>			
Discount Rate	<b>8.00%</b>	8.00%	
Salary Escalation	<b>4.00%</b>	4.00%	
<b>c. Table showing fair value of Plan Assets</b>			
Fair values of plan assets at beginning of year	<b>1,129,187</b>	10,44,514	
Actual return on plan assets	<b>89,995</b>	85,020	
Contributions	<b>—</b>	4,06,153	
Benefits Paid	<b>(45,000)</b>	(4,06,500)	
Fair value of plan assets at the end of year	<b>11,74,182</b>	<b>11,29,187</b>	
<b>xii Holdings as well as dealings in Specified Bank Notes (SBNs) during the period from 8th November 2016 to 30th December 2016</b>			
Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in Hand as on 08.11.2016	70000	10531	80531
Add: Permitted Receipts	0	480000	480000
Less: Permitted payments	0	429623	429623
Less : Amount deposited in Banks	70000	1200	71200
Closing cash in Hand as on 30.12.2016	0	59708	59708
As per our report of even date attached. For <b>LAXMINIWAS &amp; JAIN,</b> Chartered Accountants Firm Registration No. 001859S		For and on behalf of the Board	
Sd/- <b>SURESH KUMAR JAIN</b> Partner M.No. 018465		Sd/- <b>KAMAL NARAYAN RATHI</b> Managing Director DIN : 00011549	
Sd/- <b>SONAL AGARWAL</b> Company Secretary (M. No. 29790)		Sd/- <b>SANDEEP RATHI</b> ED cum CFO DIN : 05261139	
Sd/- <b>T. BHARADWAJ</b> Director DIN : 00211834			
Place : Hyderabad Date : 29.05.2017			



# BNR UDYOG LIMITED

## 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 : L67120AP1994PLC018841  
Name of the Company : BNR Udyog Limited  
Registered office : 6-3-650, 218, 2nd floor, Maheshwari Chambers,  
Somajiguda Hyderabad – 500082, Telangana, India

Name of the 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

- Name :  
Address :  
E-mail Id :  
Signature: ....., or failing him
- Name :  
Address :  
E-mail Id :  
Signature: ....., or failing him
- Name :  
Address :  
E-mail Id :  
Signature: ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Monday, 11th September 2017 at 10-15 a.m. at A'La Liberty, A.G. Heights, Road No. 12, Banjara Hills, Hyderabad - 500 037 and at any adjournment thereof in respect of such resolutions as are indicated below:

### Resolution No.

- Approval of financial statements for the year ended 31.03.2017.
- Declaration of Dividend for the Financial year ended 31.03.2017
- Appointment of Mr. Sandeep Rathi as Director who retires by rotation
- Appointment of Statutory Auditors and fixation of their remuneration.

Signed this ..... day of..... 2017

Signature of shareholder

Affix  
Revenue  
Stamp

Signature of Proxy holder(s)

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



## BNR UDYOG LIMITED

### BNR UDYOG LIMITED

6-3-650, 218, 2nd floor, Maheshwari Chambers, Somajiguda, Hyderabad – 500082

### ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the members of the Company to be held on Monday, 11th September 2017 at 10-15 a.m. at A'La Liberty, A.G. Heights, Road No. 12, Banjara Hills, Hyderabad - 500 037 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature\_\_\_\_\_

Shareholders/Proxy's full name\_\_\_\_\_

(In block letters)

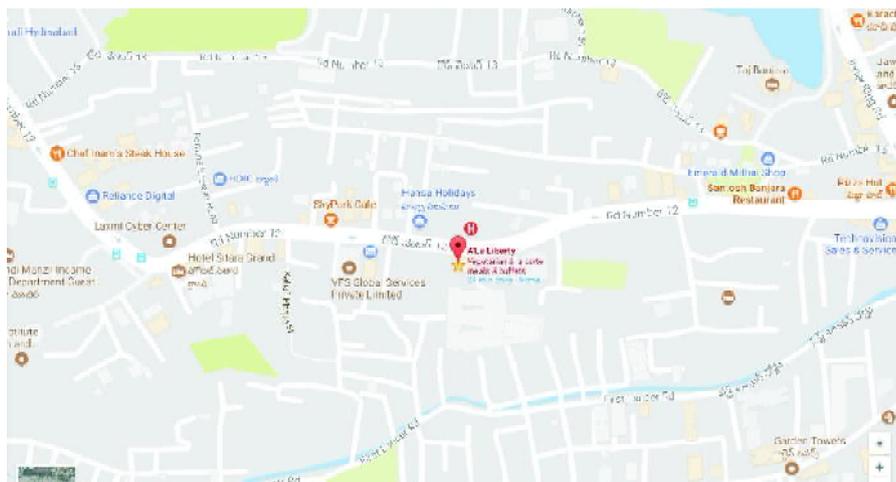
Folio No. / Client ID\_\_\_\_\_

No. of shares held\_\_\_\_\_

#### Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

### ROUTE MAP FOR 23RD ANNUAL GENERAL MEETING OF BNR UDYOG LIMITED





## BNR UDYOG LIMITED

**Form No. MGT-12**

### **POLLING PAPER**

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN : L67120AP1994PLC018841

Name of the Company : BNR UDYOG LIMITED

Registered office : 218,2nd FLOOR,MAHESHWARI CHAMBERS,6-3-650

SOMAJIGUDA, HYDERABAD TELANGANA-500082

### **POLLING PAPER**

Sl. No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client IDNo. (*Applicable to investorsholding shares in dematerializedform)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Financial Statements for the Financial Year 2016-17			
2.	Declaration of Dividend for the Financial Year 2016-17			
3.	Re-appointment of Mr. Sandeep Rathi as Director who retires by rotation.			
4.	Appointment of Statutory Auditors and to fix the remuneration.			

Place:

Date:

(Signature of the shareholder)



**BNR UDYOG LIMITED**

PRINTED MATTER  
BOOK-POST

If undelivered please return to :

**BNR UDYOG LIMITED**

Registered Office :

6-3-650, 218, Maheshwari Chambers,

Somajiguda, Hyderabad - 500 082 T.S.. INDIA