

**Vision:-**

A Globally Respected Performance Driven Growing Manufacturer.

**Mission:-**

A Solutions provider to the various Electronic Interconnect needs of Circuit, Material, Delivery & Volumes.

**Goal:-**

All types of PCBs Delivered Rapidly in small to medium volume for high Reliability Applications.

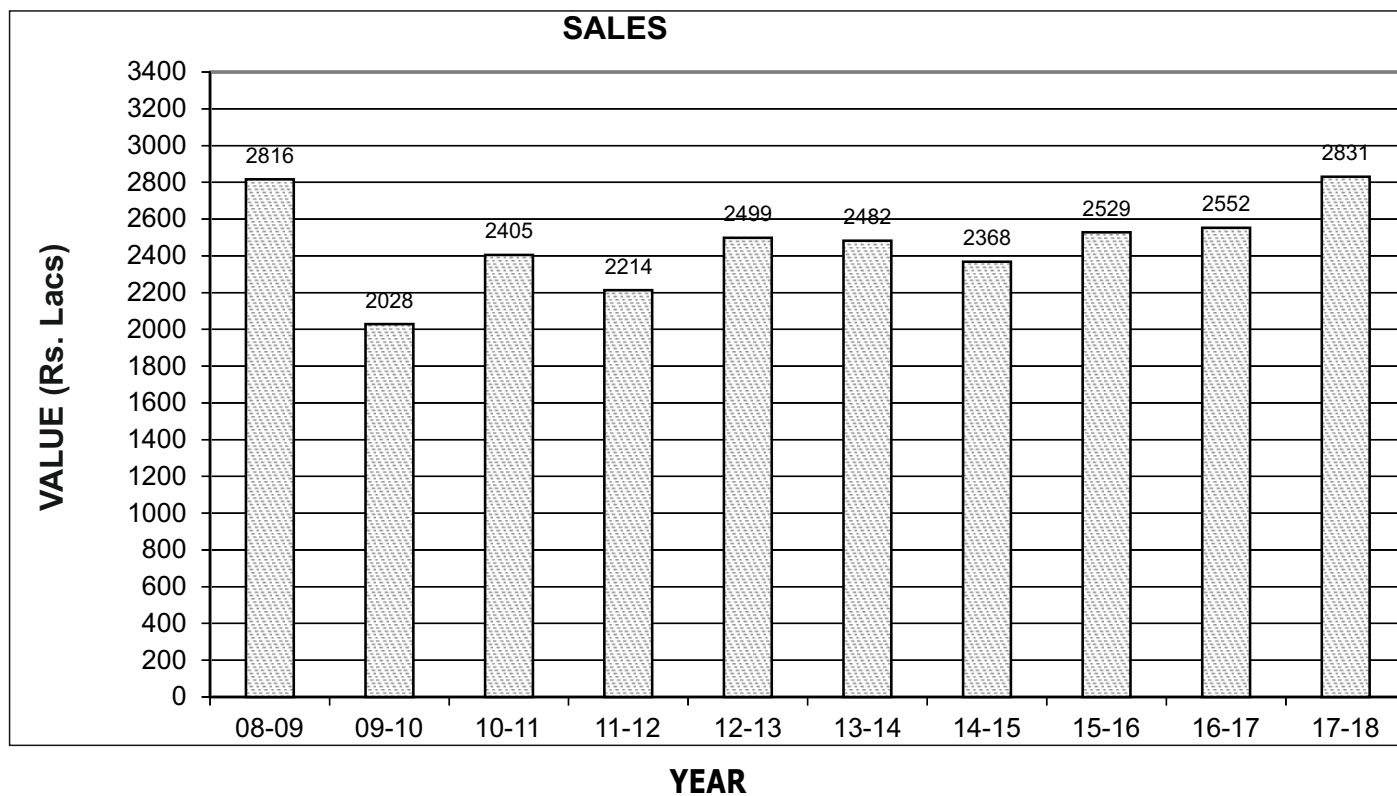
**Strategy:-**

On an ongoing basis the management will fulfill this vision by continuously improving the Company by making it:

| Predictable Via  | Sustainable Via   | Profitable Via   | Scalable Via   |
|--|---|--|--|
| 1. Listening to & responding to Customers, Suppliers & Stakeholders  | 1. Creating wealth & sharing it fairly with each stakeholders   | 1. Continuously increasing the value proposition to the customer   | 1. Upon reaching certain Critical Mass & Team Strength we will scale up. |
| 2. Constant Diversification of markets in terms of Geography, Industries & Customers                       | 2. Conducting business with integrity & professionalism & financial prudence & Social responsibility          | 2. Continuously improving the quantum & velocity throughput of a high variety mix with low inventory & controlled operating costs. |  |
| 3. Vigorous Employee interaction & issue resolution & Allowing everybody to work within a framework freely | 3. Constant Technology growth focus & Actively Innovate on process, Capability & Product Range.               | 3. Constant cost reduction with special focus on Rejection reduction & Energy conservation & Water conservation.                   |  |
| 4. Paying attention to detail & executing efficiently  | 4. Constant efforts at Derisking the business & Deskillling the work.   | 4. Continuously increasing productivity with efficiently coordinated efforts & automation.   |  |
| 5. Exceedingly strong sales team & order loading on the plant  | 5. Continuously generating a Talent Pipeline with good role clarity & functional competency with empowerment. | 5. Continuously increasing panel capacity, panel utilization & panel size & panel complexity & panel layer count.                  |  |
| 6. Over communicate with Transparent information   | 6. International Approvals (ISO, TS, JSS)   | 6. Delivering Innovative & Competitive new products.   |  |

**COMPANY ASPIRATION**

Our Aspiration for Fine-Line is to be a Respected, Growing, Performance driven, High Quality, Manufacturer, Exporter  
 "Pleasing Customers 100%" Providing All types of PCBs Delivered Rapidly in small to medium volume for high  
 Reliability Applications

**AT A GLANCE (Rs. In Lacs)**

|                                 | 2009 | 2010 | 2011 | 2012  | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------------------------|------|------|------|-------|------|------|------|------|------|------|
| <b>SALES &amp; EARNINGS</b>     |      |      |      |       |      |      |      |      |      |      |
| Sales                           | 2816 | 2028 | 2405 | 2214  | 2499 | 2482 | 2368 | 2529 | 2552 | 2831 |
| PBDT                            | 46   | 5    | 84   | (186) | 73   | 76   | 50   | 72   | 84   | 95   |
| <b>ASSETS &amp; LIABILITIES</b> |      |      |      |       |      |      |      |      |      |      |
| Gross Fixed Assets              | 1618 | 1617 | 1681 | 1758  | 1773 | 1774 | 1647 | 1687 | 1767 | 1808 |
| Net Fixed Assets                | 319  | 261  | 291  | 328   | 312  | 280  | 317  | 298  | 386  | 357  |
| Net Current Assets              | 667  | 654  | 871  | 779   | 933  | 844  | 890  | 1079 | 990  | 1228 |
| <b>REPRESENTED BY</b>           |      |      |      |       |      |      |      |      |      |      |
| Net Worth                       | 986  | 915  | 922  | 644   | 652  | 673  | 677  | 685  | 690  | 702  |
| Share Capital                   | 483  | 483  | 483  | 483   | 483  | 483  | 483  | 483  | 483  | 483  |
| Reserves                        | 504  | 432  | 439  | 161   | 169  | 190  | 194  | 202  | 207  | 219  |
| Borrowings                      | 0    | 0    | 0    | 0     | 139  | 57   | 140  | 280  | 309  | 428  |
| <b>RATIOS</b>                   |      |      |      |       |      |      |      |      |      |      |
| Acid Test Ratio                 | 1.1  | 1.5  | 0.8  | 0.4   | 0.5  | 0.7  | 0.6  | 0.6  | 0.5  | 0.5  |
| Total Liability to Net Worth    | 0.3  | 0.2  | 0.3  | 0.4   | 0.5  | 0.4  | 0.4  | 0.5  | 0.5  | 0.6  |
| Sales to Net Fixed Assets       | 8.8  | 7.8  | 8.3  | 6.8   | 8.0  | 8.9  | 7.5  | 8.5  | 6.6  | 7.9  |

## CORPORATE INFORMATION

### 28th ANNUAL GENERAL MEETING ( AGM )

Date : 29th September, 2018  
 Day : Saturday  
 Time : 10.30 a.m.  
 Place : 2nd Floor, BFC Hall,  
 Business Facilitation Centre,  
 Behind Seepz Administrative Building,  
 Seepz, Andheri – (E),  
 Mumbai - 400096

SEEPZ-(SEZ) being Restricted Zone requires Special  
 Prior Permission for entry (bring Aadhaar Card), please  
 see instructions on Attendance slip for attending the AGM

### REGISTERED OFFICE

**CIN :L72900MH1989PLC131521**

145, SDF - V, Seepz (SEZ),  
 Andheri (East),  
 Mumbai - 400 096.  
 Tel. # 91 22 28290244 Fax # 91 22 28292554

### AUDITORS

C Sharat & Associates  
 Chartered Accountants

### REGISTRARS & SHARE TRANSFER AGENTS

M/s Universal Capital Securities Pvt. Ltd.  
 (Formerly Known as Mondkar Computers Pvt. Ltd.)  
 21, Shakil Niwas, Opp. Satyasaibaba Temple,  
 Mahakali Caves Road, Andheri (East),  
 Mumbai - 400 093.  
 Tel : 91 22 2820 7203/04/05 / 2836 6620  
 Fax: 91 22 2820 7207

### Nodal Officer :

Name: Mr. Ravindra Joshi  
 Designation: Company Secretary  
 Address: Fine-Line Circuit Ltd.  
 145, SDF-V, Seepz, Andheri(E), Mumbai-400096  
 Telephone No: 022-28290244 / 245  
 Mobile No: 9167718547  
 Email id: ravindra@finelineindia.com

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

|                                      |                    |
|--------------------------------------|--------------------|
| Bhagwandas T. Doshi (DIN - 00040596) | Executive Chairman |
| Abhay B. Doshi (DIN - 00040644)      | Managing Director  |
| Rajiv B. Doshi (DIN - 00651098)      | Executive Director |

#### NON - INDEPENDENT DIRECTORS

Dr. U. Nimmagadda (DIN - 00613289)  
 Gautam B. Doshi (DIN - 00328854)

#### INDEPENDENT DIRECTORS

Prof. Juzer Vasi (DIN - 00040682)  
 R. M. Premkumar (DIN - 00328942)  
 Apurva R. Shah (DIN - 00004781)  
 Kumudini K. Mehta (DIN - 03191065)  
 Jayesh K. Rambhia (DIN - 2049473)

### AUDIT COMMITTEE

|                                    |          |
|------------------------------------|----------|
| Apurva R. Shah (DIN - 00004781)    | Chairman |
| R. M. Premkumar (DIN - 00328942)   | Member   |
| Kumudini K. Mehta (DIN - 03191065) | Member   |

### STAKEHOLDERS RELATIONSHIP COMMITTEE

|                                   |                         |
|-----------------------------------|-------------------------|
| Prof. Juzer Vasi (DIN - 00040682) | Chairman                |
| R. M. Premkumar (DIN - 00328942)  | Alternative Chairman    |
| Abhay B. Doshi (DIN - 00040644)   | Member                  |
| Rajiv B. Doshi (DIN - 00651098)   | Member                  |
| Prema Radhakrishnan               | Chief Financial Officer |

### NOMINATION & REMUNERATION COMMITTEE

|                                   |          |
|-----------------------------------|----------|
| R. M. Premkumar (DIN - 00328942)  | Chairman |
| Apurva R. Shah (DIN - 00004781)   | Member   |
| Prof. Juzer Vasi (DIN - 00040682) | Member   |

### SENIOR MANAGEMENT

|                       |   |
|-----------------------|---|
| Joy Chacko            | Nikhil Kumar                                  |
| Milan J. Trivedi      | Prema Radhakrishnan - Chief Financial Officer |
| Prakash M. Morgaonkar | Ravindra Joshi - Company Secretary            |

**NOTICE**

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the Members of FINE-LINE CIRCUITS LIMITED will be held at 2<sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri – (E), Mumbai - 400096 on **Saturday, September 29, 2018 at 10:30 a.m.** to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Rajiv Doshi (DIN: 00651098), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), **M/s. Ratanghayara & Co, Chartered Accountants (Membership No. 103325 / Firm Registration No. 117626W)**, be and are hereby appointed as the Statutory Auditors of the Company, in place of **M/s. C Sharat & Associates, Chartered Accountants, Mumbai (ICAI Registration No. 128593)**, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Thirty-third Annual General Meeting of the Company to be held in the year 2023, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 notified by SEBI by way of Notification No. SEBI/ LAD-NRO/ GN/ 2018/ 10 dated May 09, 2018 and all other applicable provisions of Listing Regulations, the Companies Act, 2013 and Rules framed thereunder, and such other applicable laws, rules, regulations, guidelines (“other applicable laws”) (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the Company do hereby approve continuation of Directorship of Mr. Upendranath Nimmagadda (DIN 00613289), Non-executive Director of the Company who has attained the age of seventy five years, till he continues to be Director of the Company.”

5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and pursuant to the SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 notified by SEBI by way of Notification No. SEBI/ LAD-NRO/ GN/ 2018/ 10 dated May 09, 2018 and all other applicable provisions of Listing Regulations, and subject to such approvals as may be necessary, the approval of the Company be and is hereby accorded to the re-appointment of Shri Bhagwandas T. Doshi (DIN: 00040596) as Whole-time Director designated Executive Chairman of the Company for a period of three years with effect from 01<sup>st</sup> April, 2019 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee as set out under:-

I. Salary of Rs. 77,000/- (Rupees Seventy-seven Thousand only) per month with an increment from time to time as may be decided by the Board of Directors within the limits as per the applicable provisions of the Companies Act, 2013.

## II. Perquisites:

Shri Bhagwandas T. Doshi shall also be entitled to the following perquisites as per the Rules of the Company:

1. Housing:
  - ❖ Rent free furnished residential accommodation with free use of all the facilities and amenities, provided that the expenditure incurred by the Company on hiring furnished accommodation will not exceed 60% of the salary **or**
  - ❖ In case no accommodation is provided by the Company, he shall be entitled to house rent allowance subject to a ceiling of 60% of the salary **or**
  - ❖ In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company.
2. Re-imbursement of expenditure incurred on gas, water and electricity.
3. Medical Allowance/ Medical Insurance including hospitalization for self and family.
4. Leave Travel Allowance for self and family.
5. Personal Accident Insurance, the premium of which shall not exceed Rs. 10000/- per annum.
6. Subscription to Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
7. Use of Company car with driver and telephone at his residence including mobile phones. Personal long distance calls shall be borne by Shri. Bhagwandas T. Doshi.

8. Encashment of un-availed leave at the end of his tenure.
9. Terminal benefits when Shri. Bhagwandas T. Doshi is posted at any other place during his tenure or otherwise:
10. Air/Sea passage together with cost of transportation of household belongings to such place as may be approved by the Board of Directors.
11. Such other perquisites and allowances including Bonus, Commission, Performance Incentive, Exgratia, etc. in accordance with the rules of the Company or as may be agreed to by the Board of Directors of the Company.

The value of the perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable and at cost in the absence of any such Rules.

Wherein any financial year during the currency of the tenure of Shri Bhagwandas T. Doshi as Wholetime Director, the Company has made no profits or its profits are inadequate, the Company shall pay to Shri. Bhagwandas T. Doshi the above remuneration as minimum remuneration subject to the ceiling limit prescribed in Schedule V to the Companies Act, 2013.

Shri. Bhagwandas T. Doshi shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

1. Contribution to Provident Fund, Super Annuation Fund, Annuity fund and other retirement benefits to the extent the same are not taxable under the Income-tax Act, 1961.
2. Gratuity as per the provisions of the Payment of Gratuity Act or as per the Gratuity Scheme of the Company whichever is higher.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution”.

#### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND IN HOLDING NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
2. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, and the information required in respect of appointment/reappointment of directors as per Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and as per Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is attached herewith. The Board of Directors of the Company commends their respective re-appointments.
3. The Register of Members and the Share Transfer books of the Company will be closed from Saturday, September 22, 2018 to Saturday, September 29, 2018 both days inclusive.
4. Members are requested to notify immediately any change of address:
  - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) to the Company's Registrar & Share Transfer Agents,  
**Universal Capital Securities Pvt. Ltd.**  
**21, ShakilNiwas, Opp. Satyasaibaba Temple,**  
**Mahakali Caves Road, Andheri (E), Mumbai 400 093**
  - (iii) in respect of their physical share folios, if any, quoting their folio numbers.
5. Members are requested to bring their copy of the Annual Report to the meeting.
6. The Notice of the Annual General Meeting (AGM) along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
7. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agents/Depositories.
8. Members may also note that the Notice of the 28<sup>th</sup> Annual General meeting and the Annual report for 2017-2018 will also be available on the Company's Website: [www.finelineindia.com](http://www.finelineindia.com) for download.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Registrar and Share Transfer Agents of the Company in this regard.
10. The route map showing directions to reach the venue of the Twenty-Eighth Annual General Meeting is annexed.

11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:30 am to 6:00 pm) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.

## 12. VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, and Regulation 44 of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the company is pleased to provide members facility to exercise right to vote at 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depositories Services Limited (CDSL)

### A The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, September 26, 2018 (09.00 a.m.) and ends on Friday, September 28, 2018 (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, September 22, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

### For Members holding shares in Demat Form and Physical Form

|   |   |
|---|---|
| PAN   | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)   |
|   | <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| Dividend Bank Details<br>OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>  |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Company Name.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for Non – Individual Shareholders and Custodians Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:  
Please follow all steps from Sl. No. (i) to Sl. No. (xiv) above, to cast vote.
1. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
  2. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  3. The remote e-voting period commences on Wednesday, September 26, 2018 (09.00 a.m.) and ends on Friday, September 28, 2018 (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, September 22, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  4. 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 i.e. Saturday, September 22, 2018. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting. The members who have not cast vote through remote e-voting shall be entitled to vote at the meeting.
  5. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, (may obtain the login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com) shall follow the procedure laid down above. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com).
  6. Ms. Sarvari Shah (Membership No. FCS 9697) and failing her Mr. Mitesh Dhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  7. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
  8. Shareholders who have already voted prior to the meeting date would be entitled to attend the Annual General Meeting but shall not be entitled to vote at the meeting.
  9. The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.



10. The Results declared along with the Scrutinizer's Report shall be displayed on the Notice Board of the Company at its Registered Office and placed on the Company's website ([www.finelineindia.com](http://www.finelineindia.com)) and on the website of CDSL and communicated to the BSE Limited where the shares of the Company are listed..

By Order of the Board  
Bhagwandas T Doshi  
Chairman  
DIN: 00040596

Registered Office:  
145, SDF-V, Seepz-SEZ, Andheri (East), Mumbai - 400096  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244  
E-mail: [fineline@vsnl.com](mailto:fineline@vsnl.com), Website [www.finelineindia.com](http://www.finelineindia.com)  
Date :August 11, 2018

#### ANNEXURE TO THE NOTICE

#### **THE STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION REQUIRED AS PER REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETING.**

##### **Item No. 3**

M/s. C Sharat & Associates, Chartered Accountants, Auditors of the company have vide their letter dated August 11, 2018 expressed their unwillingness to continue to offer themselves for re-appointment as auditors of the Company at the ensuing Annual General Meeting of the Company.

The Company has received a letter from a member of the Company proposing the name of M/s. Ratanghayara & Co., Chartered Accountants, to be appointed as Auditors of the Company.

M/s. Ratanghayara & Co., Chartered Accountants have consented to act as Statutory Auditors of the Company if appointed.

Your Directors therefore recommend the appointment of M/s. Ratanghayara & Co., Chartered Accountants, as Auditors of the Company for the approval by the members.

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

##### **Item No. 4**

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018 issued the SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 ("the Amendment Regulations") which brought amendment in the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 ("the Listing Regulations") to be made effective from April 01, 2019, save as otherwise specifically provided for in the Amendment Regulations. One of the said amendments requires the listed entities to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of non-executive Directors who have attained the age of seventy-five years. This amendment is going to be effective from April 01, 2019. Mr. Upendranath Nimmagadda, Non-Executive Director of the Company, has already attained the age of seventy five years.

The Board feels that the skills, expertise and vast experience of Mr. Upendranath Nimmagadda would continue to help the Company in its growth path. The Board upon the recommendation of Nomination and Remuneration Committee decided to seek the approval of shareholders at the ensuing Annual General Meeting in terms of the provisions of the Amendment Regulations for continuation of the directorship of above said Director post March 31, 2019 till he continues to be a Director of the Company.

Accordingly, The Board recommends the Special Resolution, as set out at Item No. 4 of the accompanying Notice, for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Mr. Upendranath Nimmagadda and his relative(s), is in any way concerned or interested (financially or otherwise), in the proposed respective Special Resolution set out at Item No. 4 of the Notice.

##### **Item No. 5**

The Board of Directors of the Company (the "Board") had by resolution dated August 11, 2018, re-appointed Shri Bhagwandas T. Doshi as the Whole-time Director designated as Executive Chairman of the Company respectively for a period of three years with effect from April 1, 2019 on the terms and conditions including remuneration as contained in the special resolution at item number 5 in the accompanying notice. The said reappointment of Shri Bhagwandas T. Doshi and the payment of remuneration to them are subject to the approval of the Members of the Company.

Pursuant to Section 196, 197, 201 & 203 read with Schedule V of the Companies Act, 2013 and Rule 7 of the Companies (Appointment & Remuneration of

Managerial Remuneration Personnel) Rules, 2014 framed and all other applicable provisions of the Companies Act, 2013, the remuneration payable to Shri Bhagwandas T. Doshi is placed before the shareholders for their approval by way of a special resolution.

Shri Bhagwandas T. Doshi has already crossed the age of 70 years and accordingly his re-appointment is required to be approved by a special resolution of the members of the company.

Shri Bhagwandas T. Doshi is a Promoter Director of the company with varied & rich industrial experience. As the company stands to gain from his continuous participation and guidance, his re-appointment is beneficial to the company.

**Additional information required to be given alongwith a Notice calling General Meeting as per sub para (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:**

| <b>I. General Information:</b> |  |                         |                   |                   |                   |
|--------------------------------|--|-------------------------|-------------------|-------------------|-------------------|
| (1)                            | Nature of industry   | Manufacturing           |                   |                   |                   |
| (2)                            | Date or expected date of commencement of commercial production   | 09/10/1989 & 01/09/2003 |                   |                   |                   |
| (3)                            | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | N.A.                    |                   |                   |                   |
| (4)                            | Financial performance based on given indicators  | <b>2017 -2018</b>       | <b>2016 -2017</b> | <b>2015 -2016</b> | <b>2014 -2015</b> |
|                                | Turnover *   | 2830.61                 | 2552              | 2529              | 2368              |
|                                | Net profit (as computed under section 198)   |                         |                   |                   |                   |
|                                | Net profit/ (Loss) as per profit and loss account  | 9.28                    | 4.63              | 8.52              | 7.68              |
|                                | Amount of Dividend paid  | NIL                     | NIL               | NIL               | NIL               |
|                                | Rate of Dividend declared  | N.A.                    | N.A.              | N.A.              | N.A.              |
|                                | Earning before interest, depreciation & taxes  | 138.86                  | 123.80            | 110.85            | 62.87             |
|                                | % of EBIDT to turnover   | 4.90%                   | 4.85%             | 4.38%             | 2.65 %            |
|                                | * Turnover does not include DEPB and duty drawback, which is included in sales   |                         |                   |                   |                   |
| (5)                            | Foreign investments or collaborators, if any.  | NIL                     |                   |                   |                   |

| II. INFORMATION ABOUT THE APPOINTEE   |   |
|---|---|
| Background Details:   | Shri Bhagwandas T Doshi, is an Indian National, on the board of the Company since 1991, B. Sc. is the Executive Chairman of the Company. Under his dynamic leadership the Company has excelled its performance in all the areas and has prospered in good economic times and survived through the recession phase. He is the promoter director and has nurtured the industry from its infancy. He is a senior citizen of above 83 years and has foresighted vision. With his active participation and under his leadership the progress will witness varied horizons. He is a director in Gujarat Reclaim & Rubber Products Ltd., Kapurwala Properties Pvt. Ltd. he is a member of Audit Committee and Remuneration Committee of Gujarat Reclaim & Rubber Products Ltd. |
| Past Remuneration:  | <b>Rs. 77,000/- (Rupees Seventy Seven Thousand Only)</b>  |
| Recognition or Awards:  | <b>Fellow of Rotary International</b>   |
| Job Profile and his suitability:  | Management & Conduct of Business and Affairs if the Company.<br>Considering the above and having regard to age qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.  |
| Remuneration Proposed   | As per resolution enclosed in the Notice of Annual General Meeting  |
| Comparative Remuneration Profile With respect industry, Size of the Company, Profile of the position and person | Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to is low.   |
| Pecuniary Relationship directly or indirectly with the Company or with managerial personnel if any              | The Wholtime Director designated Executive Chairman have no other pecuniary relationship with the Company or with the managerial personnel except the remuneration being paid to them and in their individual capacities and with the relatives who are Managerial Personnel.   |

## III Other information:

|   |  |  |
|---|--|--|
| 1 | Reasons of loss or inadequate profits                              | The inadequate Profit During the year 2017-18 was due to pressure on margin in view of tough competition in the Global Market.           |
| 2 | Steps taken or proposed to be taken for improvement                | Substantial marketing efforts and continuous up gradation in technology is likely to increase the profitability of the company.          |
| 3 | Expected increase in productivity and profits in measurable terms. | Expected increase in productivity by about 10% The Company expects to increase the profit by about 10% barring unforeseen circumstances. |

## IV. Disclosures:

The remuneration package of the above Managerial Personnel has been disclosed above and in the respective resolution. The Company does not have any scheme for grant of stock options.

Your directors recommend the resolution for your approval.

Shri Bhagwandas T Doshi, is concerned or interested in the said Resolution being related to his own appointment. Shri Abhay B Doshi, Shri Rajiv B Doshi and Shri. Gautam Doshi being relative are interested in the said resolution. None of the other Directors, KMPs, their relatives are in any way concerned or interested, financially or otherwise in the above resolutions.

By Order of the Board

**Registered Office:**

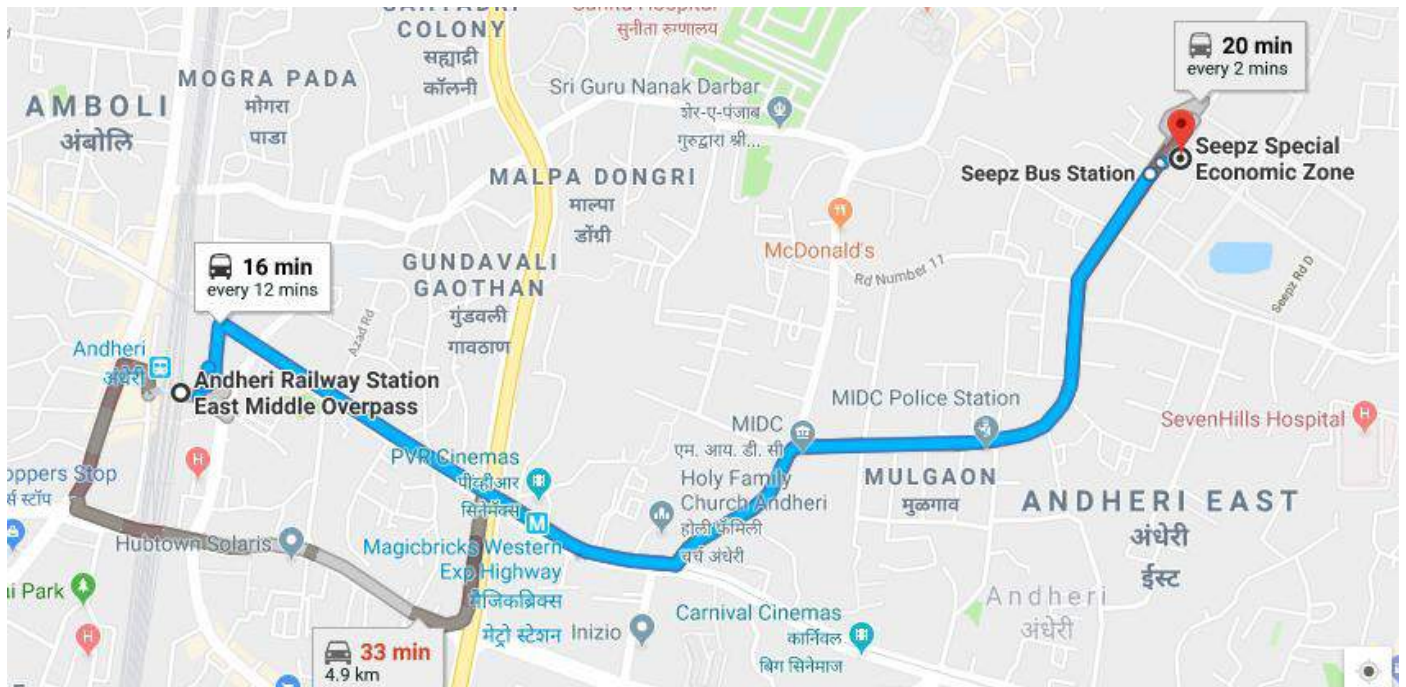
145, SDF-V, Seepz -SEZ, Andheri (East), Mumbai -400096  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244 | E-mail: fineline@vsnl.com,  
Website [www.finelineindia.com](http://www.finelineindia.com)  
Date : August 11, 2018

**Bhagwandas T Doshi**  
**Chairman**  
**DIN: 00040596**

**Details of Directors and Manager being appointed/ reappointed as required in terms of Clause**
**1.2.5 of Secretarial Standards –2**

|   | <b>Shri Bhagwandas T. Doshi</b>  | <b>Shri Rajiv B Doshi</b>  | <b>Shri Upendranath Nimmagadda</b>   |
|---|--|--|--|
| <b>Date of Birth</b>  | 24 <sup>th</sup> April 1935  | 28 <sup>th</sup> March 1967  | 01 <sup>st</sup> September 1942  |
| <b>Qualification</b>  | B. Sc  | B. Com   | MD   |
| <b>Experience</b>   | Above 58 Years   | Above 22 Years   | Above 50 Years   |
| <b>Terms and Conditions of Appointment/Re-appointment</b>   | Re -appointment as Whole-time Director designated Executive Chairman. Other terms and conditions as per Notice | Retirement by rotation. Other terms and conditions as per Notice               | Continuation of directorship. Other terms and conditions as per Notice   |
| <b>Details of Remuneration :</b>  |  |  |  |
| <b>Remuneration last drawn</b>  | 18,50,550/-  | 21,09,519/-  | Rs. 5000/- (Sitting Fee)   |
| <b>Date of first appointment on the Board</b>   | 09 <sup>th</sup> October 1989  | 01 <sup>st</sup> April 2007  | 10 <sup>th</sup> May 1991  |
| <b>Shareholding in the Company</b>  | 4,65,277 equity shares   | 2,23,100 equity shares   | 4,70,100 equity shares Held in the name of Usharani Nimmagadda   |
| <b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b> | Relative of Shri. Abhay B. Doshi, Shri. Gautam B. Doshi and Shri. Rajiv B. Doshi                               | Relative of Shri. Bhagwandas T Doshi, Shri. Abhay Doshi and Shri. Gautam Doshi | Non  |
| <b>Number of Meetings of the Board attended during the year</b>                                     | 2 Meetings   | 4 Meeting  | 1 Meeting  |
| <b>Other Directorships</b>  | 1. Gujarat Reclaim & Rubber Products Ltd.<br>2. Kapurwala Properties Pvt. Ltd.                                 | Kapurwala Properties Pvt. Ltd.   | Nil  |
| <b>Membership/Chairmanship of Committees of other Boards</b>  | Kapurwala Properties Pvt. Ltd.   | None   | 1. National Republic Bank of Chicago<br>2. Amercian College of Surgeons,<br>3. Royal College of Surgeons of Canada<br>4. India Medical Association of Ilinios<br>5. Association of American Physicians of India (AAPI)<br>6. Past President and present Trustee of Hindu Temple of Greater Chicago |

## ROUTE MAP FOR VENUE OF AGM



**BOARD'S REPORT**
*[Pursuant to Section 134(3) of the Companies Act, 2013]*

To  
**The Members**  
**FINE-LINE CIRCUITS LIMITED**

The Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Financial Statements for the year ended on March 31, 2018.

**FINANCIAL RESULTS:**
**TRANSITION TO INDIAN ACCOUNTING STANDARD: (Ind AS)**

With effect from April 1, 2017, your company was required to align its accounting policies and disclosures with new Indian Accounting Standards or Ind-AS (Ind AS) as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2016 as amended. Accordingly, the Financial Statements are prepared in accordance with the (Ind AS). Figures of the previous year have been reinstated due to adoption of Ind AS.

|   | <b>2017-2018</b>      | <b>2016-2017</b>      |
|---|-----------------------|-----------------------|
|   | <b>(Rs. in lakhs)</b> | <b>(Rs. in lakhs)</b> |
| Sales                                       | <b>2830.61</b>        | <b>2552.09</b>        |
| Earnings before depreciation, interest, tax | <b>138.86</b>         | <b>123.80</b>         |
| <b>Less:</b>                                |                       |                       |
| Depreciation                                | <b>81.06</b>          | <b>67.46</b>          |
| Interest                                    | <b>44.37</b>          | <b>39.58</b>          |
|   |                       |                       |
| <b>PROFIT BEFORE TAX</b>                    | <b>13.43</b>          | <b>16.76</b>          |
| <b>Less:</b> Provision for Taxation         |                       |                       |
| Current Tax                                 | <b>0.51</b>           | <b>0.54</b>           |
| Deferred Tax                                | <b>3.63</b>           | <b>11.57</b>          |
|   |                       |                       |
| <b>PROFIT AFTER TAX</b>                     | <b>9.29</b>           | <b>4.63</b>           |
|   |                       |                       |
| Surplus brought forward from Previous Year  | <b>206.66</b>         | <b>202.03</b>         |
| <b>Balance Carried to Balance Sheet</b>     | <b>215.95</b>         | <b>206.66</b>         |

**DIVIDEND**

To conserve the resources, your directors do not recommend dividend on the equity shares of the Company for the financial year 2017-2018.

**TRANSFER TO GENERAL RESERVES**

Rs. 215.95 lacs is proposed to be retained in the Profit & Loss A/c of the company.

**OUTLOOK**

Although the first half of FY 2017-18 was progressing well good business coming from the Domestic Market and helping cushion, the volatility of Export, there was significant slowdown in the second half due to various reasons and also pushback of many Government Tenders. The Company seeing a good momentum pickup now and are positive with regards to FY 2018-19.

**BUSINESS**

Your Company continues to export Printed Circuit Boards (PCBs) to the G20 nations and has added New Products and New Markets (exports to a total of 15 Countries) and New Volumes (orders from many new customers of many new part numbers) which augurs well for the coming years. There has been no material change in the nature of the Company.

**MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report.

**NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

4 (Four) meetings of the Board of Directors were held during the year.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri. Rajiv Doshi (DIN: 00651098) retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018 issued the SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 ("the Amendment Regulations") which brought amendment in the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 ("the Listing Regulations") to be made effective from April 01, 2019, save as otherwise specifically provided for in the Amendment Regulations. One of the said amendments requires the listed entities to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of non-executive Directors who have attained the age of seventy-five years. This amendment is going to be effective from April 01, 2019. Mr. U. Nimmagadda, Non-Executive Director of the Company, have already attained the age of seventy five years.

The Board feels that the skills, expertise and vast experience of Mr. U. Nimmagadda would continue to help the Company in its growth path. The Board upon the recommendation of Nomination and Remuneration Committee decided to seek the approval of shareholders at the ensuing Annual General Meeting in terms of the provisions of the Amendment Regulations for continuation of the directorship of above said Director post March 31, 2019 till he continues to be a Director of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee has re-appointed Shri. Bhagwandas Doshi (DIN 00040596) as Whole-time Director designated as Executive Chairman w.e.f April 01, 2019.

The resolution seeking approval of the Members for the appointment/ re-appointment have been incorporated in the notice of the forthcoming annual general meeting of the Company.

**DECLARATION FROM INDEPENDENT DIRECTORS**

Directors who are independent directors, have submitted a declaration as required under section 149(7) of the Act that each of them meets the criteria of independence as provided in sub Section (6) of Section 149 of the Act and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

**AUDIT COMMITTEE OF BOARD OF DIRECTORS**

The Audit committee of the Board of directors of the Company consists of the following members

1. Shri. Apurva Shah
2. Shri R.M.Premkumar
3. Smt. Kumudini Mehta

**VIGIL MECHANISM**

The Company has formulated and published a Whistle Blower Policy to provide a mechanism ("Vigil Mechanism") for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Act and the revised listing regulations (URL : [www.finelineindia.com](http://www.finelineindia.com))

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS**

The Remuneration Policy for directors and senior management and the Criteria for selection of candidates for appointment as directors, independent directors, senior management as adopted by the Board of Directors are placed on the website of the Company (URL : [www.finelineindia.com](http://www.finelineindia.com)). There has been no change in the policies since the last fiscal year.

We affirm that the remuneration paid to the directors is as per the terms laid out in the remuneration policy of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;



- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations
- Efficient use and safeguarding of resources
- Compliance with policies, procedures and applicable laws and regulations and
- Transactions being accurately reported and recorded timely
- The Company has budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

The internal auditor also regularly reviews the adequacy of internal financial control system.

**DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES**

The Company does not have any subsidiary/ joint ventures/ associates.

**EXTRACT OF ANNUAL RETURN**

As provided under sub Section (3) of Section 92 of the Act, the extract of annual return is enclosed, which forms part of the directors' report as **Annexure I**.

**AUDITORS**

M/s. CSharat & Associates, Chartered Accountants, Auditors of the Company had expressed their unwillingness to act as the Statutory Auditors of the Company.

The Company has received a letter from a member of the Company proposing the name of M/s. Ratanghayara & Co., Chartered Accountants, to be appointed as Auditors of the Company

M/s. Ratanghayara & Co., Chartered Accountants, have furnished a certificate, confirming that they are eligible to be appointed at the ensuing General Meeting and their appointment will be in accordance with Section 139 read with section 141 of the Companies Act, 2013.

You are requested to appoint Auditors and to fix their remuneration.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practicing Company Secretaries were appointed as the Secretarial Auditor for auditing the secretarial records of the Company for the financial year 2017-2018.

The Secretarial Auditors' Report is annexed as **Annexure II**.

**AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT**

The statutory auditors' report and secretarial auditor's report does not contain any qualifications, reservations or adverse remarks.

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

Information in accordance with Clause (m) of Sub-section (3) of Section 134 of the Act read with Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure III**.

**PARTICULARS OF EMPLOYEES**

Pursuant to Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed as **Annexure IV**.

**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.

#### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORY / JUDICIAL AUTHORITY**

There are no significant or material orders passed by any regulator or court that would impact the going concern status of the Company and its future operations.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013.

#### **RISK MANAGEMENT POLICY**

The Board of Directors of the Company has framed a risk management policy and is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

#### **RELATED PARTY TRANSACTIONS**

The company has not entered into related party transactions during the year and hence particulars of transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the company.

#### **EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

An annual evaluation of the Board's own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:

| Sr. No. | Performance evaluation of    | Performance evaluation performed by                                     | Criteria   |
|---------|------------------------------|---|--|
| 1.      | Each Individual directors    | Nomination and Remuneration Committee                                   | Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.  |
| 2.      | Independent directors        | Entire Board of Directors excluding the director who is being evaluated | Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.   |
| 3.      | committees<br>Board, and its | All directors   | Board composition and structure; effectiveness of Board processes, information and functioning, fulfilment of key responsibilities, performance of specific duties and obligations, timely flow of information etc.<br>The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings. |

#### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2017-18, the Company has received nil complaints on sexual harassment.

#### **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS**

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

#### **DISCLOSURE REQUIREMENTS**

As per SEBI Listing Regulations, corporate governance report with auditors' certificate thereon and a management discussion and analysis are attached, which forms part of this report.

Details of the familiarization programme of the independent directors are disclosed on the website of the Company ( URL : [www.finelineindia.com](http://www.finelineindia.com) )

Policy on dealing with related party transactions is disclosed on the website of the Company ( URL : [www.finelineindia.com](http://www.finelineindia.com) )

#### **LISTING AGREEMENT AND LISTING FEES**

The Company entered into Listing Agreement with BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued on September 2, 2015 effective from December 1, 2015.

The Company has paid the listing fees to BSE Limited for the year 2017-2018.

#### **INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE**

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 is available on our website. ( URL : [www.finelineindia.com](http://www.finelineindia.com) )

#### **SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENT**

We acknowledge our appreciation to our clientele and vendors for their invaluable support during the year.

We also place on record our deep appreciation for the contribution made by the staff and the contract workmen at all levels. Their contribution has in no small measure enabled the Company to remain competitive.

Grateful thanks are also due to SEEPZ-SEZ Authorities, for their continued support extended to the Company from time to time.

Shareholders' appreciation for the management's efforts in such competitive times, at the General Meeting of the Company will be of great fillip to strive for better performance in spite of severe competitive factors faced by the Company.

**Mumbai**

**Date: August 11, 2018**

**On behalf of the board of directors,**

**Bhagwandas T. Doshi**  
**Chairman**

## ANNEXURE I

A. Extract of Annual Return as on Financial year ended 31.03.2018 [Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 7.10(1)]I. Registration and other details:

|  |   |
|--|---|
| i. CIN Number of the Company:  | L72900MH1989PLC131521   |
| ii. Registration Date:   | 09.10.1989  |
| iii. Name of the Company:  | FINE-LINE CIRCUITS LIMITED  |
| iv. Category/ Sub-category of the Company:                               | Public Company<br>Limited by Shares/IndianNon-Government Company  |
| v. Address of Registered office and contact details:                     | 145,SDF-V, SEEPZ-SEZ, ANDHERI (EAST), MUMBAI –400096  |
| vi. Whether listed company:  | Yes   |
| vii. Name, Address and contact details of Registrar and Transfer Agent : | M/s Universal Capital Securities Pvt. Ltd.<br>(Formerly Mondkar Computers Pvt. Ltd)<br>21, Shakil Niwas, Opp.Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai 400093<br>Tel: 91-22 2825 7641, 91-22 2820 7203-05.<br>Fax: 2 820 7207 Email: <a href="mailto:info@unisec.in">info@unisec.in</a> |

II. Principal Business Activity of the Company:

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated:-

| Sr. No. | Name and Description of main products/ services | NIC Code of the product/ service | Percentage to total turnover of the company |
|---------|---|----------------------------------|---|
| 1.      | Printed Circuits Boards                         | HSN # 8534.00                    | 100%  |

III. Particulars of Holding, Subsidiary and Associate Companies: NILIV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)I. Category wise shareholding:

| Category of shareholders             | No of shares held at the beginning of the year (as on 01.04.2017) |          |         |                   | No of shares held at the beginning of the year (as on 31.03.2018) |          |         |                   | % Change during the year |
|--------------------------------------|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|                                      | Demat   | physical | Total   | % of total shares | Demat   | physical | Total   | % of total shares | (9-5)                    |
| 1                                    | 2   | 3        | 4       | 5                 | 6   | 7        | 8       | 9                 | 10                       |
| <b>Promoters</b>                     |   |          |         |                   |   |          |         |                   |                          |
| <b>Indian</b>                        |   |          |         |                   |   |          |         |                   |                          |
| Individuals / Hindu Undivided Family | 1125334   | 0        | 1125334 | 23.406            | 1125334   | 0        | 1125334 | 23.406            | 0                        |
| Central Government                   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| State Governments(s)                 | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| Bodies Corporate                     | 86420   | 0        | 86420   | 1.798             | 301695  | 0        | 301695  | 6.275             | 4.48                     |
| Financial Institutions / Banks       | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| HUF                                  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |

| Category of shareholders   | No of shares held at the beginning of the year (as on 01.04.2017) |            |                |        | No of shares held at the beginning of the year (as on 31.03.2018) |            |                |        | % Change during the year |
|--|---|------------|----------------|--------|---|------------|----------------|--------|--------------------------|
| Directors & their relatives  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Clearing Member  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| <b>Sub -Total (A) (1)</b>  | <b>1211754</b>  | <b>0</b>   | <b>1211754</b> | 25.204 | <b>1427029</b>  | <b>0</b>   | <b>1427029</b> | 29.682 | 4.48                     |
| <b>Foreign</b>   |   |            |                |        |   |            |                |        |                          |
| Non-Resident Individuals   | 223100  | 0          | 223100         | 4.640  | 223100  | 0          | 223100         | 4.640  | 0                        |
| Other Individuals  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Bodies Corporate   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Banks / FI   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Any Other (specify)  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| <b>Sub -Total (A) (2)</b>  | <b>223100</b>   | <b>0</b>   | <b>223100</b>  | 4.640  | <b>223100</b>   | <b>0</b>   | <b>223100</b>  | 4.640  | <b>0</b>                 |
| <b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>            | <b>1434854</b>  | <b>0</b>   | <b>1434854</b> | 29.844 | <b>1650129</b>  | <b>0</b>   | <b>1650129</b> | 34.322 | 4.48                     |
| <b>Public Shareholding</b>   |   |            |                |        |   |            |                |        |                          |
| <b>Institutions</b>  |   |            |                |        |   |            |                |        |                          |
| Mutual Funds   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Financial Institutions / Banks                                       | 196466  | 100        | 196466         | 4.086  | 100   | 100        | 100            | 0.002  | -4.08                    |
| Central Government   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| State Governments(s)   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Venture Capital Funds  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Insurance Companies  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Foreign Institutional Investors                                      | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Foreign Venture Capital Funds  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Any Other (Specify)  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| <b>Sub -Total (B) (1)</b>  | <b>196466</b>   | <b>100</b> | <b>196466</b>  | 4.086  | <b>100</b>  | <b>100</b> | <b>100</b>     | 0.002  | -4.08                    |
| <b>Non -Institutions</b>   |   |            |                |        |   |            |                |        |                          |
| Non Institutions   |   |            |                |        |   |            |                |        |                          |
| Bodies Corporate   |   |            |                |        |   |            |                |        |                          |
| i) Indian  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| ii) Overseas   | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Individuals  | 0   | 0          | 0              | 0      | 0   | 0          | 0              | 0      | 0                        |
| Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh | 1745085   | 953780     | 1745085        | 36.297 | 1718912   | 941080     | 1718912        | 35.753 | -0.54                    |

|  |                |                |                |                |                |                |                |                |             |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|
| Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh | 641110         | 0              | 641110         | 13.335         | 654769         | 0              | 654769         | 13.619         | 0.28        |
| (Specify)NBFC registered with RBI/Trusts/Bodies Corporate                    | 23462          | 8500           | 23462          | 0.487          | 17433          | 8500           | 17433          | 0.362          | 0.13        |
| Clearing Member  | 2530           | 0              | 2530           | 0.053          | 430            | 0              | 430            | 0.009          | 0.04        |
| MARKET MAKER   | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0           |
| Non Resident Indians   | 571123         | 544700         | 571123         | 11.879         | 570333         | 544700         | 570333         | 11.863         | 0.02        |
| HUF  | 193156         | 0              | 193156         | 4.018          | 195680         | 0              | 195680         | 4.070          | 0.52        |
| Directors & their relatives  | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0           |
| Sub-total (B) (2)  | 3176466        | 1506980        | 3176466        | 66.069         | 315755 7       | 1494280        | 315755         | 65.676         | 0.39        |
| <b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>                         | <b>3372932</b> | <b>1507080</b> | <b>3372932</b> | <b>70.156</b>  | <b>3157657</b> | <b>1494380</b> | <b>3157657</b> | <b>65.678</b>  | <b>4.48</b> |
| <b>TOTAL (A)+(B)</b>   | <b>4807786</b> | <b>1507080</b> | <b>4807786</b> | <b>100.000</b> | <b>4807786</b> | <b>1494380</b> | <b>4807786</b> | <b>100.000</b> | <b>0</b>    |
| Shares held by Custodians Custodian for GDRs & ADRs                          | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0           |
| <b>GRAND TOTAL (A)+(B)+(C)</b>   | <b>4807786</b> | <b>1507080</b> | <b>4807786</b> | <b>100.000</b> | <b>4807786</b> | <b>1494380</b> | <b>4807786</b> | <b>100.000</b> | <b>0</b>    |

## II. Shareholding of Promoters :

| Sr. No.      | Shareholder's Name            | Shareholding at the beginning of the year 01.04.2017 |                                  |  | Share holding at the end of the Year -31.03.2018 |                                  |  |  |
|--------------|-------------------------------|--|----------------------------------|--|--|----------------------------------|--|--|
|              |                               | No. of Shares  | % of total Shares of the company | % of Shares pledged / encumbered to total shares | No. of Shares                                    | % of total Shares of the company | % of Shares pledged / encumbered to total shares | % change in shareholding during the year |
| 1            | Bhagwandas T. Doshi           | 465277   | 9.68                             | -  | 465277   | 9.68                             | -  | -  |
| 2            | Gautam B Doshi                | 223100   | 4.64                             | -  | 223100   | 4.64                             | -  | -  |
| 3            | Rajiv B Doshi                 | 223100   | 4.64                             | -  | 223100   | 4.64                             | -  | -  |
| 4            | Abhay B Doshi                 | 165600   | 3.44                             | -  | 165600   | 3.44                             | -  | -  |
| 5            | Kusum B Doshi                 | 143347   | 2.98                             | -  | 143347   | 2.98                             | -  | -  |
| 6            | Vibha A Doshi                 | 83000  | 1.73                             | -  | 83000  | 1.73                             | -  | -  |
| 7            | Vijay A Kumbhani              | 45010  | 0.94                             | -  | 45010  | 0.94                             | -  | -  |
| 8            | Kapureala Properties Pvt Ltd. | 86420  | 1.80                             | -  | 301695   | 6.28                             | -  | 4.48                                     |
| <b>TOTAL</b> |                               | <b>1434854</b>                                       | <b>29.85</b>                     | <b>-</b>   | <b>1650129</b>                                   | <b>34.33</b>                     | <b>-</b>   | <b>-</b>                                 |

## iii. Change in Promoters' Shareholding:

| Sl.No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|        | At the beginning of the year  |   |                                  |   |                                  |
|        | <b>Kapurwala Properties Pvt Ltd.</b>  | 86420                                     | 1.80                             | 215275                                  | 4.48                             |
|        | Date wise Increase / Decrease in Promoters  | Date                                      | Increase                         | Decrease                                | Reason                           |
|        | Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 30.08.17                                  | 6069                             |   | Open Market Purchase             |
|        |   | 04.09.17                                  | 900                              |   |                                  |
|        |   | 17.11.17                                  | 100                              |   |                                  |
|        |   | 20.11.17                                  | 500                              |   |                                  |
|        |   | 21.11.17                                  | 456                              |   |                                  |
|        |   | 22.11.17                                  | 200                              |   |                                  |
|        |   | 23.11.17                                  | 600                              |   |                                  |
|        |   | 24.11.17                                  | 700                              |   |                                  |
|        |   | 27.11.17                                  | 570                              |   |                                  |
|        |   | 28.11.17                                  | 2500                             |   |                                  |
|        |   | 01.12.17                                  | 400                              |   |                                  |
|        |   | 04.12.17                                  | 1400                             |   |                                  |
|        |   | 05.12.17                                  | 400                              |   |                                  |
|        |   | 07.12.17                                  | 1480                             |   |                                  |
|        |   | 08.12.17                                  | 199000                           |   |                                  |
|        | At the end of the year  |   |                                  | <b>301695</b>                           | <b>6.28</b>                      |

## iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

| Sr. No. | Name of Shareholders                      | Shareholding at the beginning of the year 01.04.2017 |                                  | (+)/INCREASE/( - )/DECREASE IN SHARE HOLDING |        | Shareholding at the end of the year - 31.03.2018 |                                  |
|---------|---|--|----------------------------------|--|--------|--|----------------------------------|
|         |   | No. of Shares  | % of total shares of the company | DATE   | SHARES | No. of Shares                                    | % of total shares of the company |
| 1       | Usharani Nimmagadda                       |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 470100   | 9.78                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 470100   | 9.78                             |
| 2       | Ajay Pranal Shah                          |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 187321   | 3.90                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 187321   | 3.90                             |
| 3       | Ravi Kumar Aggarwal                       |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 160100   | 5.27                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 160100   | 5.27                             |
| 4       | Subramanian P                             |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 155657   | 5.12                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 155657   | 5.12                             |
| 5       | Vijay Aggarwal                            |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 75000  | 2.47                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 75000  | 2.47                             |
| 6       | Harsha Ramesh Vala                        |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 56875  | 1.87                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 56875  | 1.87                             |
| 7       | Venkateshwara Rao Polavaraju              |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 55200  | 1.82                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 55200  | 1.82                             |
| 8       | Hayatahmed Ansari                         |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 31526  | 1.04                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 31526  | 1.04                             |
| 9       | Hansa Jayantilal Shah                     |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 29447  | 0.97                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 29447  | 0.97                             |
| 10      | Rayudu Garimella                          |  |                                  |  |        |  |                                  |
|         | At the beginning of the year (01/04/2017) | 19100  | 0.63                             | -  | -      |  |                                  |
|         | At the End of the year (31/03/2018)       |  |                                  | -  | -      | 19100  | 0.63                             |

**V. Shareholding of Directors and Key Managerial Personnel:**

| Sl. No | Folio/Beneficiary Account no | Name of the Share Holder | Date      | Reason                       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|------------------------------|--------------------------|-----------|------------------------------|---|----------------------------------|---|----------------------------------|
|        |                              |                          |           |                              | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.     | 1203150000<br>198645         | Abhay B Doshi            | 01/04/ 17 | At the Beginning of the year | 165600                                    | 3.44                             |   |                                  |
|        |                              |                          | 31/03/ 18 | At the End of the year       | 165600                                    | 3.44                             | 0                                       | 0                                |
| 2.     | 1203150000<br>198630         | Bhagwandas T Doshi       | 01/04/ 17 | At the Beginning of the year | 465277                                    | 9.68                             |   |                                  |
|        |                              |                          | 31/03/ 18 | At the End of the year       | 465277                                    | 9.68                             | 0                                       | 0                                |
| 3.     | 1203150000<br>204913         | Gautam B Doshi           | 01/04/ 17 | At the Beginning of the year | 223100                                    | 4.64                             |   |                                  |
|        |                              |                          | 31/03/ 18 | At the End of the year       | 223100                                    | 4.64                             | 0                                       | 0                                |
| 4.     | 1203150000<br>198913         | Rajiv B Doshi            | 01/04/ 17 | At the Beginning of the year | 223100                                    | 4.64                             |   |                                  |
|        |                              |                          | 31/03/ 18 | At the End of the year       | 223100                                    | 4.64                             | 0                                       | 0                                |

**Key Managerial Personnel**

|    |                     |          |                              |     |  |
|----|---------------------|----------|------------------------------|-----|--|
| 1. | Prema Radhakrishnan | 01/04/17 | At the Beginning of the year | NIL |  |
|    |                     | 31/03/18 | At the End of the year       | NIL |  |
| 2. | Ravindra Joshi      | 01/04/17 | At the Beginning of the year | NIL |  |
|    |                     | 31/03/18 | At the End of the year       | NIL |  |
|    | TOTAL               |          |                              |     |  |



I. Indebtedness of the Company including interest outstanding/accrued but not due for payment:

|  | <u>Secured Loans<br/>excluding<br/>deposits</u> | <u>Unsecured Loans</u> | <u>Deposits</u> | <u>Total<br/>Indebtedne<br/>ss</u> |
|--|---|------------------------|-----------------|------------------------------------|
| <u>Indebtedness at the beginning of the financial year</u> |   |                        |                 |                                    |
| (1)Principal Amount  | 298.51  | 0                      | 0               | 298.51                             |
| (2)Interest due but not paid                               | 0   | 0                      | 0               | 0                                  |
| (3)Interest accrued but not due                            | 0   | 0                      | 0               | 0                                  |
| <u>Total(i+ii+iii)</u>                                     | <u>298.51</u>                                   | <u>0</u>               | <u>0</u>        | <u>298.51</u>                      |
| <u>Change in Indebtedness during the financial year</u>    |   |                        |                 |                                    |
| -Addition  | 159.57  | 95.25                  | 30.00           | 254.82                             |
| - Reduction  | (80.00)   | (45.25)                | 0               | (125.25)                           |
| <u>Net Change</u>  | <u>79.57</u>                                    | <u>50.00</u>           | <u>30.00</u>    | <u>129.57</u>                      |
| <u>Indebtedness at the end of the financial year</u>       |   |                        |                 |                                    |
| (i)Principal Amount  | 378.08  | 50.00                  | 30.00           | 428.08                             |
| (ii)Interest due but not paid                              | 0   | 0                      | 0               | 0                                  |
| (iii)Interest accrued but not due                          | 0   | 0                      | 0               | 0                                  |
| <u>Total(i+ii+iii)</u>                                     | <u>378.08</u>                                   | <u>50.00</u>           | <u>30.00</u>    | <u>428.08</u>                      |

I. Remuneration of Directors and Key Managerial Personnel

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

|  | Bhagwandas Doshi<br>– Chairman &<br>Executive Director | Abhay Doshi<br>Managing Director – | Rajiv Doshi<br>Executive Director – |
|--|--|------------------------------------|-------------------------------------|
| <u>Gross Salary</u>  |  |                                    |                                     |
| a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 900000   | 984000                             | 984000                              |
| b) Value of Perquisites u/s 17(2) of Income Tax Act, 1961                          | 141367   | 123364                             | 231856                              |
| c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961                     | -  | -                                  | -                                   |
| Stock Option   | -  | -                                  | -                                   |
| Sweat Equity   | -  | -                                  | -                                   |
| Commission   | -  | -                                  | -                                   |
| Others<br>(PL encashment)  |  |                                    |                                     |
| HRA  | 540000   | 590400                             | 590400                              |
| LTA  | 75000  | 87996                              | 33000                               |
| Medical  | 75000  | 87996                              | 33000                               |
| PF   | -  | 118080                             | 118080                              |
| Incentives   | 119183   | 119183                             | 119183                              |
| <u>Total (A)</u>   | <u>1850550</u>   | <u>2111019</u>                     | <u>2109519</u>                      |
| Ceiling as per the Act   | Schedule V of the Act                                  | Schedule V of the Act              | Schedule V of the Act               |

## B. Remuneration to other Directors :

| NAME OF DIRECTORS                      | Remuneration<br>(Rs) | SITTING FEES<br>(Rs.) | Commission<br>(Rs.) |
|--|----------------------|-----------------------|---------------------|
| <b>Independent Directors</b>           |                      |                       |                     |
| Apurva Shah                            | -                    | 32500                 | -                   |
| Juzer Vasi                             | -                    | 25000                 | -                   |
| R. M. Premkumar                        | -                    | 33500                 | -                   |
| Kumudini Mehta                         | -                    | 5000                  | -                   |
| Jayesh K Rambhia                       | -                    | 5000                  | -                   |
| <b>TOTAL (B1)</b>                      | -                    | <b>101000</b>         |                     |
| <b>Other Non - Executive Directors</b> |                      |                       |                     |
| Gautam Doshi                           | -                    | 10000                 | -                   |
| U. Nimmagadda                          | -                    | 5000                  | -                   |
| <b>TOTAL (B2)</b>                      |                      | <b>15000</b>          | -                   |
| <b>TOTAL B1+B2</b>                     |                      | <b>116000</b>         | -                   |

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

|                                | <b>Prema Radhakrishnan<br/>(Chief Financial Officer)</b> | <b>R a v i n d r a J o s h i<br/>(Company Secretary)</b> |
|--------------------------------|--|--|
| Basic Salary                   | 254232   | 102000   |
| Perquisites                    | 0  | 0  |
| Incentives                     | 63146  | 0  |
| Others, please specify (Bonus) | 0  | 0  |
| HRA                            | 291516   | 0  |
| LTA                            | 44196  | 0  |
| Medical                        | 39504  | 0  |
| CA                             | 19200  | 0  |
| <b>Total</b>                   | <b>711794</b>  | <b>102000</b>  |

 VII Penalties/Punishment/Compounding of Offences- NONE

Mumbai

Date: August 11, 2018

On behalf of the board of directors,

 Bhagwandas T. Doshi  
 Chairman

## ANNEXURE II

## FORM No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
Fine-Line Circuits Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fine-Line Circuits 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 our 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, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
  - 1) Special Economic Zones Act, 2005 and the rules made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

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 was 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.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Place: Mumbai  
Date: August 11, 2018

**For Parikh & Associates**  
Company Secretaries

**Signature:**  
**Shalini Bhat**  
**Partner**  
**FCS No: 6484 CP No: 6994**

***This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.***

**'Annexure A'**

To,  
The Members  
Fine-Line Circuits Limited

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 process as were appropriate to obtain reasonable assurance about the correctness of the contents 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: August 11, 2018

**Signature:**  
**Shalini Bhat**  
**Partner**

## ANNEXURE III

**A. Conservation of energy, technology absorption, foreign exchange earnings and outgo: [Rule9.10(3)]****1. Conservation of energy:**

Your Company has a systematic in-house energy conservation program on the lines of ISO 50000. Several measures have been taken to conserve the energy and these are being implemented satisfactorily.

**2. Technology absorption :**

The Company continues to use latest technologies for improving the productivity & quality of its products. The Company's operation do not require significant import of technology.

**3. Research & Development :**

**Since last 19 years, through the pursuit of several R&D initiatives the Company has been incurring R&D expenditures on the following activities:**

- § Development of new products and of higher complexities and of newer materials
- § Continuous improvement of existing products to better Thermal, Mechanical and Electrical reliability
- § New processes, upgradation and existing production process improvement
- § Redesigning of manual processes for automation
- § Better environmental compliance.

**Research & Development was completed on the following projects :**

- § Thermal stability on Teflon materials
- § Electrical stability on high frequency materials
- § Processing of Halogen free materials
- § Thin core (3 mils in dimension) processing stabilized.
- § Processing of 12 mil BGAs
- § Processing of oversized boards stabilized

**Research & Development was initiated on the following projects :**

- § Production of 24 layer Multilayer PCBs
- § Production of On Board / Space standards compliant pcbs
- § Metal backed (Thick Copper plane/core) pcbs
- § Ceramic filled with PTFE PCBs
- § Various Hybrid materials PCBs
- § Tighter controlled impedance tolerance (+/-8%)
- § Minimum board thickness (0.30 mm)
- § Minimum finished hole size 0.20 mm
- § Immersion Nickel Immersion Palladium Gold surface finish
- § Much improved electrical testing capabilities.
- § Unbalanced Copper design PCB production

**Benefits:**

- § Benefits derived as a result of R&D are improvement of Quality of the products and reduced operational cycle time through infusion of the latest technology.
- § Upgradation of the products to higher standards
- § Meeting the expectations of the demanding customers in the high reliability markets
- § Import substitution
- § Cost reduction

**Future plan of action:**

Future R&D will continue along similar lines as at present and also growth with an enhanced focus on ability to serve the demanding customers in the Medical, Defence and Aerospace markets.

**Expenditure incurred on Research and Development**

Over the last 19 years in pursuit of its R&D endeavours the company has been regularly incurring expenditure on R&D. The same is reflected in the respective accounts of Balance Sheet and Profit and Loss account. During the Financial year 2017-2018 the company has incurred Rs. 28.85 Lakhs as R&D revenue expenditure. (Previous year Rs. 36.69 Lakhs)

#### 4. Foreign exchange earnings and Outgo

The details of Foreign Exchange Earnings and Outgo (in Rs. Lacs) are as under:

| Year ended 31 <sup>st</sup> March | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Foreign Exchange                  |      |      |      |      |      |      |      |      |      |      |      |
| Earning                           | 2283 | 1920 | 2183 | 2178 | 2375 | 2230 | 2316 | 2312 | 1796 | 2686 | 2444 |
| Outgo                             | 1178 | 963  | 1060 | 1063 | 1256 | 1137 | 970  | 1172 | 690  | 1266 | 1072 |
| Net Earning                       | 1105 | 957  | 1122 | 1115 | 1119 | 1093 | 1347 | 1140 | 1106 | 1420 | 1372 |

On behalf of the board of directors,

Mumbai

Date: August 11, 2018

Bhagwandas T. Doshi  
Chairman

#### ANNEXURE IV

#### PARTICULARS OF EMPLOYEES

#### A. Remuneration of Directors [Section 197(12) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Executive Directors | Ratio to median remuneration |
|---------------------|------------------------------|
| Bhagwandas T. Doshi | 3.75                         |
| Abhay B. Doshi      | 4.28                         |
| Rajiv B. Doshi      | 4.28                         |

(b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase/decrease in remuneration in the financial year |
|---|---|
| <b>Executive Director</b>   |   |
| Bhagwandas T. Doshi   | -3.50%  |
| Rajiv B. Doshi  | 0.52%   |
| <b>Managing Director : Mr. Abhay B. Doshi</b>                                     | -5.37%  |
| <b>Chief Financial Officer : Mrs. Prema Radhakrishnan</b>                         | 1.02%   |
| <b>Company Secretary: Mr. Ravindra Joshi</b>                                      | 100%  |

- (c) The percentage increase in the median remuneration of employees in the financial year: 6%
- (d) The number of permanent employees on the rolls of company: 167
- (e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 6%
- (f) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.
- II] The names of the top ten employees in terms of remuneration drawn is as under:

| Name of employee     | Designation       | Remuneration received | Nature of employment | Qualifications | Experience | Age | Last employment             | Percentage of equity shares held |
|----------------------|-------------------|-----------------------|----------------------|----------------|------------|-----|-----------------------------|----------------------------------|
| Bhagwan das T. Doshi | Chairman          | 1850550               | Permanent            | B.Sc           | 58         | 83  | Steel Cast Ltd              | 9.68                             |
| Abhay B Doshi        | Managing Director | 2111019               | Permanent            | B.E, MBA       | 30         | 57  | Maxtor Inc                  | 3.44                             |
| Rajiv B Doshi        | Director          | 2109519               | Permanent            | B.Com          | 22         | 51  | Forshas Forgings Pvt. Ltd   | 4.64                             |
| Joy Chacko           | Vice - President  | 1134163               | Permanent            | DME            | 39         | 63  | Stovec Industries Ltd       | NIL                              |
| Prakash Morgaonkar   | Sr. GM            | 760058                | Permanent            | BE             | 25         | 47  | Electrotech                 | NIL                              |
| Milan Trivedi        | Sr.GM             | 837690                | Permanent            | DMTE           | 30         | 53  | Stovec Industries Ltd       | NIL                              |
| Prema Radhakrishnan  | CFO               | 711794                | Permanent            | M.Com          | 24         | 50  | N/A                         | NIL                              |
| Nikhil Kumar M       | GM                | 667149                | Permanent            | DME            | 32         | 55  | Grafica Display Co          | NIL                              |
| Vijay kumar D        | Sr. Manager       | 509884                | Permanent            | B.Sc.          | 35         | 58  | Precision Photo Fabricators | NIL                              |
| Umakant Mudpe        | Sr. Manager       | 492597                | Permanent            | DEE            | 27         | 50  | Wellman Hindustan           | NIL                              |

Note: The employees falling in the management cadre are being considered for the above purpose.

There are no employees who are in receipt of remuneration in aggregate of Rupees One Crore and two Lakh for the year or Rupees Eight Lakh fifty thousand per month, if employed for part of the year.

**On behalf of the board of directors,**

**Mumbai**

**Bhagwandas T. Doshi**

**Date: August 11, 2018**

**Chairman**

#### **MANAGEMENT DISCUSSION AND ANALYSIS (MDA)**

As per the provisions of the Corporate Governance under the Listing regulations, the Management Discussion and Analysis (MDA) Report forms part of the Boards' Report and reflects current state of the business.

Your Company is making Printed Circuit Boards (PCBs) and has its manufacturing facilities in Seepz, SEZ, Mumbai. It continues to remain a 100% EOU.

#### **1) INDUSTRY STRUCTURE AND DEVELOPMENT**

PCBs are basic Electronic Building Block components used in all Electrical and Electronic Products. As a 100% EOU, the main Global supply comes from China. The product is a complex one with several aspects of technology intricacy and above all continuously increasing customer expectations.

Electronics Manufacture in India has a disability relative to China & the Government has recognized this and to boost & Support the Electronics

manufacturing has formulated & announced the National Policy on Electronics having various incentives to affect the disabilities faced by Indian Electronics Manufacturer with this Electronics Manufacture is sure to grow. Our own focus after exports to over 12 country's is now also on the domestic Market, hence we are well positioned to ride this growth phase.

## 2) MODERNISATION, OPPORTUNITY AND THREATS

The Company continuously updates its manufacturing processes focused towards yield, capability and capacity improvements. The improvements are on all fronts, equipments, processes / systems and personnel Training.

The opportunities are in the small to medium volume, faster delivery and with broad range of surface finishes focused for the European markets.

The threats are on account of volatile exchange rate movements and rising input and personnel costs.

## 3) SEGMENTWISE PERFORMANCE

Printed Circuits Boards (PCBs) is the only business segment in which the company is dealing.

### 4) a) BUSINESS SCENARIO

Printed Circuits Boards (PCBs) being a basic Electronic Building Block, it continues to have wide applications. The management is seized of the competition and quality consciousness at all the levels. The company is in the driver's seat for the quality of the products and has earned a good name in the global market. The company's policy to provide strong customer support has kept the company's image in the market at high level of confidence. The company continues to up-date the plant in terms of up-keep and modernization.

### b) HIGH TECHNOLOGY MULTILAYER UNIT

The High Technology Multilayer Unit (HTMU) continued to progress well.

## 5) RISK AND CONCERNS

The financial status of the company is stable. The cash flow is judiciously managed to get the best exchange rate gains. Slow growth in the global markets, high power cost, volatile exchange rate movements and consistently rising personnel costs are risks that the Company is facing and tackling.

## 6) INTERNAL CONTROL

The company has Internal Auditors who conducts internal audit that assesses the internal control systems. The Statutory Auditors and the Audit Committee review these controls regularly. Any change in the internal control that is recommended is studied and implemented based on the company needs and feasibility of implementation.

## 7) FINANCIAL PERFORMANCE

The Company rationalized the products line considering the price levels to remain competitive in the volatile Exchange Rate, Higher material and power cost scenario. The Company expects to improve on all these counts in the coming year.

## 8) HUMAN RESOURCE DEVELOPMENT AND BUILDING LEADERSHIP QUALITIES

The personnel of the company are vital part of the organization. The company continues its policy to train them in-house, provide opportunity for external training and challenges them to exert and rewards superior performance. The Company is pleased to state that this has made the 2<sup>nd</sup> level supervisory personnel to show encouraging performance and to rise up. The company has engaged contractor's workmen for support services and follows the same policy of training and rewarding the good performers.

The number of employees of the company as on 31<sup>st</sup> March 2018 was 167(Previous year 155).

## 9) TECHNOLOGY ABSORPTION:

### a. Research & Development

Since last 15 years, through pursuit of R&D endeavours, the Company has been regularly incurring R&D expenditure on the following activities

- Ø Development of new products and of complex designs.
- Ø Continuous improvement of existing products, for enhanced, Thermal, Material & Electrical Reliability.
- Ø Testing and adapting new materials.
- Ø New processes, upgradation and existing production process improvement.
- Ø Redesigning of manual processes for automation.
- Ø Environmental compliance by products and processes.

### b. Research & Development was carried out and completed on the following specific projects

- Ø Gold on Copper Finish.
- Ø Superior hole preparation on High Tg Materials.
- Ø Mechanical Stability on Polyimide Materials.
- Ø Tin plating on curved Copper Surfaces.

### c. Research & Development has been initiated on the following specific projects

- Ø Thermal stability on Teflon Materials.
- Ø Electrical Stability on High Frequency Material.
- Ø Processing of Halogen free Laminates.
- Ø Thin core (3.0 mil) processing.
- Ø Processing of oversized boards.



**d. Benefits**

Benefits derived as a result of R&D are improvement of quality of the products and reduced operational cycle time through infusion of the latest technology. Upgradation of products to the new standard, has been possible because of continuous R&D carried out since inception, leading to enhanced customer satisfaction and new business opportunities.

**e. Future plan of action**

Future R&D efforts will continue along similar lines, as at present, but with enhanced focus, thrust and endeavours.

**f. Expenditure on R&D**

Over the last 16 years, in pursuit of its R&D endeavours, the company has been regularly incurring expenditure on R&D. The same is reflected in the respective accounts of Balance Sheet and Profit and Loss Account. During the Financial Year 16-17 the Company has incurred Rs.36.69 as R&D revenue expenditure.

**10. FUTURE OUTLOOK:**

Although the first half of FY 2017-18 was progressing well with good business coming from the Domestic Market and helping cushion, the volatility of Export, there was a significant slowdown in the second half due to various reasons and also pushback of many Government Tenders. The Company seeing a good momentum pickup now and are positive with regards to FY 2018-19.

**Cautionary Statement:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

**REPORT ON CORPORATE GOVERNANCE****1. Company's philosophy of Corporate Governance:**

The Company's philosophy of Corporate Governance is to protect the long-term interest of the shareholders while respecting interest of other stakeholders and society at large. The company has set up adequate review process, internal controls and efficient management information systems.

The Company is committed to good corporate governance and transparency in its dealings and lays emphasis on integrity and regulatory compliance.

**2. Board of Directors**

The total strength of Board of Directors of the Company as on 31<sup>st</sup> March, 2018 was 10 (ten) including 7 (seven) Non-Executive Directors, out of which 5 (five) directors were independent directors including one woman director. The Directors are eminent professionals from amongst persons from the fields of business, finance, medicine, education and industry.

Composition and category of Directors are as under:

| Sr. | Name of Director    | Category of Director | Attendance at Board Meetings held During the year | Attendance At last AGM (September 23, 2017) | Number of other Directorships* | Committees (Other than Fine-Line Circuits Ltd.) * |          |
|-----|---------------------|----------------------|---|---|--------------------------------|---|----------|
|     |                     |                      |   |   |                                | Member  | Chairman |
| 1   | Bhagwandas T. Doshi | PD                   | 2   | Absent                                      | 1                              | 1   | Nil      |
| 2   | Juzer Vasi          | NI                   | 3   | Present                                     | Nil                            | Nil   | Nil      |
| 3   | R.M Premkumar       | NI                   | 4   | Absent                                      | 5                              | Nil   | Nil      |
| 4   | U. Nimmagadda       | NE                   | 1   | Absent                                      | Nil                            | Nil   | Nil      |
| 5   | Apurva R. Shah      | NI                   | 4   | Present                                     | 4                              | 3   | Nil      |
| 6   | Jayesh Rambhia      | NI                   | 1   | Absent                                      | 2                              | 1   | 2        |
| 7   | Gautam. B. Doshi    | NE                   | 2   | Absent                                      | Nil                            | Nil   | Nil      |
| 8   | Rajiv B. Doshi      | ED                   | 4   | Present                                     | Nil                            | Nil   | Nil      |
| 9   | Abhay B. Doshi      | MD                   | 4   | Present                                     | Nil                            | Nil   | Nil      |
| 10  | Kumudini Mehta      | NI                   | 1   | Present                                     | Nil                            | Nil   | Nil      |

PD = Promoter Director (Executive)

ED = Executive Director

NE = Non-Executive Director

NI = Non-Executive Independent Director

MD = Managing Director

\*Excludes Directorship in Private Limited Companies, Foreign Companies, Section 8 Companies and Government Bodies and Alternate Directorships. Only Audit Committee and Stakeholders Relationship Committee have been considered for the Committee position.

None of the Directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than seven listed companies or as whole-time Director in any other listed company.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company.

Shri Abhay B. Doshi, Shri Gautam B. Doshi and Shri Rajiv B. Doshi are sons of Shri Bhagwandas T. Doshi, Executive Chairman of the Company and hence are related to each other.

The Non-Executive Directors of the Company are paid sitting fees for attending meetings of the Board of Directors and Committees. Besides sitting fees non-executive Directors are not paid any other remuneration or commission. The Executive Directors are not paid sitting fees.

The following non executive directors hold shares in the Company as shown here under:

|                         |                      |
|-------------------------|----------------------|
| A. Shri Gautam B. Doshi | 223100 Equity Shares |
|-------------------------|----------------------|

No other Non-Executive Directors hold any shares in the company.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on May 19, 2018.

The Company conducted a familiarization program for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the Manufacturing and Providing of Technical services in relation to Printed Circuit Boards. Industry and the Company's business model. The familiarization programs have been uploaded on the website of the company at [www.fine-lineindia.com](http://www.fine-lineindia.com).

#### **Number and date of Board Meetings held**

4 (Four) Board Meetings were held during the year 2017-18. The dates on which the said meetings were held are as follows:

27<sup>th</sup> May, 2017, 12<sup>th</sup> August, 2017, 11<sup>th</sup> November, 2017 and 10<sup>th</sup> February, 2018

The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.

The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, key/senior management personnel, etc. other than the transactions entered into in the normal course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts.

The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

#### **Information on Directors retiring by rotation and seeking appointment / re-appointment**

##### **Shri. Rajiv Doshi (DIN 00651098)**

Shri Rajiv Doshi is an Indian National, aged 51 years is on the Board of the Company since April 01, 2007. He is a Commerce Graduate and has obtained "Certificate of Achievement" in Business Administration awarded by De Anza College, California, USA. Shri Rajiv B Doshi had wide experience of about 16 years in the Marketing and operations field with other concerns. He acquired detailed products knowledge while on training in India at Fine-Line Circuits Limited. He is handling entire Export since last 11 years. Prior to his joining the Board, Shri Rajiv B Doshi was working in the Company as General Manager and was supervising the entire Export Market operations and Factory Administration. He is a Director in Kapurwala Properties Pvt. Ltd. He is not a member of committees in any company.

Shri Rajiv B Doshi holds 223100 equity shares in the Company

##### **Shri. B.T. Doshi (DIN 00040596)**

Shri Bhagwandas T Doshi, is an Indian National, on the board of the Company since 1991, B. Sc. is the Executive Chairman of the Company. Under his dynamic leadership the Company has excelled its performance in all the areas and has prospered in good economic times and survived through the recession phase. He is the promoter director and has nurtured the industry from its infancy. He is a senior citizen of above 83 years and has foresighted vision. With his active participation and under his leadership the progress will witness varied horizons. He is a director in Gujarat Reclaim & Rubber Products Ltd., Kapurwala Properties Pvt. Ltd. he is a member of Audit Committee and Remuneration Committee of Gujarat Reclaim & Rubber Products Ltd.

Shri B T Doshi holds 465277 Equity Shares in the Company.

**Mr. U. Nimagadda (DIN 00613289)**

Shri upendranath Nimmagadda is an US National, aged about 76 years is on the Board of the Company since 1991. He holds a MBBS degree from Andhra University and ECFMG passed in 1965. He retired as a Surgeon having over three decades of an outstanding medical career. He is presently teaching at the Illinios Masonic Medical Center at Chicago. He is the Chairman of Executive Committee of National Republic Bank of Chicago, IL, USA since 1986. He is also member of following institutions:

1. Amercian College of Surgeons,
2. Royal College of Surgeons of Canada
3. India Medical Association of Illinios and
4. Association of American Physicians of India (AAPI)
5. Past President and present Trustee of Hindu Temple of Greater Chicago.

**Code of Conduct**

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.fineindia.com](http://www.fineindia.com). The Board members and senior management personnel have affirmed compliance with the said code of conduct. A certificate to this effect given by Shri. Abhay B. Doshi, Managing Director of the Company is attached to this report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.fineindia.com](http://www.fineindia.com). All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

**3. Audit Committee**

The terms of reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process, approval of transactions with related parties, sanctioning of loans and investments, evaluation of internal financial control and risk management system, reviewing with the management annual financial statements and Auditors report thereon, quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

The members of the Audit Committee have knowledge on financial matters and majority of them have accounting or related financial management expertise. The Chairman of the Audit Committee is an independent director.

The statutory auditors, finance and personnel are invitees to the meetings of the audit committee. Shri.Ratanghayara & Co. (CA) who was the Internal Auditor of the Company was also an invitee to the meetings of the Audit Committee.

The Audit Committee reviews all the information that is required mandatorily to be reviewed by it under corporate governance.

The Chairman of the Audit Committee was present at the 27th Annual General Meeting held on September 23, 2017.

Four meetings of the Committee on the dates mentioned below were held during the year 2017-18:

27th May, 2017, 12th August, 2017, 11th November, 2017 and 10th February, 2018.

The Composition of the Audit Committee and the details of the Meetings attended are as follows:

| Sr. No. | Name of Director                  | Category | Committee          | No. of Meeting attended |
|---------|-----------------------------------|----------|--------------------|-------------------------|
| 1.      | Apurva R. Shah                    | NI       | Chairman           | 4                       |
| 2.      | R.M.Premkumar                     | NI       | Alternate Chairman | 4                       |
| 3 .     | Juzer Vasi(upto 11.11.2017)       | NI       | Member             | 3                       |
| 4.      | Kumudini Mehta (w.e.f 11.11.2017) | NI       | Member             | Nil                     |

**4. Nomination and Remuneration Committee**

All the directors of the Committee are independent and Non-Executive directors. The Nomination and Remuneration Committee deals with the matters specified in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013 and also reviews the overall compensation structure and policies of the Company. The role of this Committee; inter-alia, includes:

- a. Formulation of the criteria relating to the remuneration of the directors, key managerial personnel and other employees which is displayed on the Company's website (weblink – [www.fineindia.com](http://www.fineindia.com))
- b. Performance criteria for evaluation of Independent Directors and the Board which is displayed on the Company's website (weblink – [www.fineindia.com](http://www.fineindia.com))
- c. Devising a policy on Board diversity (weblink – [www.fineindia.com](http://www.fineindia.com))
- d. Overseeing the familiarization programmers for directors (weblink – [www.fineindia.com](http://www.fineindia.com))
- e. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company's policy on the evaluation criteria is displayed on the Company's website (weblink – [www.fineindia.com](http://www.fineindia.com))

There was 1 (one) meeting of this Committee held on 27<sup>th</sup> May, 2017 during the Financial Year 2017-18.

The Composition of the Nomination and Remuneration Committee and the details of the Meetings attended are as follows:

| Sr. No. | Name of Director | Category | Committee | No. of Meeting attended |
|---------|------------------|----------|-----------|-------------------------|
| 1       | R.M.Premkumar    | NI       | Chairman  | 1                       |
| 2       | Apurva R. Shah   | NI       | Member    | 1                       |
| 3       | Juzer Vasi       | NI       | Member    | 1                       |

The remuneration paid to Managing Director and Executive Directors is stated here in below. The Non-Executive Directors are not drawing any remuneration. However, following sitting fees are paid to the Non-Executive Directors for attending meetings of the Board of Directors/ Committees.

| Name of Director                    | Sitting Fees   | Salaries & Perquisites | Performance Incentive | Total            |
|-------------------------------------|----------------|------------------------|-----------------------|------------------|
| <b>A. Executive Directors</b>       |                |                        |                       |                  |
| Bhagwandas T. Doshi                 | Nil            | 18,50,550              | Nil                   | 18,50,550        |
| Abhay B. Doshi                      | Nil            | 21,11,019              | Nil                   | 21,11,019        |
| Rajiv B. Doshi                      | Nil            | 21,09,519              | Nil                   | 21,09,519        |
| <b>Total</b>                        | <b>Nil</b>     | <b>60,71,088</b>       | <b>Nil</b>            | <b>60,71,088</b> |
| <b>B. Non - Executive Directors</b> |                |                        |                       |                  |
| Kumudini Mehta                      | 5,000          | Nil                    | Nil                   | 5,000            |
| Juzer Vasi                          | 25,000         | Nil                    | Nil                   | 25,000           |
| U. Nimmagadda                       | 5,000          | Nil                    | Nil                   | 5,000            |
| Gautam Doshi                        | 10,000         | Nil                    | Nil                   | 10,000           |
| Apurva R. Shah                      | 32,500         | Nil                    | Nil                   | 32,500           |
| R. M. Premkumar                     | 33,500         | Nil                    | Nil                   | 33,500           |
| Jayesh Rambhia                      | 5,000          | Nil                    | Nil                   | 5,000            |
| <b>Total</b>                        | <b>116,000</b> | <b>Nil</b>             | <b>Nil</b>            | <b>116,000</b>   |

Salaries and perquisites include contribution to Provident Fund, Leave Travel Allowance, reimbursement of medical expenses, wherever applicable as per the rules of the Company. The services are terminable by either party by giving to the other 6 (six) calendar months' notice in writing or by payment of a sum of equivalent remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed

Sitting Fees includes payment for Board level committee meetings.

Stock Options: The members of the Company have approved the Stock Options scheme for the benefit of the persons who are in the permanent employment of the Company. The Company is yet to frame the scheme for grant of stock options.

#### 5. Stakeholders Relationship Committee

The Following are the members of the Committee:-

| Sr. No. | Members             | Committee               | No. of Meetings attended |
|---------|---------------------|-------------------------|--------------------------|
| 1       | Juzer Vasi          | Chairman                | 1                        |
| 2       | R. M. Premkumar     | Alternate Chairman      | 2                        |
| 3       | Abhay B. Doshi      | Member                  | 2                        |
| 4       | Rajiv B. Doshi      | Member                  | 2                        |
| 5       | Prema Radhakrishnan | Chief Financial Officer | 2                        |

There were 2 (Two) meetings of the Committee on the dates mentioned below were held during the year 2017-18:

11<sup>th</sup> November 2017 and 10<sup>th</sup> February, 2018

Universal Capital Securities Pvt. Ltd, (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Transfer Agents do the pre-transfer scrutiny of shares. They are authorized to communicate with the transferor and transferee to redress and attend to their needs. They generate reports, update members' records and provide data to the Committee for various statutory compliances. There are no pending share transfers as on March 31, 2018.

#### Investors Services

Complaints received during the year:

| Sr. No. | Particulars                                   | 2017 -18 | 2016 -17 |
|---------|---|----------|----------|
| 1       | Complaints received during the year           | -        | -        |
| 2       | Resolved to the satisfaction of shareholders. | -        | -        |
| 3       | No. of pending complaints                     | -        | -        |

There are no legal proceedings pending relating to transfer of shares.

The Shareholders' grievances are dealt by M/s. Universal Capital Securities Pvt. Ltd (Formerly Mondkar Computers Pvt. Ltd) and reported to the Committee regularly.

#### 6. Subsidiary Companies

The company does not have any subsidiary company. The company has one branch office in USA, the financial statements of which are regularly reviewed by the Audit Committee.

#### 7. Risk Management

The Company has adopted a risk management policy. The Board of Directors have been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

#### 8. Independent Directors Meeting

During the year under review, the Independent Directors met on February 13, 2016, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- 1) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- 2) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and
- 3) 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.

#### 9. General Body Meetings

§ Details of the location and time where the last three Annual General Meeting (AGM) were held.

| AGM              | Year      | Venue   | Day & Date                   | Time       | Special resolution, if any   |
|------------------|-----------|---|------------------------------|------------|--|
| 27 <sup>th</sup> | 2016 - 17 | 2 <sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri (E), Mumbai -400096 | Saturday, September 23, 2017 | 10:30 a.m. | Yes<br>1. Appointment of Shri. Jayesh Khimji Rambhia (DIN 02049473) as a Director/Independent Director of the Company. |
| 26 <sup>th</sup> | 2015 - 16 | Gr. Floor, Frontside SDF VI, Seepz –(SEZ), Andheri (E), Mumbai 400096   | Saturday, August 13, 2016    | 3.30p.m.   | Yes<br>1. Re-appointment of Shri. Bhagwandas T. Doshi (DIN: 00040596) as a Whole-time Director of the Company.         |
| 25 <sup>th</sup> | 2014 - 15 | Gr. Floor, Frontside SDF VI, Seepz –(SEZ), Andheri (E), Mumbai 400096   | Saturday, August 08, 2015    | 3:30 p.m.  | Yes<br>1. Adoption of new set of articles of association of the company.   |

No postal ballots were used for voting in last year. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

#### 10. Disclosures

- i) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Board has approved a policy for related party transactions which has been uploaded on the website of the Company. (Weblink – [www.fineonlineindia.com](http://www.fineonlineindia.com)). There were no material significant related party transactions during the year that may have potential conflict with the interest of the Company.
- ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by SEBI, ROC, Stock Exchanges or any other statutory authorities on any matter related to capital market during the last 3 financial years.

#### None

- iii) Whistle Blower Policy/ Vigil Mechanism  
The Company has a Whistle Blower Policy/Vigil Mechanism and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blower Policy is posted on the website of the Company. (weblink – [www.fineonlineindia.co](http://www.fineonlineindia.co)).
- iv) The Company has complied with all the mandatory requirements of corporate governance under listing regulations as amended from time to time.
- v) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 forms part of this Annual Report.

**Proceeds from Initial Public Offerings (IPO), etc.**

The Company has not made any IPO during the year under report.

**Management discussions and analysis**

The management discussion and analysis forms part of this Annual Report.

**11. Means of communication**

- Quarterly & Half yearly Results: The Company publishes its quarterly & Half-yearly financial results in the Newspapers and is regularly submitted to the Stock Exchange.
- The results are normally published in Free Press Journal & Navshakti newspapers.
- The results are displayed and available on Company's website: [www.finelineindia.com](http://www.finelineindia.com).
- In view of the above and as cost and economy measures the quarterly results were not sent individually to the shareholders.
- There were no presentations made to the institutional investors or analysts.

**12. General Shareholders Information**

|                            |   |   |
|----------------------------|---|---|
| AGM : Date, Time and Venue | : | Saturday, September 29, 2018 at 10:30 a. m. at 2nd Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri – (E), Mumbai - 400096 |
| Financial Year             | : | 1 <sup>st</sup> April – 31 <sup>st</sup> March first week of August*  |
| First quarter results      | : | last week of October*   |
| Second quarter results     | : | first week of February*   |
| Third quarter results      | : | last week of May* * tentative   |
| Annual results             | : |   |
| Date of Book closure       | : | Saturday, 22 <sup>nd</sup> September, 2018 to Saturday, 29 <sup>th</sup> September, 2018(both days inclusive).  |
| Dividend Payment dates(s)  | : | The Company has not paid any interim or final dividend on the equity share capital for the financial year 2017-18.  |
| Listing on Stock Exchanges | : | BSE Limited (BSE)   |

Listing fees have been paid to the stock exchange for the financial year 2017-18 in April, 2018. The fees of the depositories for the financial year 2017-18 are also paid in the month of April, 2018.

|   |   |                                |
|---|---|--------------------------------|
| Stock code – Physical and ISIN Number for NSDL and CDSL             | : | 517264 on BSE;<br>INE087E01011 |
| Corporate Identity Number allotted by Ministry of Corporate Affairs | : | L72900MH1989PLC131521          |

**Market price data: high, low during each month in last financial year**

Stock Price Data during 2017-18 (BSE Table below gives the monthly highs and lows of the Company's shares on Bombay Stock Exchange (BSE))

| <b>High and Low prices of the Company's Shares on BSE with corresponding BSE sensdex April 2017 to March 2018</b> |                   |                    |                   |                    |
|---|-------------------|--------------------|-------------------|--------------------|
| <b>Months</b>   | <b>High (Rs.)</b> |                    | <b>Low (Rs.)</b>  |                    |
|   | <b>FLCL Price</b> | <b>BSE Sensdex</b> | <b>FLCL Price</b> | <b>BSE Sensdex</b> |
| Apr 1 7   | 14.11             | 30,184.22          | 12.77             | 29,241.48          |
| May 1 7   | 12.60             | 31,255.28          | 10.39             | 29,804.12          |
| Jun 1 7   | 9.88              | 31,522.87          | 9.40              | 30,680.66          |
| Jul 1 7   | 9.40              | 32,672.66          | 8.50              | 31,017.11          |
| Aug 17  | 9.45              | 32,686.48          | 7.62              | 31,128.02          |
| Sep 1 7   | 8.99              | 32,524.11          | 7.61              | 31,081.83          |
| Oct 1 7   | 8.97              | 33,340.17          | 8.55              | 31,440.48          |
| Nov 1 7   | 13.50             | 33,865.95          | 9.00              | 32,683.59          |
| Dec 1 7   | 15.37             | 34,137.97          | 13.00             | 32,565.16          |
| Jan 1 8   | 15.48             | 36,443.98          | 12.97             | 33,703.37          |
| Feb 1 8   | 12.96             | 36,256.83          | 11.71             | 33,482.81          |
| Mar 1 8   | 11.13             | 34,278.63          | 10.60             | 32,483.84          |

|  |   |   |
|--|---|---|
| <b>Stock performance in comparison to BSE Sensex</b> | : | This has been shown in the table based Indices given above in comparison with BSE Sensex  |
| <b>Registrars and share transfer agents</b>          | : | M/s Universal Capital Securities Pvt. Ltd.<br>(Formerly Mondkar Computers Pvt. Ltd)<br>21, Shakil Niwas, Opp.Satyasaibaba Temple, Mahakali Caves Road, Andheri (East),<br>Mumbai 400093<br>Tel: 91-22 2825 7641, 91-22 2820 7203-05.   Fax: 2 820 7207 Email: <a href="mailto:info@unisec.in">info@unisec.in</a>  |
| <b>Share transfer system</b>                         | : | All share transfers and related operations are conducted by M/s Universal Capital Securities Pvt. Ltd., (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Share Transfer Agents of the Company. They are registered with SEBI. The company has constituted as Stakeholders Relationship Committee for redressing shareholders' and Investors' complaints. |

**Distribution of shareholding/ shareholding pattern as on 31.03.2018**

| Shareholdings of Nominal Value | Shareholders |            | Shares Held    |            |
|--------------------------------|--------------|------------|----------------|------------|
|                                | Number       | %          | No. of Shares  | %          |
| Upto 500                       | 10627        | 96.93      | 1282896        | 26.68      |
| 510 - 1000                     | 179          | 1.63       | 149309         | 3.11       |
| 1001 - 2000                    | 70           | 0.64       | 104346         | 2.17       |
| 2001 - 3000                    | 24           | 0.22       | 58997          | 1.23       |
| 3001 - 4000                    | 11           | 0.10       | 38232          | 0.79       |
| 4001 - 5000                    | 9            | 0.08       | 41199          | 0.86       |
| 5001 - 10000                   | 16           | 0.14       | 112508         | 2.34       |
| 10000 and above                | 28           | 0.26       | 3020299        | 62.82      |
| <b>Total</b>                   | <b>10964</b> | <b>100</b> | <b>4807786</b> | <b>100</b> |

**b) Categories of Shareholding as on 31<sup>st</sup> March 2018**

|          | Category  | No. of Shares Held | % Of Share holding |
|----------|---|--------------------|--------------------|
| <b>A</b> | <b>Promoter's holding</b>   |                    |                    |
| <b>1</b> | <b>Promoters</b>  |                    |                    |
|          | - Indian Promoters  | 1427029            | 29.68              |
|          | - Foreign Promoters   | 223100             | 4.64               |
| <b>2</b> | <b>Person Acting in concert</b>   | -                  | -                  |
|          | <b>Sub - Total</b>  | <b>1650129</b>     | <b>34.32</b>       |
| <b>B</b> | <b>Non -Promoters Holding</b>   |                    |                    |
| <b>3</b> | <b>Institutional Investors</b>  |                    |                    |
| <b>A</b> | <b>Mutual funds &amp; UTI</b>   |                    |                    |
| <b>B</b> | Bank, Financial Institutions, Insurance Companies (Central/ State Govt. Institution/ Non - Govt. Institutions | 100                | 0                  |
| <b>C</b> | <b>FIIS</b>   |                    |                    |
|          | <b>Sub - Total</b>  | <b>100</b>         | <b>0</b>           |
| <b>4</b> | <b>Others</b>   | -                  |                    |
| <b>A</b> | <b>Private Corporate Bodies</b>   | -                  |                    |
| <b>B</b> | <b>Indian Public</b>  | 2586794            | 53.81              |
| <b>C</b> | <b>NRIs/ OCBs</b>   | 570333             | 11.86              |
| <b>D</b> | Any other shares in transit – clearing members  | 430                | 0.01               |
| <b>E</b> | <b>Trusts</b>   | -                  | -                  |
|          | <b>Sub - Total</b>  | <b>3157557</b>     | <b>65.68</b>       |
|          | <b>GRAND TOTAL</b>  | <b>4807786</b>     | <b>100</b>         |

**Dematerialisation of shares and liquidity**

 Demat Position as on 31<sup>st</sup> March, 18:

|                    |                 |               |
|--------------------|-----------------|---------------|
|                    | NSDL -- 1189527 | 24.74%        |
|                    | CDSL -- 2123879 | 44.17%        |
| <b>Total Demat</b> | <b>3313406</b>  | <b>68.91%</b> |

In Demat form the shares are tradable in the unit of one equity share giving maximum amount of flexibility and liquidity

**Outstanding GDRs/ADRs/warrants/ convertible instruments, etc.:**
**Plant Locations:**
**Unit 1**

 145, SDF-V, SEEPZ-SEZ  
 ANDHERI East, MUMBAI 400096  
 Tel: 91-22 2 829 0244 /45 | Fax: 91-22 2 829 2554  
 E-mail: [fineline@vsnl.com](mailto:fineline@vsnl.com)
**Registrar and Share Transfer Agents :**

 M/s Universal Capital Securities Pvt. Ltd.  
 (Formerly known as Mondkar computers Pvt. Ltd.)  
 21, Shakil Niwas, Opp. Satyasaibaba Temple,  
 Mahakali Caves Road, Andheri (East) Mumbai 400093  
 Tel: 91-22 2825 7641, 91-22 2820 7203-05.  
 Fax : 91-22 2 820 7207 | Email: [info@unisec.in](mailto:info@unisec.in)
**NIL**
**Unit 2**

 HIGH TECHNOLOGY MULTILAYER UNIT  
 148, SDF-V, SEEPZ-SEZ, ANDHERI (E), MUMBAI 400 096.  
 Tel: 91-22 42472222 Fax: 91-22 2 829 2554.  
 E-mail: [flcindia@vsnl.com](mailto:flcindia@vsnl.com)
**Registered office**

 Compliance Officer:  
 Mr. Ravindra Joshi  
 Fine-line Circuits Limited  
 145, SDF-V, SEEPZ-(SEZ) ANDHERI (E), MUMBAI - 400 096  
 e-mail: [fineline@vsnl.com](mailto:fineline@vsnl.com)
**DECLARATION**

 As provided under the SEBI Listing regulations, the Board members and the senior management personnel have affirmed compliance with the code of conduct for the Board of directors and senior management for the year ended 31<sup>st</sup> March 2018.

**On behalf of the Board**
**Place: Mumbai**
**Dated: August 11, 2018**
**ABHAY DOSHI**  
 MANAGING DIRECTOR



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members,

Fine-Line Circuits Limited

1. This certificate is issued in accordance with the terms of our engagement with **Fine-Line Circuits Limited** ('the Company').

2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**MANAGEMENTS' RESPONSIBILITY**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**OPINION**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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

For

**CSharat& Associates**

Chartered Accountants

Firm Registration No.128593W

CA Chintan Shah

Proprietor

Membership No.127551

Place:Mumbai

Dated:**August 11, 2018**

**Independent Auditor's Report**

To The Members of  
**Fine-line Circuit Limited**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of **Fine-line Circuit Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "Ind AS Financial Statements")

**Management's Responsibility for the Ind as Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, 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 of the Ind AS Financial Statements 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit (including comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Other Matters**

The comparative figures for the previous year ended 31<sup>st</sup> March, 2017 included in the financial statement, is based on the financial statements for the year ended 31<sup>st</sup> March, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who have expressed an unmodified opinion vide their report dated 27<sup>th</sup> May, 2017. The adjustment to those financial statements for the difference in the accounting principles adopted by the Company on transition to Ind AS have been audited by us. Our opinion on the financial statements is not modified in respect of the above matter.

**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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - 1. The Company disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Ind AS Financial Statements-Refer Note No. 30
    - 2. The Company has made provision, as at March 31, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
    - 3. There has been no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For C Sharat & Associates  
Chartered Accountants  
ICAI Firm Registration No.  
128593W

Chintan Shah  
Proprietor  
Membership No. 127551  
Mumbai  
Dated: 19<sup>th</sup> May, 2018

**“ANNEXURE A” TO THE INDEPENDENT AUDITORS' REPORT ON THE IND AS FINANCIAL STATEMENTS OF Fine-line Circuit Limited  
(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)**

- i. In respect of its fixed assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. The company does not have immovable property, therefore the provisions of sub clause (c) of clause (i) of paragraph 3 of the Order is not applicable to the Company.
- ii. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- iii. As explained to us, the Company has not granted any loans, secured or unsecured to companies, firm or other parties in the register maintained under section 189 of the Companies Act, 2013 and hence clause iii (a), iii (b) and iii (c) of the order is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of section 185 and 186 with respect of loans and investments made. We are informed that company has not provided any guarantee or securities during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company
- vi. Pursuant to Rules made by Central Government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion, that prima facie, prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are adequate or complete.
- vii. In respect of Statutory dues :
  - a. According to information and explanation given to us and the records of the Company, examined by us , in our opinion undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues have been regularly deposited with appropriate authorities by the company According to information and explanation given to us , no undisputed amount in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.
  - b. According to the information and explanations given to us, there are no disputed dues of income tax or sales tax or service tax or duty of custom or duty of excise or value added tax or goods and service tax pending as on March 31, 2018.
- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to Banks or Financial institution
- ix. In our opinion and according to the information and explanation given to us term loans have been applied for the purpose for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer during the year.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, company is not a Nidhi company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details of such transactions have been disclosed in the Ind AS Financial Statements, as required by the applicable Indian accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **C Sharat & Associates**  
Chartered Accountants  
Firm Registration No.128593W

CA Chintan Shah  
Proprietor  
Membership No.127551

Place: Mumbai  
Dated: **May 19, 2018**

**Independent Auditor's Report**

To The Members of  
Fine-line Circuit Limited

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE IND AS FINANCIAL STATEMENTS OF FINE-LINE CIRCUIT LIMITED**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of **Fine-line Circuit Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year then ended.

**Management Responsibility for the 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 (the "Guidance Note") 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 Act.

**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 issued by ICAI and the Standards on auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS Financial Statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For C Sharat & Associates  
Chartered Accountants  
ICAI Firm Registration No. 128593W

Chintan Shah  
Proprietor  
Membership No. 127551  
Mumbai  
Dated: 19th May, 2018

| BALANCE SHEET AS AT 31st March, 2018   |          |   |                        | Rs. In lakhs                            |
|--|----------|---|------------------------|---|
| Particulars  | NOTE NO. | As at 31st March, 2018  | As at 31st March, 2017 | As at 1st April, 2016                   |
|  |          | Rs.   | Rs.                    | Rs.                                     |
| <b>ASSETS</b>  |          |   |                        |   |
| <b>Non-Current Assets</b>  |          |   |                        |   |
| a. Property, Plant and Equipment   | 1        | 306.17  | 349.06                 | 296.69                                  |
| b. Intangible Assets   | 1        | 50.41   | 37.05                  | 1.63                                    |
| c. Financial Assets  |          |   |                        |   |
| i. Investments   | 2        | 0.75  | 0.25                   | 0.25                                    |
| d. Deferred Tax Assets (Net)   | 3        | 15.06   | 18.69                  | 30.27                                   |
| e. Other Non Current Assets  | 4        | 26.99   | 27.12                  | 28.55                                   |
| <b>Total non-current assets</b>  |          | <b>399.37</b>   | <b>432.18</b>          | <b>357.39</b>                           |
| <b>Current Assets</b>  |          |   |                        |   |
| a. Inventories   | 5        | 639.86  | 583.61                 | 527.75                                  |
| b. Financial assets  |          |   |                        | -                                       |
| i. Trade Receivables   | 6        | 415.96  | 342.93                 | 365.73                                  |
| ii. Cash and cash equivalents  | 7        | 111.62  | 22.09                  | 136.55                                  |
| c. Other current assets  | 8        | 60.99   | 41.62                  | 49.09                                   |
| <b>Total current assets</b>  |          | <b>1,228.42</b>   | <b>990.24</b>          | <b>1,079.12</b>                         |
| <b>TOTAL ASSETS</b>  |          | <b>1,627.80</b>   | <b>1,422.42</b>        | <b>1,436.51</b>                         |
| <b>EQUITY AND LIABILITIES</b>  |          |   |                        |   |
| <b>Equity</b>  |          |   |                        |   |
| a. Equity Share Capital  | 9        | 482.65  | 482.65                 | 482.65                                  |
| b. Other equity  | 10       | 219.19  | 206.66                 | 202.03                                  |
| <b>Total equity</b>  |          | <b>701.84</b>   | <b>689.31</b>          | <b>684.67</b>                           |
| <b>Liabilities</b>   |          |   |                        |   |
| <b>Non-current liabilities</b>   |          |   |                        |   |
| a. Financial liabilities   |          |   |                        |   |
| i. Borrowings  | 11       | 152.75  | 132.45                 | 155.98                                  |
| <b>Total non-current liabilities</b>   |          | <b>152.75</b>   | <b>132.45</b>          | <b>155.98</b>                           |
| <b>Current liabilities</b>   |          |   |                        |   |
| a. Financial liabilities   |          |   |                        |   |
| i. Borrowings  | 12       | 275.33  | 176.59                 | 124.26                                  |
| ii. Trade Payable  | 13       | 353.30  | 246.95                 | 330.78                                  |
| iii. Other Financial Liabilities   | 14       | 27.28   | 25.38                  | 22.52                                   |
| b. Provisions  | 15       | 0.62  | 31.11                  | 41.30                                   |
| c. Other current liabilities   | 16       | 116.67  | 120.63                 | 76.99                                   |
| <b>Total current liabilities</b>   |          | <b>773.21</b>   | <b>600.66</b>          | <b>595.85</b>                           |
| <b>Total Liabilities</b>   |          | <b>925.96</b>   | <b>733.12</b>          | <b>751.83</b>                           |
| <b>Total equity and liabilities</b>  |          | <b>1,627.80</b>   | <b>1,422.42</b>        | <b>1,436.51</b>                         |
| <b>Significant Accounting policies</b>   |          |   |                        |   |
| <b>See accompanying Notes to the Financial Statements</b>  | 1 TO 34  |   |                        |   |
| As per our Report of even date<br>For C Sharat & Associates<br>Chartered Accountants<br>ICAI Firm Registration No. 128593W |          | For and on behalf of the Board<br>Bhagwandas T. Doshi<br>(Chairman)                   |                        | Abhay B. Doshi<br>(Managing Director)   |
| Chintan Shah<br>Proprietor<br>Membership No. 127551<br>Place : Mumbai<br>Date : 19th May, 2018                             |          | Rajiv B. Doshi<br>(Executive Director)<br><br>Place : Mumbai<br>Date : 19th May, 2018 |                        | Prema Radhakrishnan<br>(CFO)            |
|  |          |   |                        | Ravindra B Joshi<br>(Company Secretary) |

## Statement of Profit and Loss for the year ended 31st March, 2018

Rs. In lakhs

| Particulars   | NOTE NO. | 2017-18 Rs.     | 2016-17 Rs.     |
|---|----------|-----------------|-----------------|
| <b>INCOME</b>   |          |                 |                 |
| Revenue from Operations   | 17       | 2,830.61        | 2,552.09        |
| Other Income  | 18       | 3.01            | 2.19            |
| <b>TOTAL INCOME</b>   |          | <b>2,833.61</b> | <b>2,554.28</b> |
| <b>EXPENSES</b>   |          |                 |                 |
| Cost of Materials Consumed  | 19       | 1,152.20        | 916.96          |
| Changes in Inventories of Finished Goods, work in progress and Stock in trade | 20       | (11.71)         | 9.66            |
| Employee Benefits Expense   | 21       | 442.15          | 425.48          |
| Finance Costs   | 22       | 44.37           | 39.58           |
| Depreciation and Amortisation Expense   | 23       | 81.06           | 67.47           |
| Other Expenses  | 24       | 1,112.11        | 1,079.45        |
| <b>TOTAL EXPENSES</b>   |          | <b>2,820.18</b> | <b>2,538.60</b> |
| <b>Profit before taxes</b>  |          | <b>13.43</b>    | <b>15.68</b>    |
| <b>Tax Expenses</b>   |          |                 |                 |
| Current Tax   |          | 0.51            | 0.55            |
| Deferred Tax  |          | 3.63            | 11.57           |
| <b>Profit after tax for the year</b>  |          | <b>9.28</b>     | <b>3.56</b>     |
| <b>Other Comprehensive Income</b>   |          |                 |                 |
| <b>A) Items that will not be reclassified to profit or loss</b>               |          |                 |                 |
| (a) (i) Remeasurement gain / (loss) of defined benefit plans                  |          |                 |                 |
| (ii) Income tax relating to above   |          | 3.25            | 1.07            |
| <b>Total Other Comprehensive Income</b>                                       |          | -               | -               |
|   |          | <b>3.25</b>     | <b>1.07</b>     |
| <b>Total Comprehensive Income for the year</b>                                |          |                 |                 |
| <b>Earning Per Equity share of Face value of ` 10/- each</b>                  |          | <b>12.53</b>    | <b>4.63</b>     |
| (1) Basic (in Rs )  |          | 0.19            | 0.07            |
| (2) Diluted (in Rs )  |          | 0.19            | 0.07            |
| <b>Significant Accounting policies</b>  |          |                 |                 |
| See accompanying Notes to the Financial Statements                            | 1 to 34  |                 |                 |

As per our Report of even date  
For C Sharat & Associates  
Chartered Accountants  
ICAI Firm Registration No. 128593W

For and on behalf of the Board  
Bhagwandas T. Doshi  
(Chairman)

Abhay B. Doshi  
(Managing Director)

Chintan Shah  
Proprietor  
Membership No. 127551

Rajiv B. Doshi  
(Executive Director)

Prema Radhakrishnan  
(CFO)

Ravindra B Joshi  
(Company Secretary)

Place : Mumbai  
Date : 19th May, 2018

Place : Mumbai  
Date : 19th May, 2018

| <b>CASH FLOW STATEMENT FOR THE YEAR 2017-18</b> |   | <b>Rs. In Lakhs</b> |                 |
|---|---|---------------------|-----------------|
|   |   | <b>2017-18</b>      | <b>2016-17</b>  |
| <b>A</b>  | <b>CASH FLOW FROM OPERATING ACTIVITIES :</b>                        | <b>Rs.</b>          | <b>Rs.</b>      |
|   | Net profit (loss) before tax and exceptional items                  | 13.43               | 15.68           |
|   | Adjustment for :  |                     |                 |
|   | Depreciation and amortization expense                               | 81.06               | 67.47           |
|   | Loss (gain) on fixed assets (net)                                   | 0.56                | 1.09            |
|   | Interest income   | (2.94)              | (2.09)          |
|   | Interest on loan  | 44.37               | 39.58           |
|   | Effect of exchange rate change due to revaluation                   | 10.42               | 2.05            |
|   | Provision for gratuity  | (27.24)             | (9.12)          |
|   | Operating profit before working capital changes                     | 119.67              | 114.65          |
|   | Adjustment for :  |                     |                 |
|   | Trade and other receivables   | (93.88)             | 39.14           |
|   | Inventories   | (56.25)             | (55.87)         |
|   | Trade and other payables  | 132.13              | (74.03)         |
|   | Cash generated from operations                                      | 101.67              | 23.90           |
|   | Taxes paid /Refund received   | (0.35)              | (0.95)          |
|   | <b>NET CASH INFLOW FROM OPERATING ACTIVITIES(A)</b>                 | <b>101.32</b>       | <b>22.95</b>    |
| <b>B</b>  | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                        |                     |                 |
|   | Purchase of fixed assets  | (80.07)             | (129.46)        |
|   | Proceed from fixed assets   | 0.45                | 0.50            |
|   | Purchase of non current investments                                 | (0.50)              | -               |
|   | Interest received   | 2.94                | 2.09            |
|   | <b>NET CASH USED IN INVESTING ACTIVITIES : (B)</b>                  | <b>(77.18)</b>      | <b>(126.86)</b> |
| <b>C</b>  | <b>CASH FLOW FROM FINANCING ACTIVITIES :</b>                        |                     |                 |
|   | Long Term Loans taken   | 50.00               | -               |
|   | Long Term Loans repaid  | (27.80)             | (20.67)         |
|   | Short Term Loans taken  | 314.80              | 181.80          |
|   | Short Term Loans repaid   | (216.06)            | (129.46)        |
|   | Interest paid on loan   | (44.37)             | (39.58)         |
|   | <b>NET CASH (USED) IN FINANCING ACTIVITIES : (C)</b>                | <b>76.56</b>        | <b>(7.92)</b>   |
|   | <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>  | <b>100.71</b>       | <b>(111.83)</b> |
|   | Effect of exchange rate change : (D)                                | (11.18)             | (2.65)          |
|   | <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A To D)</b> | <b>89.53</b>        | <b>(114.48)</b> |
|   | Opening Balance of Cash and cash equivalents :                      | 22.08               | 136.55          |
|   | Closing Balance of Cash and cash equivalents :                      | 111.61              | 22.08           |
|   | (Figures in brackets are cash outflows)                             |                     |                 |



| <b>DISCLOSURE AS REQUIRED BY IND AS 7</b>  |                 |  |                                       |   |                 |
|--|-----------------|--|---------------------------------------|---|-----------------|
| Reconciliation of liabilities arising from financing activities for the year ended March 31,2018   |                 |  |                                       |   |                 |
| Particulars  | Opening balance |  | Cash flows                            | Non cash changes - interest accrued but not due | Closing Balance |
| Term loan from financial institution (Secured) ( Refer Note 11 &12)  | 334.42          |  | 120.94                                |   | 455.36          |
| Reconciliation of liabilities arising from financing activities for the year ended March 31,2017   |                 |  |                                       |   |                 |
| Particulars  | Opening balance |  | Cash flows                            | Non cash changes - interest accrued but not due | Closing Balance |
| Term loan from financial institution (Secured) ( Refer Note 11 &12)  | 302.76          |  | 31.67                                 |   | 334.42          |
| Explanatory notes to Statements of Cash Flows:   |                 |  |                                       |   |                 |
| 1. Statement of Cash Flows is prepared in accordance with Ind AS 7 as notified by Ministry of Corporate Affairs.   |                 |  |                                       |   |                 |
| 2. In Part A of the Cash Flow Statement, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows. |                 |  |                                       |   |                 |
| The accompanying notes are an integral part of financial statements.   |                 |  |                                       |   |                 |
| <b>As per our Report of even date</b>  |                 |  | <b>For and on behalf of the Board</b> |   |                 |
| <b>For C Sharat &amp; Associates</b>   |                 |  | <b>Bhagwandas T. Doshi</b>            |   |                 |
| <b>Chartered Accountants</b>   |                 |  | <b>Chairman</b>                       |   |                 |
| <b>ICAI Firm Registration No. 128593W</b>  |                 |  | <b>Abhay B. Doshi</b>                 |   |                 |
|  |                 |  | <b>Managing Director</b>              |   |                 |
|  |                 |  | <b>Rajiv B. Doshi</b>                 |   |                 |
|  |                 |  | <b>(Executive Director)</b>           |   |                 |
| <b>Chintan Shah</b>  |                 |  | <b>Prema Radhakrishnan</b>            |   |                 |
| <b>Proprietor</b>  |                 |  | <b>(CFO)</b>                          |   |                 |
| <b>Membership No. 127551</b>   |                 |  | <b>Ravindra B Joshi</b>               |   |                 |
|  |                 |  | <b>(Company Secretary)</b>            |   |                 |
| Place : Mumbai   |                 |  | Place : Mumbai                        |   |                 |
| Date : 19th May,2018   |                 |  | Date : 19th May,2018                  |   |                 |

| FINE-LINE CIRCUITS LIMITED   |   |  |   |  |        |              |
|--|---|--|---|--|--------|--------------|
| STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018   |   |  |   |  |        |              |
| A. Equity Share Capital  |   |  |   |  |        | Rs. In lakhs |
| Balance at the beginning of the reporting period ie 1st April 2016 | Changes in equity share capital during the year 2016-2017 | Balance at the end of reporting period ie. 31st March 2017 | Changes in equity share capital during the year 2017-2018 | Balance at the end of reporting period ie. 31st March 2018 |        |              |
| Rs   | Rs  | Rs   | Rs  | Rs   |        |              |
| 482.65   | -   | 482.65   | -   | 482.65   |        |              |
|  |   |  |   |  |        |              |
| B. Other Equity  |   |  |   |  |        |              |
|  | Reserves and Surplus                                      |  |   |  | Total  |              |
|  | Capital Reserve on account of shares forfeited            | Capital redemption reserve                                 | Retained Earnings   | Other Comprehensive Income                                 |        |              |
|  | Rs  | Rs   | Rs  | Rs   | Rs     |              |
| As on 31st March 2017  |   |  |   |  |        |              |
| Balance at the beginning of the reporting period ie 1st April 2016 | 20.25   | 58.48  | 123.30  | -  | 202.03 |              |
| Total Comprehensive Income for the year                            | -   | -  | 3.56  | 1.07   | 4.63   |              |
| Dividend   | -   | -  | -   | -  | -      |              |
| Tax on Dividend  | -   | -  | -   | -  | -      |              |
| Balance at the end of reporting period ie. 31st March 2017         | 20.25   | 58.48  | 126.86  | 1.07   | 206.66 |              |
| As on 31st March 2018  |   |  |   |  |        |              |
| Balance at the beginning of the reporting period ie 1st April 2017 | 20.25   | 58.48  | 126.86  | 1.07   | 206.66 |              |
| Total Comprehensive income for the year                            |   |  | 9.28  | 3.25   | 12.53  |              |
| Dividend   |   |  |   |  | -      |              |
| Tax on Dividend  |   |  |   |  | -      |              |
| Balance at the end of reporting period ie. 31st March 2018         | 20.25   | 58.48  | 136.13  | 4.32   | 219.19 |              |

**Fine-Line Circuits Limited****Notes to Financial Statements for the year ended 31st March 2018**

(All amounts are in INR lakhs unless otherwise stated)

**30 Financial Risk Management**

The Company's principal financial liabilities comprise of borrowings, trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has loan and other receivables, trade and other receivable and cash and short term deposits that arise directly from its operations. The Company's activities exposes it to variety of financial risk as follows:

- i Market Risk
- ii Credit Risk
- iii Liquidity Risk

**i Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risks: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2018 and March 31, 2017.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including interest rates.

**Foreign Currency Risk**

The Following table shows foreign currency exposures in USD, EURO, GBP and CHF on financial instruments at the end of the reporting period.

| Particulars       | As at 31st March 2018 |       |       |      | As at 31st March 2017 |        |       |      | As at 31st March 2016 |       |       |      |
|-------------------|-----------------------|-------|-------|------|-----------------------|--------|-------|------|-----------------------|-------|-------|------|
|                   | USD                   | Euro  | GBP   | CHF  | USD                   | Euro   | GBP   | CHF  | USD                   | Euro  | GBP   | CHF  |
| Trade Payable     | 303.10                |       | 0.61  | -    | 260.41                | (8.59) | -     | -    | 220.44                | 10.89 | 0.04  | -    |
| Trade Receivables | 217.39                | 30.67 | 14.39 | 4.06 | 238.32                | 117.92 | 15.14 | 5.04 | 177.37                | 82.42 | 15.92 | 6.84 |

**Sensitivity analysis of 1% change in exchange rate at the of reporting period net of hedges**

| Particulars                             | As at 31st March 2018 |        |        |        | As at 31st March 2017 |        |        |        |
|---|-----------------------|--------|--------|--------|-----------------------|--------|--------|--------|
|   | USD                   | Euro   | GBP    | CHF    | USD                   | Euro   | GBP    | CHF    |
| 1% Depreciation In INR<br>Impact on P&L | 0.86                  | (0.31) | (0.14) | (0.04) | 0.22                  | (1.27) | (0.15) | (0.05) |
| 1% Appreciation in INR<br>Impact on P&L | (0.86)                | 0.31   | 0.14   | 0.04   | (0.22)                | 1.27   | 0.15   | 0.05   |

**a Interest rate risk and sensitivity**

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The risk is planned to be managed by having a portfolio mix of floating and fixed rate debt. Borrowings issued at variable rates expose the Company to cash flow interest rate risk.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings and loans on which interest rate swaps are taken.

**Interest rate exposure table**

| Particulars      | As At 31st March 2018 | As At 31st March 2017 | As At 1st April 2016 |
|------------------|-----------------------|-----------------------|----------------------|
| Loans            |                       |                       |                      |
| Short Term Loans | 275.33                | 176.59                | 124.26               |
| Long Term Loans  | 152.75                | 132.45                | 155.98               |

**Interest Rate Sensitivity**

| Interest Rate Sensitivity                 | Increase / decrease in Basis Points |     | Effect on profit before tax |        |
|---|-------------------------------------|-----|-----------------------------|--------|
| <b>For the year ended 31st March 2018</b> |                                     |     |                             |        |
| INR Borrowing                             |                                     | +50 |                             | (1.43) |
|   |                                     | -50 |                             | 1.43   |
| <b>For the year ended 31st March 2017</b> |                                     |     |                             |        |
| INR Borrowing                             |                                     | +50 |                             | (0.89) |
|   |                                     | -50 |                             | 0.89   |

**b Commodity price risk and sensitivity**

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enters into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

**c Financial instruments and cash deposits**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

**Competition and price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**ii Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The Company's maximum exposure to credit risk as at 31st March, 2018 and 1st April, 2017 is the carrying value of each class of financial assets.

**a Trade and Other Receivables**

Customer credit risk for printed circuits board sales is managed by entering into sale agreements in the case of sale of finished units, sale agreements are executed only upon/against full payment thereby substantially eliminating the Company's credit risk in this respect.

**Impairment**
**Expected credit loss assessment for customers as at 31st March 2017 and 31st March 18:**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. In view of the above, the Company believes that no provision is required as per expected credit loss method.

**iii Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board lays down principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk and investment of excess liquidity.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay

**As at 31st March 2018**

| Particulars   | Less than 1 year | 1 to 5 years | More than 5 years | Total  | Carrying Amount* |
|---------------|------------------|--------------|-------------------|--------|------------------|
| Borrowings ** | 285.94           | 129.83       | 12.32             | 428.08 | 428.08           |
| Trade payable | 344.33           | 8.97         | 0.00              | 353.30 | 353.30           |

**As at 31st March 2017**

| Particulars   | Less than 1 year | 1 to 5 years | More than 5 years | Total  | Carrying Amount* |
|---------------|------------------|--------------|-------------------|--------|------------------|
| Borrowings ** | 177.64           | 121.64       | 9.77              | 309.05 | 309.05           |
| Trade payable | 233.87           | 13.09        | -                 | 246.95 | 246.95           |

**As at 1st April 2016**

| Particulars   | Less than 1 year | 1 to 5 years | More than 5 years | Total  | Carrying Amount* |
|---------------|------------------|--------------|-------------------|--------|------------------|
| Borrowings ** | 124.26           | 146.04       | 9.95              | 280.24 | 280.24           |
| Trade payable | 330.78           | -            | -                 | 330.78 | 330.78           |

\* Difference in total outstanding liability and carrying amount is on account reduction of un-amortized borrowing costs from loan balance in view of recognition of Interest Cost on "Effective Interest Rate Method" basis as provided in Ind AS.

\*\* Cash outflow within 1 year and thereafter up to 5 years denotes only interest and principal payments.

**31 Capital Risk Management**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2018 and 31st March, 2017.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported periods.

For the purpose of the Company's capital management, capital includes issued capital, compulsorily convertible debentures, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits

## Notes on Financial Statements for the year ended 31st March 2018

Rs. In lakhs

## NOTE : 1

Property, Plant &amp; Equipment / Intangible Assets (At cost)

Rs. In lakhs

| DESCRIPTION   | GROSS BLOCK     |               |              |                 |               |              |                 | DEPRECIATION    |              |              |                 |                 |              |                 | NET BLOCK     |               |               |
|---|-----------------|---------------|--------------|-----------------|---------------|--------------|-----------------|-----------------|--------------|--------------|-----------------|-----------------|--------------|-----------------|---------------|---------------|---------------|
|   | AS AT           | ADDITIONS     | DEDUCTIONS   | AS AT           | ADDITIONS     | DEDUCTIONS   | AS AT           | AS AT           | ADDITIONS    | DEDUCTIONS   | AS AT           | For the<br>Year | DEDUCTIONS   | AS AT           | AS AT         | AS AT         | AS AT         |
|   | 01.04.2016      |               |              | 31.03.2017      |               |              | 31.03.2018      | 01.04.2016      |              |              | 31.03.2017      |                 |              | 31.03.2018      | 31.03.2018    | 31.03.2017    | 1.04.2016     |
| <b>1) PROPERTY, PLANT AND EQUIPMENTS OWNED ASSETS</b> |                 |               |              |                 |               |              |                 |                 |              |              |                 |                 |              |                 |               |               |               |
| PLANT AND MACHINERY                                   | 1,541.95        | 115.53        | 75.89        | 1,581.59        | 9.51          | -            | 1,591.10        | 1,271.82        | 57.14        | 74.35        | 1,254.61        | 56.83           | -            | 1,311.44        | 279.67        | 326.98        | 270.13        |
| VEHICLES  | 31.32           | -             | -            | 31.32           | 11.35         | 11.55        | 31.13           | 24.16           | 2.67         | -            | 26.83           | 3.44            | 10.53        | 19.74           | 11.38         | 4.49          | 7.16          |
| FURNITURE AND FITTINGS                                | 26.54           | -             | -            | 26.54           | -             | -            | 26.54           | 20.41           | 1.68         | -            | 22.09           | 1.12            | -            | 23.21           | 3.33          | 4.46          | 6.13          |
| COMPUTERS   | 16.51           | 1.71          | 0.93         | 17.30           | 0.16          | -            | 17.45           | 15.10           | 1.35         | 0.88         | 15.56           | 0.88            | -            | 16.45           | 1.00          | 1.73          | 1.42          |
| OFFICE EQUIPMENTS                                     | 42.93           | 1.39          | -            | 44.32           | 1.95          | -            | 46.27           | 35.10           | 2.78         | -            | 37.89           | 2.11            | -            | 40.00           | 6.27          | 6.43          | 7.83          |
| CIVIL WORKS FACTORY BUILDING                          | 5.90            | 1.42          | -            | 7.32            | -             | -            | 7.32            | 1.87            | 0.47         | -            | 2.34            | 0.46            | -            | 2.81            | 4.51          | 4.98          | 4.03          |
| <b>2) INTANGIBLE ASSETS</b>                           |                 |               |              |                 |               |              |                 |                 |              |              |                 |                 |              |                 |               |               |               |
| SOFTWARE, In-House R&D                                | 21.79           | 36.80         | -            | 58.59           | 29.57         | -            | 88.16           | 20.16           | 1.38         | -            | 21.53           | 16.22           | -            | 37.75           | 50.41         | 37.05         | 1.63          |
| <b>TOTAL</b>  | <b>1,686.94</b> | <b>156.85</b> | <b>76.82</b> | <b>1,766.97</b> | <b>52.54</b>  | <b>11.55</b> | <b>1,807.97</b> | <b>1,388.62</b> | <b>67.47</b> | <b>75.23</b> | <b>1,380.86</b> | <b>81.06</b>    | <b>10.53</b> | <b>1,451.39</b> | <b>356.58</b> | <b>386.11</b> | <b>298.32</b> |
| <b>PREVIOUS YEAR</b>                                  | <b>1647.05</b>  | <b>40.59</b>  | <b>0.70</b>  | <b>1686.94</b>  | <b>156.85</b> | <b>76.82</b> | <b>1766.97</b>  | <b>1331.38</b>  | <b>57.91</b> | <b>0.67</b>  | <b>1388.62</b>  | <b>67.47</b>    | <b>75.23</b> | <b>1380.86</b>  | <b>386.11</b> | <b>298.32</b> |               |

| NOTE  | Particulars  | As at 31st<br>March, 2018             | As at 31st<br>March, 2017                       | As at 1st<br>April, 2016         |
|---|--|---------------------------------------|---|----------------------------------|
|   | <b>NON CURRENT ASSETS</b>  | <b>Rs.</b>                            | <b>Rs.</b>                                      | <b>Rs.</b>                       |
| <b>2</b>  | <b>Financial Assets</b>  |                                       |   |                                  |
|   | <b>Investments - Non Current</b>   |                                       |   |                                  |
|   | <b>(Measured at Cost)</b>  |                                       |   |                                  |
|   | Unquoted, fully paid up  |                                       |   |                                  |
|   | (75 shares ) Apna Sahakari Bank Ltd.                                     | 0.75                                  | 0.25  | 0.25                             |
|   | (Previous Year 25 Shares)  |                                       |   |                                  |
|   | <b>TOTAL</b>   | <b>0.75</b>                           | <b>0.25</b>                                     | <b>0.25</b>                      |
|   | Notes  |                                       |   |                                  |
|   | Aggregate amount of unquoted investments (at cost)                       | <b>0.75</b>                           | <b>0.25</b>                                     | <b>0.25</b>                      |
| <b>3</b>  | <b>Deferred Tax Assets (Net)</b>   |                                       |   |                                  |
|   | At the start of the year   | 18.69                                 | 30.27   | 30.27                            |
|   | Less : Charge / (Credit) to the Statement of Profit & Loss               | 3.63                                  | 11.57   | -                                |
|   | <b>At the end of year</b>  | <b>15.06</b>                          | <b>18.69</b>                                    | <b>30.27</b>                     |
|   | <b>Component of Deferred tax liabilities / (asset)</b>                   | <b>As at<br/>31-03-2017</b>           | <b>Charge / (credit)<br/>to Profit and Loss</b> | <b>As at<br/>31-03-2018</b>      |
|   | Deferred tax liabilities / (asset) in relation to:                       |                                       |   |                                  |
|   | Property, plant and equipment  | 18.69                                 | (3.63)  | 15.06                            |
|   |  | <b>18.69</b>                          | <b>(3.63)</b>                                   | <b>15.06</b>                     |
| <b>4</b>  | <b>Other Non-Current Assets</b>  | <b>As at 31st<br/>March, 2018</b>     | <b>As at 31st<br/>March, 2017</b>               | <b>As at 1st<br/>April, 2016</b> |
|   | (Unsecured, considered good)   | <b>Rs.</b>                            | <b>Rs.</b>                                      | <b>Rs.</b>                       |
|   | Advance payment of tax (Net of Provisions)                               | 0.71                                  | 0.86  | 4.59                             |
|   | Deposits   | 26.28                                 | 26.26   | 23.96                            |
|   |  |                                       |   | -                                |
|   | <b>TOTAL</b>   | <b>26.99</b>                          | <b>27.12</b>                                    | <b>28.55</b>                     |
| A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below: |  |                                       |   |                                  |
|   | <b>Particulars</b>   | <b>Year ended<br/>31st March 2018</b> | <b>Year ended<br/>31st March 2017</b>           |                                  |
|   | Enacted Income Tax rate  | 25.75%                                | 30.90%  |                                  |
|   | Profit before tax  | 13.43                                 | 15.68   |                                  |
|   | Current Tax on Profit before Tax at enacted rates                        | 3.46                                  | 4.84  |                                  |
|   | <b>Tax effect of the amounts not deductible/(taxable) in calculating</b> |                                       |   |                                  |
|   | Additional allowances  | (3.46)                                | (4.84)  |                                  |
|   | Tax arising out of foreign branch  | 0.51                                  | 0.55  |                                  |
|   | <b>Current Tax Provisions</b>  | <b>0.51</b>                           | <b>0.55</b>                                     |                                  |
|   | Decremental Deferred Tax Asset on account of Tangible and Intangible     | 3.63                                  | 11.57   |                                  |
|   | Others   | -                                     | -   |                                  |
|   | <b>Total Income Tax Expense</b>  | <b>4.14</b>                           | <b>12.12</b>                                    |                                  |
|   | <b>Effective Tax Rate</b>  | <b>30.84%</b>                         | <b>77.34%</b>                                   |                                  |

|          |  |               |               |               |
|----------|--|---------------|---------------|---------------|
| <b>5</b> | <b>CURRENT ASSETS</b>  |               |               |               |
|          | <b>INVENTORIES</b>   |               |               |               |
|          | <b>(As valued, verified and certified by the management)</b> |               |               |               |
|          | Raw Materials  | 147.27        | 146.22        | 110.98        |
|          | Raw Materials in Transit                                     | 37.72         | 22.22         | 13.94         |
|          | Works in process   | 98.78         | 91.59         | 97.68         |
|          | Finished Goods   | 77.62         | 73.10         | 76.67         |
|          | Chemicals, Consumables, Stores & Tools                       | 250.86        | 244.97        | 197.73        |
|          | Chemicals, Consumables, Stores & Tools in Transit            | 27.61         | 5.52          | 30.74         |
|          | <b>TOTAL</b>   | <b>639.86</b> | <b>583.61</b> | <b>527.75</b> |
|          | <b>FINANCIAL ASSETS</b>                                      |               |               |               |
| <b>6</b> | <b>TRADE RECEIVABLES:</b>                                    |               |               |               |
|          | (Unsecured and Considered Good)                              |               |               |               |
|          | Trade receivables  | 415.96        | 342.93        | 365.73        |
|          | <b>TOTAL</b>   | <b>415.96</b> | <b>342.93</b> | <b>365.73</b> |
| <b>7</b> | <b>Cash and Cash Equivalents</b>                             |               |               |               |
|          | <b>(i) Cash on hand</b>                                      | 1.77          | 2.76          | 1.17          |
|          | <b>(ii) Balances with banks</b>                              |               |               |               |
|          | (a) Current accounts   | 79.85         | 19.20         | 65.38         |
|          | (b) Deposit with original maturity less than 12 months#      | 30.00         | 0.13          | 70.00         |
|          |  | 109.85        | 19.33         | 135.38        |
|          | <b>TOTAL</b>   | <b>111.62</b> | <b>22.09</b>  | <b>136.55</b> |
|          | # Pledge against Apna Sahkari Bank Term Loan                 |               |               |               |
| <b>8</b> | <b>OTHER CURRENT ASSETS</b>                                  |               |               |               |
|          | Prepaid Expenses   | 9.27          | 13.69         | -             |
|          | Advance to Suppliers   | 8.50          | 2.12          | 19.30         |
|          | Leave Encashment Fund(net)                                   | 4.20          | 5.42          | 5.14          |
|          | Others #   | 39.01         | 20.40         | 24.65         |
|          | # Includes mainly VAT / GST Refund Receivable                | <b>60.99</b>  | <b>41.62</b>  | <b>49.09</b>  |

| Notes on Financial Statements for the year ended 31st March 2018 |  |                         |                        |                       |
|--|--|-------------------------|------------------------|-----------------------|
| NOTE   | Particulars  | As at 31st March, 2018  | As at 31st March, 2017 | As at 1st April, 2016 |
| <b>9</b>   | <b>EQUITY SHARE CAPITAL</b>  |                         |                        |                       |
| <b>9.1</b>   | <b>Authorised Share Capital</b>  |                         |                        |                       |
|  | 7,500,000 Equity Shares of Rs. 10/- each   | 750.00                  | 750.00                 | 750.00                |
|  |  | <b>750.00</b>           | <b>750.00</b>          | <b>750.00</b>         |
| <b>9.2</b>   | <b>Issued, Subscribed and Paid up</b>  |                         |                        |                       |
|  | 4,807,786 (4,807,786) equity shares of Rs. 10/- each fully called up                                   | 480.78                  | 480.78                 | 480.78                |
|  | Add : Forfeited shares<br>(Amount originally paid up on 37,400 (37,400) Equity Shares)                 | 1.87                    | 1.87                   | 1.87                  |
|  | <b>TOTAL</b>   | <b>482.65</b>           | <b>482.65</b>          | <b>482.65</b>         |
| <b>9.3</b>   | <b>Reconciliation of number and value of shares outstanding at the beginning and end of the year :</b> |                         |                        |                       |
|  | <b>Particulars</b>   | <b>Number of Shares</b> | <b>Amount</b>          |                       |
|  | Outstanding as at 31st March 2017  | 48,26,486               | 482.65                 |                       |
|  | Shares issued during the year  | -                       | -                      |                       |
|  | Outstanding as at 31st March 2018  | 48,26,486               | 482.65                 |                       |
|  | Outstanding as at 1st April 2016   | 48,26,486               | 482.65                 |                       |
|  | Shares issued during the year  | -                       | -                      |                       |
|  | Outstanding as at 31st March 2017  | 48,26,486               | 482.65                 |                       |
| <b>9.4</b>   | <b>Details of Shareholders holding more than 5% Shares in the Company</b>                              |                         |                        |                       |
|  | <b>Name of the Shareholder: Bhagwandas T. Doshi</b>  |                         |                        |                       |
|  | <b>Particulars</b>   | <b>Number of Shares</b> | <b>Holding</b>         |                       |
|  | Equity holding as at 1st April 2016  | 4,65,277                | 9.68%                  |                       |
|  | Equity holding as at 31st March 2017   | 4,65,277                | 9.68%                  |                       |
|  | Equity holding as at 31st March 2018   | 4,65,277                | 9.68%                  |                       |
|  | <b>Name of the Shareholder: Usharani Nimmagadda</b>  |                         |                        |                       |
|  | <b>Particulars</b>   | <b>Number of Shares</b> | <b>Holding</b>         |                       |
|  | Equity holding as at 1st April 2016  | 4,70,100                | 9.78%                  |                       |
|  | Equity holding as at 31st March 2017   | 4,70,100                | 9.78%                  |                       |
|  | Equity holding as at 31st March 2018   | 4,70,100                | 9.78%                  |                       |



| 10 | Other Equity                              | Rs.           | Rs.           | Rs.           |
|----|---|---------------|---------------|---------------|
|    | <b>Capital reserve*</b>                   |               |               |               |
|    | As per last Balance sheet                 | 20.25         | 20.25         | 20.25         |
|    | <b>Capital redemption reserve**</b>       |               |               |               |
|    | As per last Balance sheet                 | 58.48         | 58.48         | 58.48         |
|    | <b>Retained Earnings</b>                  |               |               |               |
|    | As per last Balance sheet                 | 126.86        | 123.30        | 114.78        |
|    | Add : Profit for the year                 | 9.28          | 3.56          | 8.52          |
|    |   | 136.13        | 126.86        | 123.30        |
|    | <b>Less: Appropriations</b>               |               |               |               |
|    | Dividend on Equity Shares                 | -             | -             | -             |
|    | [Dividend per share Rs NIL                | -             | -             | -             |
|    | Tax on Dividend                           |               |               |               |
|    |   | 214.86        | 126.86        | 123.30        |
|    | <b>Other Comprehensive Income (OCI)</b>   |               |               |               |
|    | As per Last Balance sheet                 | 1.07          | -             | -             |
|    | Add Movement in OCI (Net) during the year | 3.25          | 1.07          | -             |
|    | Closing Balnace                           | 4.32          | 1.07          | -             |
|    | <b>TOTAL</b>                              | <b>219.19</b> | <b>206.66</b> | <b>202.03</b> |

\* Capital Reserve is on account of Surplus on buyback of Equity shares

\*\* Capital Redemption reserve is on account of Equity shares bought back

#### Notes on Financial Statements for the year ended 31st March 2018

Notes on Financial Statements for the year ended 31st March 2018

| NOTE | Particulars   | As at 31st<br>March, 2018 | As at 31st<br>March, 2017 | As at 1st<br>April, 2016 |
|------|---|---------------------------|---------------------------|--------------------------|
| 11   | BORROWINGS - NON CURRENT  |                           |                           |                          |
|      | Secured - At amortised Cost   |                           |                           |                          |
|      | Term Loans from bank - Rupee Loan   | 180.03                    | 157.83                    | 178.50                   |
|      | Less : Short Term Maturities of Term Loans  | -27.28                    | -25.38                    | -22.52                   |
|      |   | 152.75                    | 132.45                    | 155.98                   |
|      | TOTAL   | 152.75                    | 132.45                    | 155.98                   |
|      | 11.1 Term loan from Apna Sahakari Bank Ltd. Aggregating to Rs. 180.03 Lakhs is secured by |                           |                           |                          |
|      | (a) Collateral Security : Hypothecation of new Machine procured in future                 |                           |                           |                          |
|      | (b) Primary Security : First Charge on Plant & Machinery of the Company                   |                           |                           |                          |
|      | (c) Shares of Rs. 0.75 Lakhs of Apna Sahakari Bank Ltd.                                   |                           |                           |                          |
|      | (d) Pledge of Rs. 29.30 Lakhs of Fixed deposit of Third Party with Bank                   |                           |                           |                          |
|      | (e) Pledge of Rs. 30 Lakhs of Fixed deposit of the Company with Bank                      |                           |                           |                          |
|      | (f) Personal guarantee of the two Directors of the Company                                |                           |                           |                          |
|      | 11.2 Repayment Schedule and Rate of Interest of Term Loans from Bank as set out below:    |                           |                           |                          |
|      | Loan No.  | Rate of Interest          | 2019-20                   | 2020-212018-19 2021-26   |
|      |   |                           | Rs.                       | Rs. Rs. Rs.              |
|      | 1   | 11.75%                    | 22.28                     | 20.98 14,68,714 1.41     |
|      | 2   | 11.75%                    | 12.39                     | 9.89 6,42,202 6.51       |
|      | 3   | 11.75%                    | 11.64                     | 9.05 6,16,990 14.55      |
|      | 4   | 11.75%                    | 6.67                      | 7.45 5,37,570 29.92      |

|   |   |  |                                   |                                   |                                  |
|---|---|--|-----------------------------------|-----------------------------------|----------------------------------|
| 12  | <b>BORROWINGS - CURRENT</b>   |  | <b>As at 31st<br/>March, 2018</b> | <b>As at 31st<br/>March, 2017</b> | <b>As at 1st<br/>April, 2016</b> |
|   | <b>Secured at Amortised cost</b>  |  |                                   |                                   |                                  |
|   | <b>Working Capital Loans from Bank</b>  |  | 224.77                            | 5.78                              | 120.01                           |
|   | <b>Unsecured , Rupee Loan</b>   |  |                                   |                                   |                                  |
|   | Loan From Directors   |  | 50.56                             | 170.81                            | 0.00                             |
|   | Temporary Overdraft as per books  |  | -                                 | -                                 | 4.25                             |
|   | <b>TOTAL</b>  |  | <b>275.33</b>                     | <b>176.59</b>                     | <b>124.26</b>                    |
|   | 12.1 Working Capital Loan from Bank, aggregating to Rs.224.77 Lakhs @ 11.75% , is secured by:   |  |                                   |                                   |                                  |
|   | (a) Collateral Security : Hypothecation of all Stocks of the Company  |  |                                   |                                   |                                  |
|   | (b) Primary Security : First Charge on Plant & Machinery of the Company   |  |                                   |                                   |                                  |
|   | (c) Pledge of Rs. 15.70 Lakhs of Fixed deposit of Third Party with Bank   |  |                                   |                                   |                                  |
|   | (d) Personal guarantee of the two Directors of the Company  |  |                                   |                                   |                                  |
|   |   |  |                                   |                                   |                                  |
|   |   |  |                                   |                                   |                                  |
| <b>Notes on Financial Statements for the year ended 31st March 2018</b> |   |  |                                   |                                   |                                  |
| <b>NOTE</b>   | <b>Particulars</b>  |  | <b>As at 31st<br/>March, 2018</b> | <b>As at 31st<br/>March, 2017</b> | <b>As at 1st<br/>April, 2016</b> |
| 13  | <b>TRADE PAYABLES:</b>  |  |                                   |                                   |                                  |
|   | Dues of micro enterprises and small enterprises *   |  | -                                 | -                                 | -                                |
|   | Dues of other than micro enterprises and small enterprises #  |  | 353.30                            | 246.95                            | 330.78                           |
|   | <b>TOTAL</b>  |  | <b>353.30</b>                     | <b>246.95</b>                     | <b>330.78</b>                    |
|   | *The company has not received intimation from suppliers regarding the status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the end together with interest paid/payable as required under the said Act have not been given. |  |                                   |                                   |                                  |
| 14  | <b>OTHER CURRENT FINANCIAL LIABILITIES:</b>   |  |                                   |                                   |                                  |
|   | Current Maturities of Long Term Loans (Secured)<br>(Refer Note No. 11)  |  | 27.28                             | 25.38                             | 22.52                            |
|   | <b>TOTAL</b>  |  | <b>27.28</b>                      | <b>25.38</b>                      | <b>22.52</b>                     |
| 15  | <b>PROVISIONS:</b>  |  |                                   |                                   |                                  |
|   | Provision for Gratuity ( Refer Note No.21.1 )   |  | 0.62                              | 31.11                             | 41.30                            |
|   | <b>TOTAL</b>  |  | <b>0.62</b>                       | <b>31.11</b>                      | <b>41.30</b>                     |
| 16  | <b>Other Current Liabilities</b>  |  |                                   |                                   |                                  |
|   | Advance From Customers  |  | 0.31                              | 1.62                              | -                                |
|   | Creditors for Capital Goods   |  | 8.86                              | 27.53                             | 0.14                             |
|   | Creditors for Expenses  |  | 64.76                             | 61.90                             | 46.64                            |
|   | Satutory Liabilites   |  | 1.62                              | 2.41                              | 2.59                             |
|   | Provisions  |  | 32.30                             | 20.98                             | 4.73                             |
|   | Other Payables #  |  | 8.83                              | 6.19                              | 22.89                            |
|   | # This includes:  |  |                                   |                                   |                                  |
|   | Creditors for Misc.Expenses and Non-stock items Purchaes  |  |                                   |                                   |                                  |
|   | <b>TOTAL</b>  |  | <b>116.67</b>                     | <b>120.63</b>                     | <b>76.99</b>                     |

| <b>FINE-LINE CIRCUITS LTD</b>   |  |                |                |
|---|--|----------------|----------------|
| <b>Notes on Financial Statements for the year ended 31st March 2018</b> |  |                | Rs. In lakhs   |
|   |  | <b>2017-18</b> | <b>2016-17</b> |
| <b>17</b>   | <b>Revenue from Operations</b>   |                |                |
|   | <b>(a) Sale of Products</b>  |                |                |
|   | Sale of Printed Circuit Boards   | 2810.58        | 2552.09        |
|   | <b>(b) Other Operating income</b>  |                |                |
|   | Export Incentives  | 20.02          |                |
|   | <b>TOTAL</b>   | <b>2830.61</b> | <b>2552.09</b> |
|   | Consequent to introduction of Goods and Service Tax (GST) w.e.f. 1st July 2017 , Revenue for the year ended 31-Mar-2018 is presented net of GST in compliance with Indian Accounting Standard (Ind AS) -18 Revenue. The Revenue from Operations for the year ended 31-Mar-2017 are inclusive of excise duty and accordingly those are not comparable with the Revenue from Operations for the year ended 31-Mar-2018 to that extent. |                |                |
| <b>18</b>   | <b>OTHER INCOME:</b>   |                |                |
|   | Interest Income  | 2.94           | 2.19           |
|   | Misc. Income   | 0.07           | -              |
|   | <b>TOTAL</b>   | <b>3.01</b>    | <b>2.19</b>    |
| <b>19</b>   | <b>COST OF MATERIAL CONSUMED</b>   |                |                |
|   | Opening Stock  | 146.22         | 110.98         |
|   | Add: Purchases during the year   | 1153.25        | 952.20         |
|   | Less: Closing Stock  | 147.27         | 146.22         |
|   | <b>TOTAL</b>   | <b>1152.20</b> | <b>916.96</b>  |
| <b>20</b>   | <b>CHANGES IN INVESTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>   |                |                |
|   | <b>Inventories - at Close</b>  |                |                |
|   | Finished Goods   | 77.62          | 73.10          |
|   | Workin in progress   | 98.78          | 91.59          |
|   | <b>Total</b>   | <b>176.40</b>  | <b>164.69</b>  |
|   | <b>Inventories - at Commencement</b>   |                |                |
|   | Finished Goods   | 73.10          | 76.67          |
|   | Workin in progress   | 91.59          | 97.68          |
|   | <b>Total</b>   | <b>164.69</b>  | <b>174.35</b>  |
|   | <b>TOTAL</b>   | <b>(11.71)</b> | <b>9.66</b>    |
| <b>21</b>   | <b>EMPLOYEE BENEFITS EXPENSE:</b>  |                |                |
|   | (a) Salaries and Wages   | 404.47         | 388.61         |
|   | (b) Contribution to Provident Fund   | 15.46          | 14.75          |
|   | (c) Staff Welfare Expenses   | 22.21          | 22.11          |
|   | <b>TOTAL</b>   | <b>442.15</b>  | <b>425.48</b>  |

21.1

As per Indian Accounting standard 19 "Employee benefits", the disclosure as defined are given below

**Defined Contribution Plan :**

Contribution to defined contribution plan recognised as expenses for the year is as under:

Employers contribution to Provident Fund Rs 12.96 Lakhs (Previous Year Rs. 13.68 Lakhs)

**Defined Benefit Plan :**

The employees Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation. The obligation for Leave encashment is recognised in the same manner as Gratuity.

**Gratuity Liability (Funded)**

| <b>Assumptions</b>  | <b>2017-18</b>      | <b>2016-17</b>      |
|---|---------------------|---------------------|
| Mortality   | IALM (2006-08) Ult. | IALM (2006-08) Ult. |
| Rate of Discounting   | 7.42%               | 6.69%               |
| Rate of Salary increase   | 4.00%               | 4.00%               |
| <b>Change in the Present Value of Projected Benefit Obligation</b>              |                     |                     |
| Present Value of Benefit Obligation at the Beginning of the year                | 56.02               | 48.08               |
| Interest Cost   | 3.67                | 3.57                |
| Current service cost  | 3.02                | 2.64                |
| Benefit Paid Directly by the Employer   | (2.19)              | (0.40)              |
| Actuarial (Gains)/losses on Obligation - Due to change in financial assumptions | (2.01)              | 1.95                |
| Actuarial (Gains)/losses on Obligation - Due to experience                      | 1.62                | 0.19                |
| Present Value of Benefit Obligation at the End of the period                    | 61.70               | 56.02               |
| <b>Amount Recognized in the Balance Sheet</b>                                   |                     |                     |
| Present Value of Benefit Obligation at the end of the Period                    | 61.70               | 56.02               |
| Fair Value of Plan Assets at the end of the Period                              | 61.08               | 24.91               |
| Funded Status [Surplus/(Deficit)]   | (0.62)              | (31.11)             |
| Net (Liability)/Asset Recognized in the Balance Sheet                           | (0.62)              | (31.11)             |
| <b>Expenses recognized in the Statement of Profit / loss</b>                    |                     |                     |
| Current Service Cost  | 3.02                | 2.64                |
| Net Interest Cost   | 0.92                | 2.43                |
| Past Service Cost   | 1.56                | -                   |
| (Expected Contributions by the Employees)                                       | -                   | -                   |
| (Gains)/Losses on Curtailments and Settlements                                  | -                   | -                   |
| Net effect of Changes in Foreign Exchange Rates                                 | -                   | -                   |
| Expenses Recognized   | 5.50                | 5.07                |
| <b>Expenses recognition in-Other Comprehensive Income .</b>                     |                     |                     |
| Actuarial (Gain)/Loss recognised for the period                                 | (0.39)              | 2.14                |
| Return on Plan Assets, excluding interest income                                | (0.78)              | (0.23)              |
| Change in Asset Ceiling   | -                   | -                   |
| Net (Income)/Expense for the Period Recognized in OCI                           | (1.17)              | 1.91                |
| Remeasurement - Actuarial loss /[gain]  |                     |                     |
| <b>Sensitivity Analysis</b>   |                     |                     |
|   | <b>2017-18</b>      | <b>2016-17</b>      |
| <b>Projected Benefit Obligations on Current Assumptions</b>                     |                     |                     |
| Delta Effect of +1% change in Rate of Discounting                               | 59.14               | 53.52               |
| Delta Effect of -1% change in Rate of Discounting                               | 64.49               | 58.76               |
| Delta Effect of +1% change in Rate of Salary Increase                           | 64.38               | 58.25               |
| Delta Effect of -1% change in Rate of Salary Increase                           | 59.20               | 53.94               |

These plans typically expose the Company to actuarial risk such as interest rate risk, longevity risk and salary risk.

Interest Rate Risk : A decrease in the bond interest rate will increase the plan liability.

Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan

**21.2 LEAVE ENCASHMENT (FUNDED)**

| Particulars   | 31.03.2018     | 31.03.2017     |
|---|----------------|----------------|
| <b>Assumptions</b>  |                |                |
| Discount rate   | 8%             | 8%             |
| Salary Escalation   | 4%             | 4%             |
| <b>1. Present value of Defined Benefit Obligation</b>                                 |                |                |
| Defined Benefit obligation at the beginning of the year                               | (0.69)         | (1.70)         |
| Interest Cost   | 0.79           | 0.80           |
| Current Service cost  | 3.66           | 3.27           |
| Benefits Paid   | -              | -              |
| Actuarial (gain) / Loss on obligations  | (2.05)         | (3.06)         |
| Defined Benefit of obligation as at end of the year                                   | 1.72           | (0.69)         |
| <b>2. Reconciliation of opening and closing balances of fair value of plan assets</b> |                |                |
| Fair value of plan assets at beginning of the year                                    | 3.00           | 1.71           |
| Adjustment to Opening Balance   | 0.04           | -              |
| Expected return on plan assets  | 1.15           | 1.28           |
| Contributions   | -              | 0.10           |
| Benefits paid   | -              | -              |
| Actuarial Gain / (Loss) on Plan assets  | -              | (0.08)         |
| Fair value of plan assets at End of the year  | 4.19           | 3.00           |
| <b>3. Fair value of plan assets</b>   |                |                |
| Fair value of plan assets at beginning of the year                                    | 3.00           | 1.71           |
| Adjustment to Opening Balance   | 0.04           | -              |
| Actual return on plan assets  | 1.15           | 1.19           |
| Contributions   | -              | 0.10           |
| Benefits Paid   | -              | -              |
| Fair value of plan assets at end of the year  | 4.19           | 3.00           |
| Funded Status   | 2.47           | 3.69           |
| Excess of Actual over estimated return on Plan Assets                                 | -              | (0.08)         |
| <b>4. Actuarial Gain / (Loss) recognised in Other comprehensive income</b>            |                |                |
| Actuarial Gain / (Loss) for the year -Obligation                                      | 2.05           | 3.06           |
| Actuarial Gain / (Loss) for the year -Plan Assets                                     | 0.04           | (0.08)         |
| Total Gain/(Loss) for the year  | 2.08           | 2.98           |
| Actuarial Gain/(Loss) recognised in the year  | 2.08           | 2.98           |
| <b>5. Amounts recognised in the Balance Sheet</b>                                     |                |                |
| Present value of obligations as at the end of the year                                | 1.72           | (0.69)         |
| Fair value of plan assets as at the end of the year                                   | 4.19           | 3.00           |
| Funded status   | 2.47           | 3.69           |
| Net Assets/(Liability) recognised in balance sheet                                    | 2.47           | 3.69           |
| <b>6. Expenses Recognised in statement of Profit and Loss Accounts</b>                |                |                |
| Current Service cost  | 3.66           | 3.27           |
| Interest cost   | 0.79           | 0.80           |
| Expected return on plan assets  | (1.15)         | (1.28)         |
| Net Actuarial (gain)/Loss recognised in the year                                      | (2.08)         | (2.98)         |
| Expenses recognised in statement of Profit & Loss                                     | 1.22           | (0.18)         |
| <b>Sensitivity Analysis</b>   |                |                |
|   | <b>2017-18</b> | <b>2016-17</b> |
| Projected Benefit Obligations on Current Assumptions                                  |                |                |
| Delta Effect of +1% change in Rate of Discounting                                     | 13.55          | 11.24          |
| Delta Effect of -1% change in Rate of Discounting                                     | 14.93          | 12.42          |
| Delta Effect of +1% change in Rate of Salary Increase                                 | 14.90          | 12.39          |
| Delta Effect of -1% change in Rate of Salary Increase                                 | 13.57          | 11.25          |

| <b>FINE-LINE CIRCUITS LTD</b>   |  |                |                |                |                |
|---|--|----------------|----------------|----------------|----------------|
| <b>Notes on Financial Statements for the year ended 31st March 2018</b> |  |                |                |                |                |
|   |  |                | <b>2017-18</b> |                | <b>2016-17</b> |
| <b>22</b>   | <b>FINANCE COST:</b>   |                |                |                |                |
|   | Interest Expenses  |                | 44.37          |                | 39.58          |
|   | <b>TOTAL</b>   |                | <b>44.37</b>   |                | <b>39.58</b>   |
| <b>23</b>   | <b>Depreciation and Amortisation Expenses:</b>   |                |                |                |                |
|   | Depreciation and Amortisation Expense  |                | 81.06          |                | 67.47          |
|   | <b>TOTAL</b>   |                | <b>81.06</b>   |                | <b>67.47</b>   |
| <b>24</b>   | <b>OTHER EXPENSES:</b>   | <b>2017-18</b> | <b>2017-18</b> | <b>2016-17</b> | <b>2016-17</b> |
|   | <b>(a) Manufacturing Expenses</b>  |                |                |                |                |
|   | Chemicals, Consumables and Stores consumed   | 523.70         |                | 472.37         |                |
|   | Power and fuel   | 252.38         |                | 265.16         |                |
|   | Repairs & Maintenance  | 41.07          |                | 33.10          |                |
|   | Job work charges   | 3.99           | <b>821.13</b>  | 1.56           | <b>772.19</b>  |
|   | <b>(b) Administrative Expenses</b>   |                |                |                |                |
|   | Rent - Office  | 58.42          |                | 45.55          |                |
|   | Rates and taxes  | 1.92           |                | 3.17           |                |
|   | Insurance  | 3.37           |                | 4.66           |                |
|   | <b>Auditors' Remuneration :</b>  |                |                |                |                |
|   | Audit Fees   | 1.50           |                | 1.40           |                |
|   | Tax Audit  | 0.50           |                | 0.35           |                |
|   | Vehicle Expenses   | 7.74           |                | 7.38           |                |
|   | Travelling & Conveyance  | 21.55          |                | 26.69          |                |
|   | Legal and Professional Charges   | 15.43          |                | 18.78          |                |
|   | Postage and Telegram   | 19.13          |                | 17.86          |                |
|   | Printing and Stationery  | 8.75           |                | 8.95           |                |
|   | Director Sitting Fees  | 1.16           |                | 1.17           |                |
|   | Security and Other Services  | 9.62           |                | 8.44           |                |
|   | Sundry Expenses  | 36.38          |                | 24.74          |                |
|   | NSDL Exp. Seepz  | 4.15           |                | 4.45           |                |
|   | Octroi Charges   | 6.42           |                | 27.44          |                |
|   | Charity and Donations  | 0.11           |                | 0.31           |                |
|   | Bank Charges   | 20.38          |                | 13.14          |                |
|   | Loss on Sale of Fixed Assets   | 0.63           | <b>217.16</b>  | 1.09           | <b>215.56</b>  |
|   | Exchange Difference (Net)  |                | -57.03         |                | -16.69         |
|   | <b>(c) Selling and Distribution Expenses</b>   |                |                |                |                |
|   | Freight Outward  | 118.18         |                | 89.33          |                |
|   | Clearing Charges   | 4.29           |                | 4.58           |                |
|   | Commission on Sale   | 4.23           |                | 3.42           |                |
|   | Compensation to Customers  | 4.16           |                | 11.06          |                |
|   |  |                | <b>130.85</b>  |                | <b>108.39</b>  |
|   | <b>TOTAL</b>   |                | <b>1112.11</b> |                | <b>1079.45</b> |
| <b>25</b>   | <b>EARNING PER SHARE:</b>  | <b>2017-18</b> | <b>2016-17</b> |                |                |
|   |  | <b>Rs</b>      | <b>Rs</b>      |                |                |
|   | a. Net Profit after tax  |                |                |                |                |
|   | Profit attributable to Equity Shareholders   | 9.28           | 3.56           |                |                |
|   | b. Weighted average number of Equity Shares  | 4807786        | 4807786        |                |                |
|   | c. Nominal value of Equity Shares  | 10             | 10             |                |                |
|   | d. Earning per Share (Basic and diluted)   | 0.19           | 0.07           |                |                |
| <b>26</b>   | <b>Segment Information</b>   |                |                |                |                |
|   | The 'management approach' as defined in "Ind AS 108 - Operating Segments" requires disclosure of segment-wise information based on the manner in which the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources in cases where a reporting entity operates in more than one business segment. Since the Company is primarily engaged in the business of manufacturing and export of printed board circuits which the Management and CODM recognize as the sole business segment, the disclosure of such segment-wise information is not required and accordingly, not provided. |                |                |                |                |

|    |  |                                   |                                     |                                     |                          |
|----|--|-----------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 27 | Contingent Liabilities :<br>In respect of :<br>(i) Bonds executed in favour of President of India in respect of Custom Duty on Import of Machinery and Raw Materials |                                   | 2017-18<br>Rs. In Lakhs<br>1,011.86 | 2016-17<br>Rs. In Lakhs<br>1,011.86 |                          |
| 28 | Related Party Disclosures: (As certified by the management)  |                                   |                                     |                                     |                          |
|    | a. Key Management Personnel:   |                                   |                                     |                                     |                          |
|    |  | a - Key Management Personnel      |                                     |                                     |                          |
|    |  | 1. Shri. B. T. Doshi              |                                     |                                     |                          |
|    |  | 2. Shri. A. B. Doshi              |                                     |                                     |                          |
|    |  | 3. Shri. R. B. Doshi              |                                     |                                     |                          |
|    |  | b - Parties where control exists  |                                     |                                     |                          |
|    |  | 1. Kapurwala Properties Pvt. Ltd. |                                     |                                     |                          |
|    |  | 2. Shri. Gautam B. Doshi          |                                     |                                     |                          |
|    | b. Transactions with the above parties:  |                                   |                                     |                                     |                          |
|    | Name of Related Party  | Nature of Transaction             | For the Year 2017-18 Rs.            |                                     | For the Year 2016-17 Rs. |
|    | A - Key Management Personnel:  |                                   |                                     |                                     |                          |
|    | 1. Shri B. T. Doshi  | Remuneration                      | 18.13                               |                                     | 19.18                    |
|    |  | Loan taken                        | 45.00                               |                                     | 52.00                    |
|    |  | Loan Repaid                       | 97.00                               |                                     | -                        |
|    |  | Loan Outstanding                  | -                                   |                                     | 52.00                    |
|    |  | Interest on Loan                  | 6.22                                |                                     | 1.22                     |
|    | 2. Shri A. B. Doshi  | Remuneration                      | 20.67                               |                                     | 22.31                    |
|    |  | Loan taken                        | 9.00                                |                                     | 53.74                    |
|    |  | Loan repaid                       | 32.00                               |                                     | 5.74                     |
|    |  | Loan Outstanding                  | 25.00                               |                                     | 48.00                    |
|    |  | Interest on Loan                  | 5.13                                |                                     | 0.17                     |
|    | 3. Shri R. B. Doshi  | Remuneration                      | 20.06                               |                                     | 20.99                    |
|    |  | Loan taken                        | 40.00                               |                                     | NIL                      |
|    |  | Loan repaid                       | 15.00                               |                                     | NIL                      |
|    |  | Loan Outstanding                  | 25.00                               |                                     | NIL                      |
|    |  | Interest on Loan                  | 3.87                                |                                     | NIL                      |
|    | B - Parties where control exists:  |                                   |                                     |                                     |                          |
|    | 1. M/s. Kapurwala Properties Pvt. Ltd.   | Loan taken                        | 1.25                                |                                     | 50.00                    |
|    |  | Loan Repaid                       | 46.00                               |                                     | 5.25                     |
|    |  | Loan Outstanding                  | -                                   |                                     | 44.75                    |
|    |  | Interest on Loan                  | 2.95                                |                                     | 2.28                     |
|    | 2. Shri. Gautam Doshi  | Loan taken                        | -                                   |                                     | 25.00                    |
|    |  | Loan repaid                       | 25.00                               |                                     | -                        |
|    |  | Loan Outstanding                  | -                                   |                                     | 25.00                    |
|    |  | Interest on Loan                  | 0.60                                |                                     | 1.40                     |

## FINE LINE CIRCUITS LIMITED

## Notes on Financial Statements for the year ended 31st March 2018

| Note 29 |                                   | As at<br>31st March 2018 |                        |         |         | As at<br>31st March 2017 |                        |         |         | As at<br>1st April 2016 |                        |         |         |
|---------|-----------------------------------|--------------------------|------------------------|---------|---------|--------------------------|------------------------|---------|---------|-------------------------|------------------------|---------|---------|
|         |                                   | Carrying Amount          | Level of input used in |         |         | Carrying Amount          | Level of input used in |         |         | Carrying Amount         | Level of input used in |         |         |
|         |                                   |                          | Level 1                | Level 2 | Level 3 |                          | Level 1                | Level 2 | Level 3 |                         | Level 1                | Level 2 | Level 3 |
|         |                                   |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | Financial instruments             |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | Fair value measurement Hierarchy: |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | Financial Assets                  |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | At amortised cost                 |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | Investment                        | 0.75                     | -                      | -       | -       | 0.25                     | -                      | -       | -       | 0.25                    | -                      | -       | -       |
|         | Trade receivable                  | 415.96                   | -                      | -       | -       | 342.93                   | -                      | -       | -       | 365.73                  | -                      | -       | -       |
|         | Cash and Bank Balances            | 111.62                   | -                      | -       | -       | 22.09                    | -                      | -       | -       | 136.55                  | -                      | -       | -       |
|         | Financials Liabilities            |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | At amortised cost                 |                          |                        |         |         |                          |                        |         |         |                         |                        |         |         |
|         | Borrowing Cost                    | 428.08                   | -                      | -       | -       | 309.05                   | -                      | -       | -       | 280.24                  | -                      | -       | -       |
|         | Trade payables                    | 353.30                   | -                      | -       | -       | 246.95                   | -                      | -       | -       | 330.78                  | -                      | -       | -       |
|         | Other financial liabilities       | 27.28                    | -                      | -       | -       | 25.38                    | -                      | -       | -       | 22.52                   | -                      | -       | -       |

## Fair value hierarchy

The fair value of financial instruments as disclosed above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as under:

Level 1 : Quoted prices for identical instruments in an active market;

Level 2 : Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : Inputs which are not based on observable market data.

|  |                                   |                                       |                                    |                             |                                       |                                    |
|--|-----------------------------------|---------------------------------------|------------------------------------|-----------------------------|---------------------------------------|------------------------------------|
| <b>Note No 32</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| <b>FIRST TIME IND AS ADOPTION RECONCILIATIONS</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April, 2016 |                                   |                                       |                                    |                             |                                       |                                    |
| Rs. In Lakhs   |                                   |                                       |                                    |                             |                                       |                                    |
|  | <b>As at 31st March 2017</b>      |                                       |                                    | <b>As at 1st April 2016</b> |                                       |                                    |
|  | <b>Previous GAAP</b>              | <b>Effect of transition to IND AS</b> | <b>As per Ind AS balance sheet</b> | <b>Previous GAAP</b>        | <b>Effect of transition to IND AS</b> | <b>As per Ind AS balance sheet</b> |
|  |                                   |                                       |                                    |                             |                                       |                                    |
|  |                                   |                                       |                                    |                             |                                       |                                    |
| <b>ASSETS</b>  | Rs                                | Rs                                    | Rs                                 | Rs                          | Rs                                    | Rs                                 |
| <b>Non-Current Assets</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| a. Property, Plant and Equipment   | 349.06                            | -                                     | 349.06                             | 296.69                      | -                                     | 296.69                             |
| b. Intangible Assets   | 37.05                             | -                                     | 37.05                              | 1.63                        | -                                     | 1.63                               |
| c. Financial Assets  |                                   |                                       |                                    |                             |                                       |                                    |
| i. Investments   | 0.25                              | -                                     | 0.25                               | 0.25                        | -                                     | 0.25                               |
| d. Deferred Tax Assets (Net)   | 18.69                             | -                                     | 18.69                              | 30.27                       | -                                     | 30.27                              |
| e. Other Non Current Assets  | 27.12                             | -                                     | 27.12                              | 28.55                       | -                                     | 28.55                              |
| <b>Total non-current assets</b>  | <b>432.18</b>                     | <b>-</b>                              | <b>432.18</b>                      | <b>357.39</b>               | <b>-</b>                              | <b>357.39</b>                      |
| <b>Current Assets</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| a. Inventories   | 583.61                            | -                                     | 583.61                             | 527.75                      | -                                     | 527.75                             |
| b. Financial assets  |                                   |                                       |                                    |                             |                                       |                                    |
| i. Trade Receivables   | 342.93                            | -                                     | 342.93                             | 365.73                      | -                                     | 365.73                             |
| ii. Cash and cash equivalents  | 22.09                             | -                                     | 22.09                              | 136.55                      | -                                     | 136.55                             |
| c. Other current assets  | 41.62                             | -                                     | 41.62                              | 49.09                       | -                                     | 49.09                              |
| <b>Total current assets</b>  | <b>990.24</b>                     | <b>-</b>                              | <b>990.24</b>                      | <b>1,079.12</b>             | <b>-</b>                              | <b>1,079.12</b>                    |
| <b>TOTAL ASSETS</b>  | <b>1,422.42</b>                   | <b>-</b>                              | <b>1,422.42</b>                    | <b>1,436.51</b>             | <b>-</b>                              | <b>1,436.51</b>                    |
| <b>EQUITY AND LIABILITIES</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| <b>Equity</b>  |                                   |                                       |                                    |                             |                                       |                                    |
| a. Equity Share Capital  | 482.65                            | -                                     | 482.65                             | 482.65                      | -                                     | 482.65                             |
| b. Other equity  | 206.66                            | -                                     | 206.66                             | 202.03                      | -                                     | 202.03                             |
| <b>Total equity</b>  | <b>689.307</b>                    |                                       | <b>689.307</b>                     | <b>684.674</b>              |                                       | <b>684.674</b>                     |
| <b>Liabilities</b>   |                                   |                                       |                                    |                             |                                       |                                    |
| <b>Non-current liabilities</b>   |                                   |                                       |                                    |                             |                                       |                                    |
| a. Financial liabilities   |                                   |                                       |                                    |                             |                                       |                                    |
| i. Borrowings  | 132.45                            |                                       | 132.45                             | 155.98                      |                                       | 155.98                             |
| <b>Total non-current liabilities</b>   | <b>132.45</b>                     |                                       | <b>132.45</b>                      | <b>155.98</b>               |                                       | <b>155.98</b>                      |
| <b>Current liabilities</b>   |                                   |                                       |                                    |                             |                                       |                                    |
| a. Financial liabilities   |                                   |                                       |                                    |                             |                                       |                                    |
| i. Borrowings  | 176.59                            | -                                     | 176.59                             | 124.26                      | -                                     | 124.26                             |
| ii. Trade Payable  | 246.95                            | -                                     | 246.95                             | 330.78                      | -                                     | 330.78                             |
| iii. Other Financial Liabilities   | 25.38                             | -                                     | 25.38                              | 22.52                       | -                                     | 22.52                              |
| b. Provisions  | 31.11                             | -                                     | 31.11                              | 41.30                       | -                                     | 41.30                              |
| c. Other current liabilities   | 120.63                            | -                                     | 120.63                             | 76.99                       | -                                     | 76.99                              |
| <b>Total current liabilities</b>   | <b>600.66</b>                     | <b>-</b>                              | <b>600.66</b>                      | <b>595.85</b>               | <b>-</b>                              | <b>595.85</b>                      |
| <b>Total Liabilities</b>   | <b>733.12</b>                     | <b>-</b>                              | <b>733.12</b>                      | <b>751.83</b>               | <b>-</b>                              | <b>751.83</b>                      |
| <b>Total equity and liabilities</b>  | <b>1,422.42</b>                   | <b>-</b>                              | <b>1,422.42</b>                    | <b>1,436.51</b>             | <b>-</b>                              | <b>1,436.51</b>                    |
| <b>Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP</b>                    |                                   |                                       |                                    |                             |                                       |                                    |
| Nature of Adjustments  | <b>Net Profit</b>                 | <b>Other Equity</b>                   |                                    |                             |                                       |                                    |
|  | <b>Year ended 31st March 2017</b> | <b>As at 31st March 2017</b>          | <b>As at 1st April 2016</b>        |                             |                                       |                                    |
| <b>Net Profit / Other Equity as per Previous Indian GAAP</b>   | 4.63                              | 206.66                                | 20.21                              |                             |                                       |                                    |
| Proposed Dividend including Tax  | -                                 | -                                     | -                                  |                             |                                       |                                    |
| Deferred Tax   | -                                 | -                                     | -                                  |                             |                                       |                                    |
| Others-on account of gratuity & Leave encashment   | (1.07)                            | -                                     | -                                  |                             |                                       |                                    |
| <b>Total</b>   | <b>(1.07)</b>                     | <b>-</b>                              | <b>-</b>                           |                             |                                       |                                    |
| <b>Net Profit before OCI / Other Equity as per Ind As</b>  | <b>3.56</b>                       | <b>206.66</b>                         | <b>20.21</b>                       |                             |                                       |                                    |
|  |                                   |                                       |                                    |                             |                                       |                                    |
|  |                                   |                                       |                                    |                             |                                       |                                    |
|  |                                   |                                       |                                    |                             |                                       |                                    |



**Note No 33****Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017**

|   | Year ended 31st March, 2017 |                                |               |
|---|-----------------------------|--------------------------------|---------------|
|   | Previous GAAP               | Effect of transition to Ind AS | As per Ind AS |
| <b>Income</b>   |                             |                                |               |
| Revenue from Operations   |                             |                                |               |
| Sale of Products  | 2,552.09                    | -                              | 2,552.09      |
|   | 2,552.09                    | -                              | 2,552.09      |
| Other Income  | 2.19                        | -                              | 2.19          |
| <b>Total Income</b>   | 2,554.28                    | -                              | 2,554.28      |
| <b>Expenses</b>   |                             |                                |               |
| Cost of Material Consumed   | 916.96                      | -                              | 916.96        |
| CHANGES IN INVESTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE | 9.66                        | -                              | 9.66          |
| EMPLOYEE BENEFITS EXPENSE   | 424.41                      | 1.07                           | 425.48        |
| Finance cost  | 39.58                       | -                              | 39.58         |
| Depreciation and amortization expenses  | 67.47                       | -                              | 67.47         |
| Other Expenses  | 1,079.45                    | -                              | 1,079.45      |
| <b>Total Expenses</b>   | 2,537.53                    | 1.07                           | 2,538.60      |
| <b>Profit before tax</b>  | 16.76                       | (1.07)                         | 15.69         |
| Current Tax   | 0.55                        | -                              | 0.55          |
| Deferred Tax  | 11.57                       | -                              | 11.57         |
| Total Tax Expense   | 12.12                       |                                | 12.12         |
| <b>Profit for the Year</b>  | 4.63                        | (1.07)                         | 3.56          |

**Note No 34**

Previous year's figures have been regrouped / re-arranged / recast wherever necessary.

As per our Report of even date  
For C Sharat & Associates  
Chartered Accountants  
ICAI Firm Registration No. 128593W

Chintan Shah  
Proprietor  
Membership No. 127551

For and on behalf of the Board  
Bhagwandas T. Doshi  
(Chairman)

Rajiv B. Doshi  
(Executive Director)

Abhay B. Doshi  
(Managing Director)

Prema Radhakrishnan  
(CFO)

Ravindra B Joshi  
(Company Secretary)

Place : Mumbai  
Date : 19th May, 2018

Place : Mumbai  
Date : 19th May, 2018

SEEPZ - SEZ is a Restricted Zone requiring prior permission for entry (**bring Aadhaar Card**). The Shareholders / Proxies are requested to fax the form (mentioned below) to 022-28292554 or post to the attention of Accounts Department so as to reach latest by Friday, September 28, 2018 to enable the Company take the individual permission for Entry to Seepz (SEZ).

**FINE-LINE CIRCUITS LIMITED**

Regd. Office: 145, SDF-V, Seepz- SEZ, Andheri (East), Mumbai -400096

CIN: L72900MH1989PLC131521 Tel: 91 22 2829 0244 | E-mail: fineline@vsnl.com, Website : www.finelineindia.com

**Attendance Slip**

I hereby record my presence at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company at 2nd Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri –(E), Mumbai -400096 on Saturday the 29th day of September, 2018 at 10:30 A.M.

SIGNATURE OF THE ATTENDING MEMBER / PROXY

Notes : 1. Shareholder /Proxy holder wishing to attend the meeting must bring the Attendance slip to the meeting and hand it over at the entrance duly signed. 2. Shareholder/Proxy holder desiring to attend the meeting should bring his / her copy of the Annual Report for reference at the meeting.

**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]

**FINE-LINE CIRCUITS LIMITED**

Regd. Office: 145, SDF-V, Seepz- SEZ, Andheri (East), Mumbai -400096 | CIN: L72900MH1989PLC131521 | Tel: 91 22 2829 0244

E-mail: fineline@vsnl.com, Website : www.finelineindia.com

Name of the Member (s) : \_\_\_\_\_  
 Registered address: \_\_\_\_\_  
 Email Id: \_\_\_\_\_  
 Folio No./ Client ID: \_\_\_\_\_  
 DP ID No. \_\_\_\_\_

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

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him / her:

2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him / her:

3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him / her:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 28<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, 29<sup>th</sup> day of September, 2018 at 10:30 a.m. at 2<sup>nd</sup> Floor, BFC Hall, Business Facilitation Centre, Behind Seepz Administrative Building, Seepz, Andheri – (E), Mumbai - 400096, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

| Sr. NO. | Resolutions  | For | Against |
|---------|--|-----|---------|
| 1.      | Adoption of Audited Financial Statements for the year ended March 31, 2018                       |     |         |
| 2.      | Re-appointment of Shri. Rajiv Doshi (DIN: 00651098) as a director of the Company                 |     |         |
| 3.      | Appointment of Statutory Auditors of the Company.  |     |         |
| 4.      | Continuation of directorship of Mr. U. Nimmagadda (DIN 00613289) as a director of the Company    |     |         |
| 5.      | Re-appointment of Shri Bhagwandas T. Doshi (DIN: 00040596) as Whole-time Director of the Company |     |         |

Signed this \_\_\_\_ day of \_\_\_\_\_, 2018

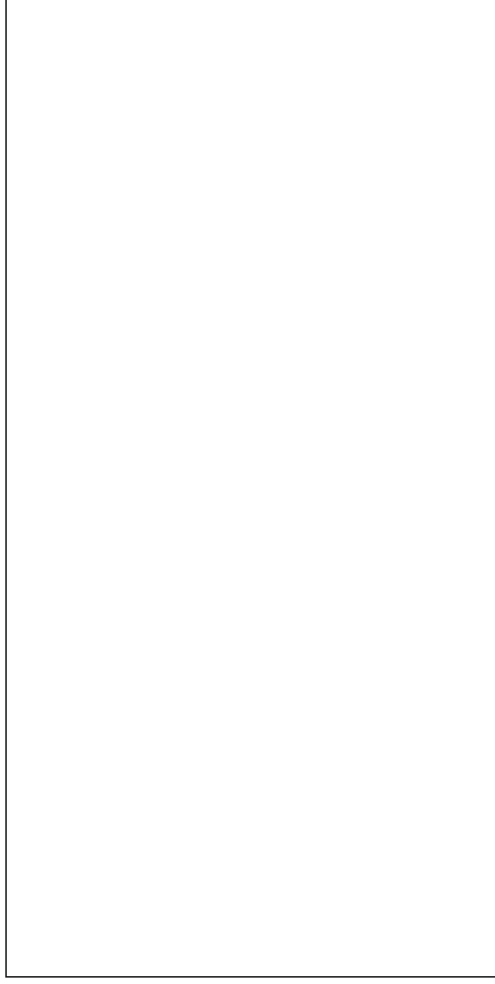
Signature of Shareholder

Signature of Proxy Holder (s)

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

Affix  
Revenue  
Stamp  
of Re. 1/-

BOOK POST



*If undelivered, Please return to:*

**FINE -LINE CIRCUITS LIMITED**

145, SDF - V, Seepz (SEZ), Andheri (East),  
Mumbai-400 096.